NIPPING FRAUDS IN THE BUD

Intelligent investigation of data to prevent fraudulent returns.

The client is an American e-commerce company and among the biggest search engines in the world.
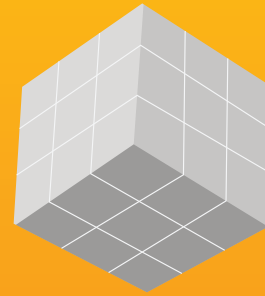
Infosys® BPM

CHALLENGES

The client observed an 8x increase in sales and faced the following challenges during the start of the COVID-19 pandemic:

- 100x increase in chargebacks; chargeback benchmark was initially set to 0.4% of the fulfilled gross merchandise value (GMV)

- Returned goods were not reaching the vendor

SOLUTIONS

The specialists' team at Infosys BPM did a thorough examination of multiple data sources and:

▶ Classified chargebacks (account take over, Service Issue, friendly fraud, return fraud, and stolen card)

▶ Identified customers that claimed a chargeback upon rejection of refund

▶ Categorized over 80% of the fraudulent returns to fall under:

- Expensive purchases by first-time users
- Tampered bar code resulting in the system tracking a different package address
- Discrepancies in the returned package
- Associated or parallel accounts displaying a similar behavior

BENEFITS

Infosys BPM helped the client with the following:

▶ Identified potential frauds that amounted to ~0.7% of fulfilled GMV

▶ Implemented order capping and auto cancellation of orders based on return history

▶ Modified the return process

$0.5 Mn
Potential fraud identified

239
Customers de-listed

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