



## National Data Provider Avoids Chargeback Jail



“ They’ve just been super. We implemented in two weeks, tuned the system within six, and were out of chargeback jail within a month.

**Fraud and Risk Manager  
National Data Provider  
(Company wishes to retain its anonymity for competitive reasons.)**

### SITUATION

A national data provider (who wishes to remain anonymous for competitive reasons) was in crisis. Because of fraud problems, the provider’s chargeback rates were consistently running over the 1% threshold. After a series of fines and penalties, the firm was put on notice that it was within 30 days of a processing shutdown.

Like many other firms, the company had reached this state by assembling its own collection of anti-fraud tools and was managing them itself. But their process suffered from poor fraud prevention results. This caused them to undertake more manual reviews, which created customer satisfaction problems, slower service, and significantly higher labor costs.

### SOLUTION

With the processing shutdown looming, the company was compelled to act quickly. The firm solicited proposals from five companies. After reviewing proposals for speed/ease of implementation, plus performance and flexibility, Kount was selected. Integration with the Kount platform was fast and nearly seamless. The Kount solution employs a Software as a Service platform, so it does not require the time-consuming purchase/deployment of hardware and software.

Within 10 days, the provider had Kount’s basic fraud prevention system up and running chargebacks started dropping immediately. Within 45 days, the rules had been fully tuned to meet the customer’s specific business characteristics.

### OUTCOME

Upon implementation of the Kount platform, the threat of a processing shutdown receded almost overnight. Chargeback fines/penalties were eliminated in just 30 days.

More importantly, the Kount team was able to optimize the system so that rejection rates were set to allow the maximum number of sales, while keeping fraud rates at acceptable levels. In fact, the company has maximized revenue by tuning the Kount fraud detection system to limit chargeback rates to just below the warning threshold.

What’s more, manual reviews have been reduced to less than 0.8% of transactions. This has enabled faster service, greater customer satisfaction, and lower labor costs. For an order rate of over 30,000 transactions per day, a single fraud analyst is on staff, reviewing 200– 300 orders a day, The other 29,700 orders are examined, scored and either approved or rejected automatically using Kount’s interlocking fraud detection and assessment tools. No human intervention is required.

CONTINUED ON NEXT PAGE

**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](http://www.kount.com)