



CASE STUDY

Preventing Fraud with Verifraud

Client

A Fortune 1000 technology provider

Business Challenge

The Client needed a comprehensive solution to reduce fraud losses in both trade credit and credit card environments while simultaneously improving the overall customer experience.

Solution

Direct Alliance's Verifraud solution provided a robust array of analytic tools to address the Client's goals. To reduce trade credit losses, the team used Verifraud's extensive database capabilities to quantify historical losses and provide an economic context for evaluating solution alternatives. The Market Presence Indicator separated legitimate from fictitious firms by measuring historical operational footprints for a company. To address credit card fraud, the team performed a thorough business environment analysis to identify statistically significant indicators of credit card fraud by both order and customer behavior characteristics. Advanced analytics, unique data sources, processes redesign, and optimal technology combinations supported further improvements in both the trade credit and credit card areas.

Metrics

Verifraud appreciably reduced both trade and credit card losses. Annual trade credit fraud losses decreased by \$1.4 million for an annualized ROI in excess of 1000%. At the same time, credit card fraud was reduced by approximately 20% while negative customer impacts decreased by nearly 75%.