CASE STUDY

Thredd boosts its payment processing proposition with real-time fraud detection

Thredd offers fintechs, paytechs, and card issuers reliable, scalable payment processing solutions. It has built a reputation for helping its clients get to market quickly, comply with regulatory requirements, and manage risk effectively. With Featurespace, a Visa Solution, Thredd expands its solutions with adaptable, real-time fraud and scam detection.

THE CHALLENGE

Thredd's team needed to make efficient fraud and scam detection a key element of its payment processing proposition, but its previous solution had limited capabilities. The incumbent solution was slow to roll out, difficult to scale, and ran on static rules. With the constant emergence of new fraud types and frequent changes to financial services regulations, Thredd's previous solution was no longer fit for purpose. They sought a new provider that could offer a real-time, adaptive, machine learning–native fraud detection platform, complete with enhanced rules and analytics.

WHY THREDD CHOSE FEATURESPACE

The Featurespace Platform ticked all of Thredd's boxes with:

- Real-time transaction monitoring across cards and payments through a single platform
- Recognition of good customer behavior (as well as fraudulent) to make bad actors stand out, reduce increased false positives, and minimize friction for genuine customers
- Adaptability to keep pace with new and increasingly sophisticated fraud and scam tactics
- Ability to work with cross-market data in the rapidly evolving global fraud landscape
- Quick rollout to support clients' go-to-market plans
- Easy scalability to meet clients' growth ambitions, including international expansion
- Access to Featurespace's experts to ensure less friction during implementation

UK Payment Systems Regulator (PSR): APP fraud reimbursement

The Featurespace Platform's consolidated dashboard provides a 360-degree view of cards, payments, and potential fraud all in one place, which helps Thredd's clients comply with the UK Payment Systems Regulator's APP fraud reimbursement requirements.

Introduced in October 2024, these requirements are designed to better protect victims of Faster Payments APP scams. The financial burden of reimbursing victims is now split equally between the victim's bank and the recipient institution, incentivizing all parties to enhance fraud detection.

HOW THREDD USES THE FEATURESPACE PLATFORM

Using the multi-tenancy capability within the Featurespace Platform, Thredd has created a unique proposition that provides its clients with a real-time solution for:

- **Fraud transaction monitoring**, to reduce card risk and enable real-time detection of card fraud
- **Scam transaction monitoring**, to help combat account-to-account payment fraud (also known as authorized push payment, or APP, fraud)

Pre-integration of the Featurespace Platform into Thredd's payment processing workflow enables a faster rollout to clients. Within the flow, clients can approve, decline and soft decline transactions using a single rules engine across cards and payments.

THE RESULTS: FUTURE READY FRAUD DETECTION

Thredd can now offer their clients more peace of mind with an adaptable, bank-grade fraud and scam detection solution with Featurespace. The solution can work out of the box and can scale quickly in line with business growth—helping reduce the cost, time, and effort for fintechs and other ambitious payments companies to launch and expand their services.

Since switching to the Featurespace platform, Thredd's clients and their customers are benefiting from fewer declines, fewer alerts, and fewer false positives. These benefits are delivered with no increase in latency, making transactions and payments seamless from the customer perspective.

Thredd is confident it has a platform that will allow it to continue improving its fraud detection proposition and enhance the customer experience. In addition, the planned integration of an AI-native Cards model into the Featurespace Platform will provide additional data points to accelerate risk score refinement. Thredd anticipates this will be especially valuable for newly established clients that have not yet processed significant transaction volumes of their own.

"Thredd brings a proven processing platform that allows our clients the freedom to create unique payment use cases, safe in the knowledge that Featurespace's world-class fraud tools are protecting them. This means our clients can innovate and adapt quickly to accelerate their speed to market and offer the best possible service to their customers."

Ryan Dew,
Global Head of Product Solutions,
Thredd

Let's connect.

Book a demo to discover how The Featurespace Platform can help reduce fraud, business risk and operational costs.

Website