

● Pre-Paid Mobile Phone Provider Hangs Up Fraud

The Situation

One of the largest providers of pre-paid mobile phones and wireless services was being targeted by fraud rings. Due to the high number of fraudulent transactions for phones, pre-paid minutes, service contracts, etc., the company landed on the Visa Excessive Chargeback Program. As the company began searching for an online fraud prevention solution, the fraud attacks suddenly surged, reaching over \$1 million in a single month. This created even greater urgency, as Visa began adding fines on top of their chargeback fees.

The company contacted Kount—as well as a number of our competitors—seeking not just an ad hoc technology/tool, but a complete, end-to-end solution that could streamline automated and manual fraud prevention processes for both their online business and physical store locations.

The Solution

After reviewing a number of offerings, the mobile phone service provider chose the Kount Complete™ solution. Due to the urgency of the situation, roll out was done as rapidly as possible. Kount worked with the company’s outsourced IT supplier to integrate, test and deploy the Kount Complete solution in just 6 weeks. **Within 30 days of roll out, the company was off both the Visa fine program and chargeback program.**

Today, all POS and online credit card transactions run through the Kount Complete™ solution. In just 250 to 350 milliseconds, a Kount Score is generated, quantifying the level of fraud risk from 1-99. Automated custom rules are then applied, enabling 98.2% of all orders to be handled automatically, with only 1.2% requiring manual review.



Kount recognizes that you’re looking for more than a technology tool. You want a turnkey “decision engine” for fraud prevention...an easy-to-use, end-to-end platform that is feature rich and uses proven technology—with minimal dependence on third party services.

The Outcome

With the company relying on Kount Complete as their first line of defense against fraud, they have realized critical business benefits that have directly improved their bottom line:

- Chargeback rates were reduced by 95%
- Fraudulent transaction rate was slashed from 1.2% of transactions to .2%
- Transactions requiring manual review were reduced to 1.2% (compared to industry norm of about 5%), with just 4 individuals needed to handle all manual reviews
- Revenue rate was maintained (i.e., legitimate transactions did not experience higher decline rates)

After a lull in activity by the fraud rings (due to the failures they were encountering because of the Kount solution), they returned for one last attack, attempting hundreds of fraudulent transactions for high-value SmartPhones in a single weekend. The Kount Complete solution stopped them cold...with no negative impact on normal business.



Kount is a leading innovator of solutions for fraud and risk management. Our “decision engine” platform is ideal for managing fraud in online/telephone channels that process payments and onboard new customers. Kount is committed to offering an end-to-end, single-source solution focused on speed, simplicity and ease of use... with a no-compromise approach to providing real-time accuracy in results.

KOUNT COMPLETE™

The Kount Complete™ fraud control solution delivers out-of-the-box results at a fixed cost, while providing total customization/control so you can fine tune results to meet the unique requirements of your vertical industry or market segment.

Better, Real-Time Data

- Kount uses cross-merchant, cross-vertical consumer activity data that no other provider has access to
- Truth-in-data outcome: automated chargeback updates, manual review outcomes, card networks, etc.

Best-in-Class Technology

- Kount holds multiple patents and owns the core technology
- NOT channel specific: handles Online, Mail Order, Phone, etc., along with credit cards, checks, ACH, alternate payments, etc.

Operational Efficiency

- Super-fast response time: 250 to 350 milliseconds
- Automation of manual review process allows fewer agents to handle more reviews

End-to-End Solution

You only need one solution to run your entire fraud/risk operation:

- Comprehensive, integrated set of fraud technologies and tools, including:
 - Multi-layer Device Fingerprinting™
 - Proxy-Piercer®
 - Dynamic Scoring™
 - AutoAgent with Manual Review Automation
 - And much more...
- Single-platform infrastructure connects 3rd-party authentication and verification tools into a single interface
- Single view for Customer Service and fraud prevention / manual review
- Real-time rule provisioning lets you change rules and workflow on-the-fly

Simplicity and Ease of Use

Fraud prevention does not have to be complex or complicated:

- Ready to use without major infrastructure or time investment: you can get up-and-running right away
- Intuitive, point-and-click interface lets you easily configure and manage all tasks
- 3rd-party point solutions are pre-integrated
- Manual reviews can be reduced to just 1% of transactions

Value and Accuracy

Single-source solution with fixed costs...avoid the expense / upkeep of multiple tools:

- Immediate, dramatic results: 30% uplift on top and bottom line
- Reduced costs and faster response times because Kount owns the core underlying technology
- Analyzes over 200 individual risk variables in just 250 to 350 milliseconds to deliver an accurate, quantified risk score (1-99)
- Dramatically reduces chargebacks: on-going, post-transaction monitoring provides alerts on transactions that have subsequently shown negative behavior