

Risk solution services & Manual Order Review

Efficient test for risk and fraud – from check-out to shortly before shipment

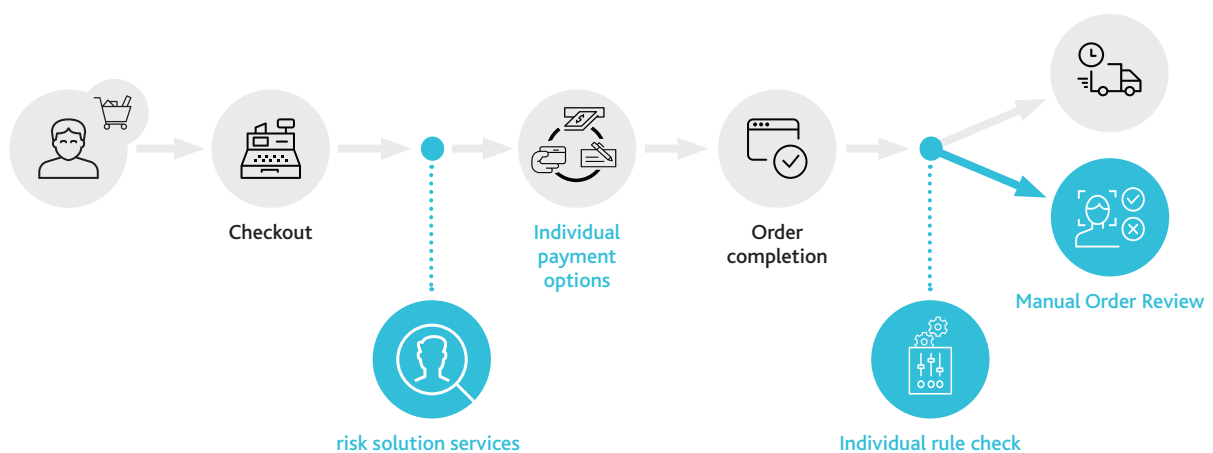
The challenge to you

By their own account of experience in their shops, around half of German online retailers have already identified fraud rooted in cases of false identity.

Almost just as many have already had to deal with incorrect address entries, with fraudulent disclosures of credit rating, and with credit card fraud. With the various types of fraud constantly evolving, a single defence strategy is usually not suited to the task of detecting attempts at fraud and, in the best case, preventing them before they can even occur.

Our solution

When it comes to combatting fraud, combining a variety of applications makes all the difference. That is why Arvato Financial Solutions applies a multi-part process. To begin with, risk solution services are deployed that assess profitability by identifying credit and fraud risks. In a second step, a decision engine equipped with an individually configurable set of rules determines whether an extensive, manual review of the order by the Manual Order Review Team is necessary. This combination offers the best protection possible, by including services such as assessments of identity and creditworthiness, or identification of fraudulent orders.



How does our Risk & Fraud Check work?

Risk solution services

The order is in the shopping cart, and the customer wants to enter his or her personal order and payment information to complete the order. This is where risk solution services come in. Arvato Financial Solutions takes into account not only credit and debtor information but also a particular consumer's purchase, payment and return behaviour, together with any open items or dunning procedures already under way. Based on these data, Arvato Financial Solutions generates an individual risk profile for the end customer in real time. The range of payment methods presented to the consumer, and his or her purchase limit, are then dynamically adjusted. The higher the likelihood of default, the narrower the limit and the range of payment options presented.

Individual rule check

If the customer completes his or her order, the rules programmed into the decision engine are applied. The rules can be individually configured and assess whether a manual decision about the purchase is necessary: the Manual Order Review. Thanks to this automated pre-sorting, shipments of orders not suspected of fraud can be moved directly on to logistics for further processing. The rules are quick and easy to configure, so the process can be adapted to new developments and new phenomena in the world of fraud.

Manual Order Review

If the individual rule check should require a Manual Order Review, a fraud agent with many years of experience can access further details of the customer history as well as information from social networks and other sources (e.g. Google Earth). All available information enters into the individual determination of whether this is a good orderer, with dispatch initiated; or whether there is suspicion of fraud and the order is cancelled.

The benefits to you



Long-term, positive shopping experience for end customers, thanks to optimal payment methods and limits



Maximum shopping cart utilisation through dynamic limit controls



Quick response to new fraud phenomena through flexible rule configuration



Efficient Manual Order Review for the identification of fraud



No negative impact on the shipping process, thanks to short processing times



Personal support by the Risk & Fraud Manager

Throughout the process, Arvato Financial Solutions provides the assistance of a personal Risk & Fraud Manager. Working on a weekday basis, he or she analyses anomalies in ordering behaviour, responding at once with suitable measures where appropriate. He or she identifies weaknesses in the risk-assessment process – such as changes in the data quality of enquiries, the acceptance or default rates. In addition to this, optimisation analyses are performed each year, with any needed steps taken in response

Would you like to find out more? Contact us!

Arvato Financial Solutions | Credit Risk Management

Email: ecom@arvato.com

finance.arvato.com

