

worldpay from FIS

Tackling the persistent threat of carding attacks on merchants across national networks head-on

Merchants have been hit hard by carding attacks over recent years as fraudsters look to leverage the huge volumes of breached financial data up for sale on the cybercrime underground.

Carding (also known as credit card stuffing and card verification) is a web security threat in which attackers use multiple, parallel attempts to authorize stolen credit card credentials. Carding is performed by bots, software used to perform automated operations over the Internet.

The impact of fraud attacks on merchants can go way beyond the cost of chargebacks, but with intelligent fraud protection, merchants can have proven, enterprise-grade capabilities at their fingertips to mitigate fraud while improving acceptance rates.

The challenge

pre
FraudSight

Each year, vast quantities of illegally obtained credit card data is sold online to criminals who attempt small-value transactions to see which cards can then be used to perpetuate more fraud. Creating so much noise in data makes it hard to identify what is genuine.

Unless a real-time fraud prevention solution, powered by unique machine learning models is in place, merchants are left massively exposed to the risk of lost revenue, higher chargeback volumes, and reputational damage, as well as increasing friction that creates poor customer journeys.

In 2021, a large American chain restaurant and gift merchant with more than 650 locations across the United States and an eCommerce website, saw a sudden and significant spike in network declines due to carding attacks. Fraudsters found a way to penetrate existing fraud protection measures and the merchant found itself without a solution to stop the attack.

The business impact



A vast number of false positives
Being hit by the fraud attack crippled the large American chain restaurant and gift merchant's ability to conduct their legitimate business because a large percentage of genuine transactions were blocked at the network level.



Up to 262 fraudulent card transactions per day



Multiple escalations from card schemes required the large American chain restaurant and gift merchant to respond to fraud immediately



Smart answer

Unable to respond quickly, the merchant turned to Worldpay for a solution.

By combining technology and market expertise, Worldpay and Featurespace are helping an increasing number of merchants manage their fraud prevention and

customer experience strategies with FraudSight. Enabled in less than 48 hours from contract execution, FraudSight made an immediate impact to the large American chain restaurant and gift merchant's fraud prevention strategy.

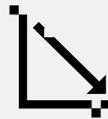
Industry game changing results

post
FraudSight



↓ **99.9%**

reduction in average
network decline rates



Reduction in
false positives



↓ **56.5%**

reduction in fraudulent
card transactions per day

Outcomes

FraudSight's success in honing in on specific transactional information such as cardholder email address and compromised BIN numbers dramatically reduced false positive rates, fraud, and customer friction. FraudSight was able to confirm with greater accuracy than average, whether the attempted transaction was genuine or fraudulent; effectively providing an even better authorization baseline.

Worldpay and Featurespace's partnership produced the best technology initiative for exactly the types of issues faced by merchants on a daily basis, around the world. Worldpay has visibility into multi-channel payment data across over 40 billion transactions per year along with millions of reported fraud and chargeback events. This unparalleled insight enables the technology of FraudSight to mitigate fraud while increasing merchants' approval rates and protecting a larger number of consumers.

Today, FraudSight continues to protect the large American chain restaurant and gift merchant and over 85 other merchants from carding attacks, while maintaining leading customer experience.

Managing fraud is about keeping out suspect transactions while ensuring genuine transactions get through. FraudSight leverages our unique combination of technology, data, and people to protect merchants and their customers against the financial threat that fraud poses.

John Winstel, Senior Director,
Global Fraud Products Worldpay

Get in touch to discover how Featurespace can help you reduce your market share of fraud and bring down business risk and cost.

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