Kount[®] case study



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eCommerce Manager, Online European Performance Aftermarket Parts Business

European Performance Aftermarket Parts Leader Revs Up Online Fraud

SITUATION

This customer story features a multi-million-dollar online merchant that specializes in import auto parts and aftermarket accessories. For security reasons, they wish to remain anonymous, but wanted to share their success in reducing fraud with Kount.

Like many merchants in this segment, they started out as a brick-and-mortar operation, but then moved to also selling online. After successfully growing their eCommerce business with very little fraud during the first few years, they were suddenly hit with a surge of fraudulent orders in 2015. Their eCommerce manager explains: "We started getting orders for \$4,000 or \$5,000 that turned into chargebacks costing us thousands and thousands of dollars each month. We increased manual reviews to try and stop it, but we got to the point where we were reviewing 25% to 30% of orders. Even so, at the peak of the attack, as many as 20% of orders were fraudulent. It really slowed down our growth as we pulled back and started looking for a fraud prevention provider to help us get it under control."

After evaluating multiple fraud prevention providers, the company chose Kount. "The sandbox test sites really proved Kount was the best solution for us," their eCommerce manager recalls. "Kount was the most thorough and had unique technology like Personas. We also were impressed with Kount's Big Data capabilities, where we benefit from insights they gain by processing millions of transactions." For their shopping cart, the company uses X-Cart, an integration partner of Kount's. "X-Cart was able to customize our checkout experience and integrate Kount. They did a great job of accommodating how we want to work."

SOLUTION

As soon as they deployed Kount, the company saw a dramatic drop in fraud losses: "As I said earlier, the percentage of fraudulent orders was as high as 20% at the peak of the attack. But with Kount, our chargeback rate is now less than 1%. In addition, our Kount customer service representative helped us automate some of our processes. As a result, we have been able to cut our manual review rate to just 7% of orders, which is saving us a lot of time and money."

What about ROI? "Kount is one of the best values, it more than pays for itself," says their eCommerce manager. "It has saved us tons of money. During our initial search for fraud prevention providers, we had looked at companies that were offering a 100% chargeback guarantee. But they were really expensive. And they didn't allow us to have control over which orders

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would be approved or declined. We would just have to accept their decisions."

How do Kount's capabilities rate? "The features and functionality are fantastic. Kount is extremely detailed but still easy to use and very intuitive. I was the person initially using it, but was able to train my replacement very quickly. Best of all, Kount is a one-stop fraud prevention system. You don't have to worry about figuring out what other systems you might need. It does it all. It is definitely worth the investment."

And how does Kount perform when it comes to customer support? "The service we've received from Kount has been fantastic. Incredible. We could not ask for anything better. They always get back to me quickly, usually less than an hour. I've been on the phone with my account representative at 9 PM at night when I've had urgent questions."

OUTCOME

- Reduce chargebacks dramatically, to less than 1% chargeback rate.
- Cut the number of manual reviews by nearly 70%.
- Work seamlessly with X-Cart.

Overall, the experience of this import auto parts and aftermarket accessories eCommerce merchant has been highly positive: "We would definitely recommend Kount to anyone using X-Cart, or any eCommerce platform, for that matter. X-Cart did a great job at optimizing the Kount instance in our shopping cart, and we've had 100% uptime since we've started using Kount. Kount is a very detailed and sophisticated system. At the same time, it's extremely easy and intuitive to use. Considering all the losses we've eliminated, Kount is absolutely a great value."



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