



Sales Shine for Reeds Jewelers as Fraud Costs Plummet



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Mark deCausmeaker
 Director Multi Channel Sales
 Reeds Jewelers

SITUATION

Reeds Jewelers is a family-owned jeweler with thriving e-commerce, catalog, and brick-and-mortar operations. The online store was launched in 2001, with Mark deCausmeaker, Director Multi Channel Sales, joining the team in 2007. Since opening, the web store has relied upon manual reviews using rigorous rules to protect against fraud. However, by early 2012, the order rejection rate had reached 25% and manual reviews were becoming a drag on productivity.

Then, the store was hit by a big spike in fraud activity. This episode—plus the high rejection rate and increasing cost of manual reviews—lead Mark to seek an automated solution that would reduce fraud while boosting sales. “More sales mean more fraud. And criminals keep getting more sophisticated,” he notes. After evaluating a number of solutions, Mark chose Kount Complete™. “I’m not one of those guys who jumps at the first thing,” says Mark. “We spent two months in review. The deciding factor was that Kount asked the kind of questions that made me feel they truly understood our challenges and our business.” What’s more, Kount’s pricing was better than its competitors. “Other solutions were more expensive,” recalls Mark, “but we couldn’t see how they were going to perform

better than Kount.”

Once the decision was made, implementation was fast and seamless. “We use the integration company Kadro. They’ve done a lot of e-commerce work and they said Kount was the best company they’ve worked with. It was their smoothest integration ever.”

SOLUTION

“We launched with Kount’s core functionality, plus a number of custom rules that Kount recommended for our business,” says Mark. “We’ve been able to run that setup for the past 14 months with great success. We increased sales 24% while dropping bad debt to 20% of what it used to be. In fact, bad debt is at its lowest level since I first started tracking it.” Mark estimates that combination has generated an 8% - 9% improvement in the online store’s bottom line. But even more important is Kount’s impact on customer satisfaction and brand reputation.

“As an online retailer, the only thing you have is your brand,” says Mark. “Before Kount, I personally experienced our manual reviewers calling customers about Mother’s Day, Father’s Day, and Christmas gift orders, and asking the customers to please contact their bank to add the “Ship To” address to their credit card account so we could approve. Thanks to Kount, that no longer happens.”

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In fact, Mark estimates the online store has booked an incremental 2,300 orders over the past 14 months, compared to what would have been approved under the old system. The result has been an additional half million dollars in sales.

There are other benefits as well. “Before Kount, we manually reviewed about 20% of orders. We’ve cut that significantly and now spend 80% - 85% less time on manual reviews,” observes Mark. And website performance hasn’t been affected in the least by the use of Kount. Mark says: “Some recent testing we conducted for load times and speed returned a list of processes impacting performance. Kount didn’t even register.”

Now that Reeds has a 14-month baseline, Marks says they’re looking at more ways to improve their current rules set: “Kount’s customer service team is highly proactive. They come to us all the time with

solutions they’ve implemented for other customers and that they think would apply to our situation. We’re eager to layer them in.”

OUTCOME

- 24% sales boost in just 14 months.
- Estimated 2,300 additional orders approved and \$500,000 additional revenue.
- 80% fewer bad debt transactions (chargebacks + merchandise/shipping losses).
- Up to 85% reduction in time spent on manual reviews.

Mark summarizes his experience with Kount: “We’re very pleased. Kount lets us control our exposure to fraud while growing sales and improving the brand experience for our customers. When people ask me about Kount, I tell them Kount is singularly responsive and proactive in their approach. I can recommend Kount without reservation.”



BOOST SALES, BEAT FRAUD

Kount helps online businesses boost sales by reducing fraud and allowing them to accept more orders. Kount’s all-in-one, SaaS platform is designed for merchants operating in card-not-present environments and the payment service providers that support them, simplifying fraud detection and dramatically improving bottom line profitability. Companies using

Kount can accept more orders from more people in more places than ever before. Kount is a turnkey fraud solution that is easy-to-implement and easy-to-use. Kount’s proprietary technology has reviewed billions of transactions and provides maximum protection for some of the world’s best-known brands. For more information about Kount, please visit www.kount.com

