

# POST-PAYMENT VERIFICATION



## **Post-Payment Verification: Innovation in Fraud Prevention**

Fraud prevention in e-commerce is an essential component of maintaining the integrity and reputation of an online business. Know Your Customer (KYC) verifications are processes that many organizations carry out to determine the identities of their customers and attempt to assess their risk level. In other words, KYC verifications are the actions taken by businesses to gauge the potential risk of their customers committing fraud or other criminal activities. However, despite their importance, these processes can be unpleasant for the customer and sometimes easy for criminals and fraudsters to bypass.

## **The Challenges of Traditional Customer Verification and Payment Friction**

Other measures put in place to protect consumers, such as 3D Secure (3DS) and Strong Customer Authentication (SCA), can cause friction and churn in payments. Cart abandonment due to 3DS can be as high as 40% in Spain and France. These are not sales any merchant wants to miss out on, which gives them ample reason to avoid implementing 3DS if they can help it or even avoid specific banks.

## **Enhancing Customer Experience**

By conducting analysis and verification after payment, merchants can better understand the transaction by analyzing customer behavior. This enables merchants to create a more personalized and improved customer experience, increasing customer satisfaction and enhancing the site's reputation.

## **Reducing Abandonment Rates with Post-Payment Verification**

Post-payment smart verification is a valuable tool that allows merchants to analyze and make informed transaction decisions while improving customer experience and reducing abandonment rates. This method incorporates the customer identity verification process after the customer has made the payment, allowing merchants to obtain the necessary information to validate the order and significantly reduce abandonment rates. By performing verification based on risk level, customer experience is further improved, and abandonment is reduced even more.

## **Reframing Customer Verification as an Asset**

Let's examine why customer verification can be considered an asset rather than a pain point and how it can be improved and streamlined across industries. By rethinking the verification processes and implementing post-payment smart verification, businesses can reduce payment friction and enhance customer experience without compromising the effectiveness of fraud prevention measures.

Post-payment smart verification is an innovative solution in fraud prevention that enables merchants to analyze and make informed decisions about transactions while enhancing customer experience and reducing abandonment rates.

Adopting this approach can benefit merchants and their customers and improve the effectiveness of combating online fraud.