Visa Merchant Risk Intelligence (VMRI) – Transform Payment Data Into Business Intelligence

Optimizing Payment Operations

Case Study

Challenge

The client, a digital merchant, was experiencing higher than expected fraud and chargeback rates, which resulted in a re-presentment rate that was greater than that of their industry peers. These factors led to lowered authorization rates on their transactions across the risk spectrum, resulting in a significant authorization gap between them and their peers. A majority of the declines were due to "Suspected Fraud" and "Do Not Honor."

Impact

Through VMRI, the client was able to identify and address the root cause of their payment challenges and generate benchmarking insights that they would not have access to internally. Based on the data, they improved their authentication practices by putting more scrutiny on third-party purchases, leveraged technology such as tokenization to process more secure transactions, and modified their re-presentment strategy to be more consistent with their peer group.

Based on these insights, the client was able to:

Improve its approval rate by 10%
through reduced "Do Not Honor" and "Suspected Fraud" declines

Decrease fraud rates by 30%
to be consistent with industry peers

Decrease re-presentment rates
to be more consistent with industry peers

Increase its tokenized payment volume

Benchmarking

VMRI allows merchants to compare their performance against others in the industry across multiple dimensions, including:

- Authorization
- Fraud
- Chargeback
- Re-presentment Performance

Contact Michael Tsung on the Global Risk Analytics team at mtsung@visa.com to learn more about VMRI or to request a demo.

VISA