

Global Payment Processor Reduces False Positives by 98%






CLIENT PROFILE

- Multinational financial services payment processor.
- Operates in 64 markets across 5 continents.
- Processes millions of credit card, multicurrency, and tax payments for their business clients daily.

GOALS

- Reduce 1,000s of daily alerts with false positives to a manageable amount.
- Monitor the financial health of partners and identify problem areas.
- Decrease total fraud losses for the company with specific controls.

RESULTS

-  93% reduction in number of fraud alerts.
-  Reduced time to review an alert from 30 minutes to 1 minute.
-  98% reduction in false positives.

Global Payment Processor Needed a Massive Fraud Prevention Upgrade

This financial services processor for several multinational clients was rapidly expanding globally, and it needed a dramatic overhaul of its fraud strategy. Its existing system generated tens of thousands of alerts daily across thousands of merchants, and its fraud team could only review a small percentage of those per day with existing resources. With a high rate of false positive alerts, it was hard to sift out and remove the true positives, leading the company to miss 99% of true positives, resulting in later compliance issues. The global processor needed to replace its solution with one that could monitor transactions in real-time, scale with it as it grew, and be regularly updated with current fraud trends and technologies.

A Collaborative, Scalable Approach to Risk Management

Fraud.net's no-code, flexible, real-time solution provided the processor with the support it needed by working closely with product managers to deliver a tailored solution. With Fraud.net's help, the payment processor sets policies for merchants, with chargeback rate and fraud rate thresholds unique to specific merchants or categories of merchants. Fraud.net also updated its platform to alert the processor about policy violations, reducing the number of alerts by 93% and instantly risk scoring them to identify true positives, generating 100 true positives daily. As a result, the processor saw a reduction in time to review from 30 minutes to just one and a 98% reduction in false positives. Fraud.net provided the processor entity monitoring capabilities, allowing it to view and manage entity risk through this framework, reducing fraud and maintaining compliance.

“What truly set Fraud.net apart was their commitment to collaboration, continually working closely with us to navigate our fraud and compliance challenges and ensure our success as we grow, offering us peace of mind in an ever-evolving landscape. Choosing Fraud.net was not just a solution; it was a strategic investment in our future.”

Senior Director of Risk Management