



Kount Central™ Helps BlueSnap Protect Their Merchants and Their Bottom Line



“Our business has doubled while the chargeback rate for our merchants has declined 500%.”

John Johansen
Fraud Manager
BlueSnap

Kount Central™ is a comprehensive fraud prevention suite for online payment processors, payment gateways, hosted payment pages, and eCommerce platforms that provides deep insight into critical backend underwriting when reviewing ongoing risk in their merchant portfolio, as well as when reviewing merchant account applications. Further, Kount Central allows processors to offer their merchant customers “Instant-on/Zero Integration” fraud prevention as a value-added service.

SITUATION

BlueSnap is a global payments company that looks at eCommerce a little differently. BlueSnap believes every customer has the right to a seamless online experience and the ability to purchase easily, quickly, and securely. Prior to implementing Kount, BlueSnap had a labor-intensive fraud detection process involving multiple customer service representatives manually reviewing hundreds of suspicious transactions daily. With growth adding more accounts to their existing merchant base, John Johansen, Fraud Manager at BlueSnap saw an increasing need for an anti-fraud solution that would automate fraud prevention for their entire customer portfolio while enhancing the screening process. “Our old internal system was flagging more orders than necessary, which created a heavy workload and sometimes slowed down the approval process,” says John. “Even so, fraud rates were still higher than we wanted them to be.”

John saw Kount Central™ as an ideal solution for their challenges.

Kount Central™ provides a baseline level of fraud prevention across the entire BlueSnap portfolio while enabling degrees of customization and control by BlueSnap’s mid-level and top tier merchants..All via a single integration.

SOLUTION

BlueSnap saw a number dramatic improvements after converting their merchant base to Kount Central. “In the first month after the changeover, the chargeback rate for our merchants was 5X lower, dropping from 1.04% to 0.19%. It had been as high as 1.67% in previous months.”

In addition, the costly manual review process was completely eliminated. “With Kount Central’s automated process, we’re handling 50% higher transaction volumes and have zero people reviewing orders for fraud,” notes John. “Those half dozen customer service reps who were reviewing transactions for fraud are now doing revenue-enhancing activities, like helping merchants build their sales.”

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Best of all, the approval rate for valid orders has remained about the same, according to John: “Our overall decline rate is higher, but that’s because Kount Central is catching the fraud that used to slip through the cracks with the old system. Our merchants haven’t reported any impact on their sales. In fact, Kount now makes the approval process faster, so there aren’t any delays from manual reviews. Also, Kount Central makes it easy to whitelist recurring orders that may have looked suspicious to the old system and been reviewed or delayed. Now they get approved right away.”

CUSTOM OFFERINGS FOR MERCHANTS

The ability of BlueSnap merchants to customize Kount Central is critical to BlueSnap’s fraud prevention strategy. “Our top-tier merchants can have complete granular control over their fraud prevention process with Kount Central,” notes John. “We just flip a switch and in 10 minutes, they’re using the Kount system. No integration or IT project for their IT team or ours. And they can configure their Kount solution to meet their unique needs. For example, if they want to manually review certain types of transactions, blacklist specific countries, or whitelist best-customer IP addresses, they can easily do that. Our mid-size and smaller merchants also have the ability to customize Kount to meet their specific needs.”

SIMPLE RULES WRITING

Easy rules implementation is a key benefit of Kount Central, reports John: “We thought we might have to customize the base set of Kount Central rules quite a bit to handle the various verticals in our merchant portfolio. But that has not turned out to be the case. However, when we do need to implement custom rules, Kount Central is so much faster and easier than the previous system. For example, if we spot fraud attacks originating from a specific IP address, in just a few minutes we can add a new rule to block that address. With our previous system, that type of rule change might have had to wait for the next product release, which could mean days or even weeks.”

MOBILE SCREENING AND RULES

Kount has helped BlueSnap keep pace with the dramatic increase in mobile commerce. “We had no mobile or device ID previously,” reports John. “We couldn’t tell if an order was coming from a 1980’s computer or a smart phone. But now Kount gives us the ability to see if it’s a mobile order, plus what type of device is being used, it’s geo-location and more. With fraud being higher in mobile transactions, that’s really important for holding down fraud. Also, it’s easy to create rule sets around mobile transactions with Kount. We see that as a real bonus.”

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GROW BUSINESS & RETAIN MERCHANTS

BlueSnap's base level of fraud prevention – coupled with their ability to offer merchants custom anti-fraud configuration – helps BlueSnap differentiate their offering from other processors. “Most processors don't offer high-level fraud built in,” says John. “Let alone the ability to upgrade with custom configurations. That sets us apart. It also opens new ways for us to talk to prospective customers.”

John points out that Kount Central also helps BlueSnap build trust and better relationships with current customers: “Most processors have some kind of fraud prevention tool in place, but they typically keep that data separate from customer service. Kount Central makes it very easy for us to be upfront with merchants. We can demonstrate our baseline fraud prevention capability, and if they need more protection or custom capabilities, Kount Central lets us easily adapt to their specific needs. That not only helps with new customers, but opens up communications with existing merchants. Instead of sending them, for example, ‘you've exceeded your chargeback thresholds’ alerts, we can look at the data with them to see if they're experiencing new attacks. We can have more productive conversations and show them how we can fix the issue...Right away. So they can reduce chargebacks and avoid loss of product. That builds greater trust and comfort between us and our merchant base.”

OUTSTANDING SERVICE AND SUPPORT

John has been impressed by Kount's level of service, starting with implementation: “I wasn't involved on the coding side, but I understand that went smoothly. Once the technical integration was completed, migrating customers from the old system to Kount Central was also smooth. No bumps. No delays. We would open a page on our main console with a list of merchants and click the button that said ‘Convert to Kount.’ In seconds, they were protected. We migrated our entire portfolio over a 60-day period. Looking back, we probably could have done it faster, but we wanted to be cautious.” Kount's ongoing support has been just as good: “It's been phenomenal. Our account manager is incredibly responsive. Even if it's 3 am in the morning, we get a response within the hour. We couldn't be more pleased.”

GREAT VALUE

John sees two aspects to Kount Central's value: “First, I think Kount Central is a lot more affordable than systems I've had experience with in the past. It's just a great value compared to other solutions. Second, because it's configurable, we can offset costs by selling it as a value-added customization to our merchants who want or need additional capabilities.”

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**OUTCOME**

- Reduce chargeback rate within their merchant portfolio by 5X, down to .02%
- Double business / 50% increase in transaction volume.
- Eliminate hundreds of manual reviews per day.

John summarizes BlueSnap's experience with Kount Central: "Kount Central definitely provides us with a competitive advantage. For example, one of our competitors has a reputation

for experiencing a lot of fraud. Our ability to offer the baseline level of Kount fraud protection at no extra cost helps us win business from them. Merchants see it as a big benefit. And being able to offer additional, configurable options of Kount makes that offering that much stronger. Kount Central gives us something else to talk about besides rates and pricing. I told one of my friends who just got a job working at a merchant in fraud prevention that he should sign up with us, because we'll make his job so much easier."

**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