

Social media app increases its automatic address verification rate and streamlines international customer onboarding

A neighborhood-based social media app with over 30 million active users implements Incognia's location identity to increase address verification rates in international markets.

The Challenge

This leading social media app requires every new user to verify their address before opening an account. With its existing address validation solutions, the app was able to verify approximately 70% of users, with lower performance in international markets. **The Trust & Safety team needed a solution that could increase the app's real-time address verification rate in both established and emerging markets globally.**

Background

In order to validate the addresses of new users at onboarding, this mobile app used a waterfall process comprising three steps:

1. API call to a database service that leverages the user's phone number to verify the user's address
2. API call to a database service that leverages email address to verify user's physical address
3. If neither solution is able to deliver a response (either positive or negative), the company sends a postcard with a one time passcode (OTP) to the address provided at onboarding to verify the user's address. Postcard delivery can take anywhere from 3 days, for domestic delivery, to up to two weeks for international destinations.

To support international expansion, **the company needed a more scalable address verification solution that could streamline new customer onboarding in all target markets.**

The Solution

The Trust & Safety team initially focused on finding an identity database that had high global coverage. These API-based solutions enable a check of the personal information provided by a new user against a pool of data gathered from 3rd party sources to determine whether the address provided matches other personal information provided by that individual. The challenge the team faced was the databases were sometimes outdated, resulting in an inability to validate the addresses of 30% or more of applications in certain international markets.



Company Profile

- Hyper-local social app
- Founded in 2011
- 30M monthly active users
- Presence in 11 countries with plan for rapid expansion



Results

- **94.9%** of new user addresses verified in real-time when location permission enabled
- **63%** of previously unverifiable users immediately approved by Incognia
- Increased rate of user's approval and onboarding by up to **24%**

For these reasons, the company chose to test the Incognia's real-time Global Mobile Address Validation solution. Rather than relying on 3rd party data, Incognia's SDK uses the sensors on a mobile device to determine the real-time location of a user with precision of up to 10 feet (~3m). It then compares that location to the address the individual provides during account creation to determine the reliability of the information. Incognia's API then delivers a **LOW**, **HIGH** or **UNKNOWN** risk assessment to the app, enabling it to make an immediate approval or rejection decision. A **LOW** risk assessment means that the user is onboarding from a location which is at or near the address provided, a **HIGH** risk assessment means that the user is onboarding from a location which is far away. The user's location information is handled by Incognia with the highest degree of privacy protection and is not associated with any other form of user PII. Incognia is compliant with GDPR, CCPA and other international consumer privacy regulations and is based on privacy by design principles.

After the Incognia SDK was integrated into the app, Incognia analyzed 30 days of location data from **2.5 million new users across 11 countries and delivered a risk assessments** based on the user's proximity to their declared address.

Address Verification Rate



Of the users that granted location permissions to the app, Incognia was able to **deliver an immediate risk assessment (low / high) for 94.9% of new users**. Incognia delivered a **LOW** risk assessment for **63% of the new users** that the app's existing solutions were unable to verify. Incognia also determined that **35% of these previously unverified** new users had no location events near the address provided at onboarding, warranting a **HIGH** Risk assessment. Using Incognia in the mobile app enabled the social networking **company to increase its real-time approval rate in international markets by up to 24%**.

Based on the increased address verification rate, the higher new user conversion and the lower costs resulting in the streamlining of the onboarding process, Incognia was selected by the Trust & Safety team for introduction into two international test markets before wider **release to the 11 markets where the app is available**. When fully deployed, Incognia will be the first vendor called in the onboarding waterfall. This is due to Incognia's higher verification rate and lower cost.

About Incognia

Incognia is a privacy-first location identity company that provides frictionless mobile authentication to banks, fintech and mCommerce companies, for increased mobile revenue and lower fraud losses. Incognia's award-winning technology uses location signals and motion sensors to silently recognize trusted users based on their unique behavior patterns and is a key enabler for Zero-Factor Authentication. Deployed in over 150 million devices, Incognia delivers a highly precise risk signal with extremely low false positive rates.

