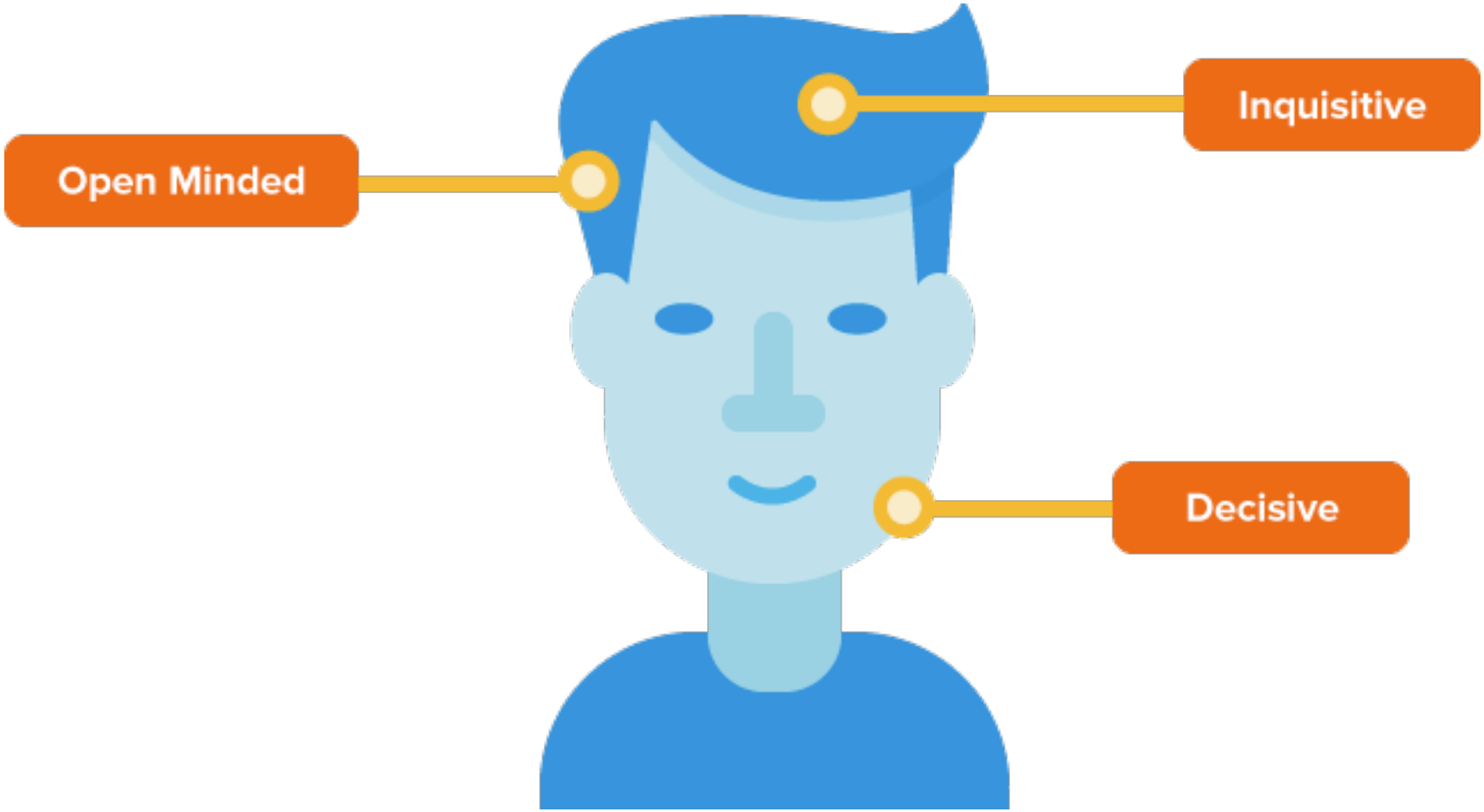
Handling High Risk Orders

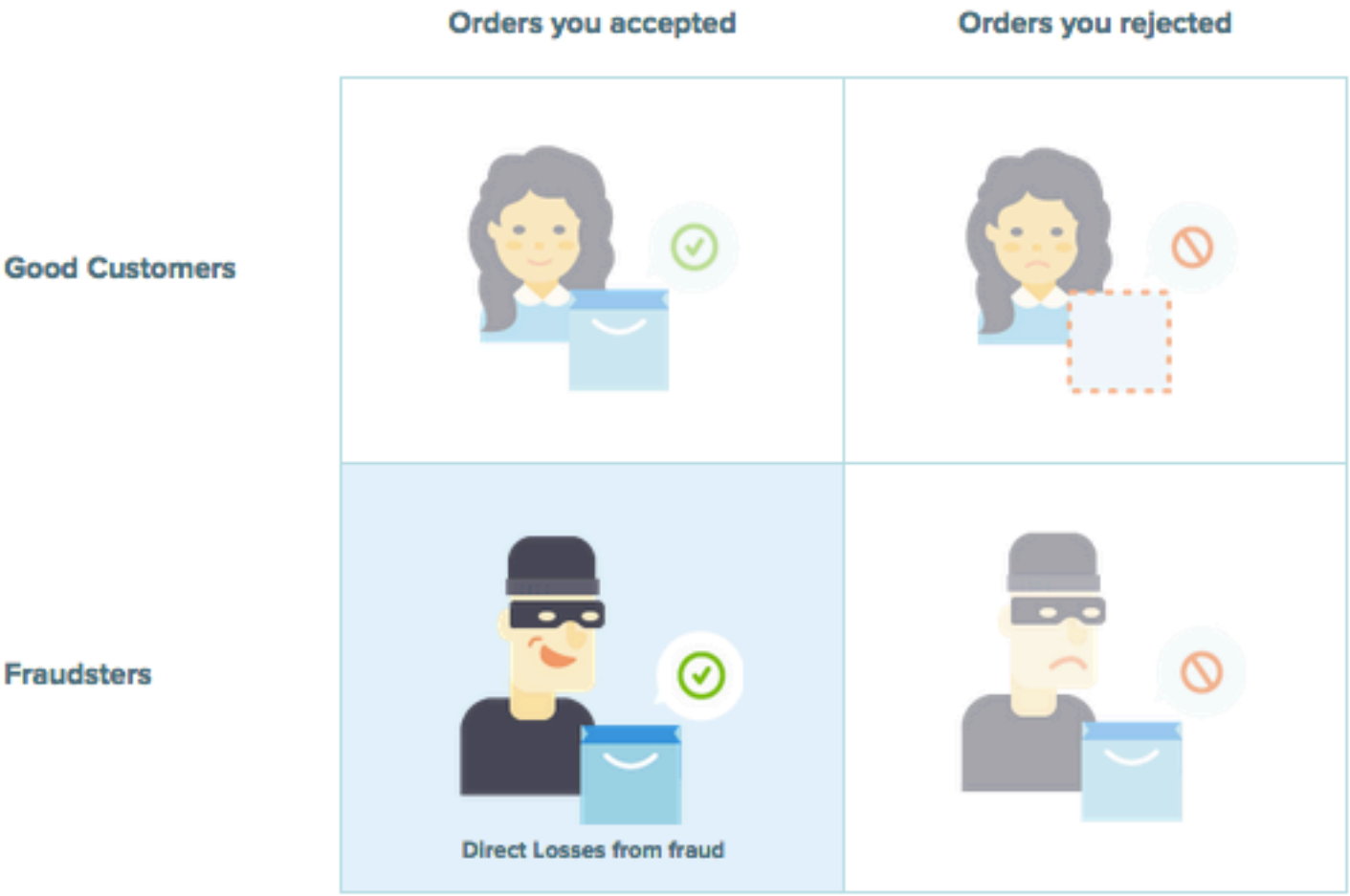
Janette Toral
http://digitalfilipino.com

Reviewer



https://siftscience.com/sift-edu/prevent-fraud/build-review-team

Direct losses to fraud



Direct losses to fraud is basically just revenue lost directly through fraudulent activity.

Manual review

- When do you put orders on hold?
- Operation hours
- Reviewer judgment.
- Contacting cardholders
  - Ask one of the items they ordered.

https://siftscience.com/sift-edu/prevent-fraud/basics-manual-review

Rules system to go by – Total points less than 500 is ok

Factor	Points
Account more than 90 days	-1000
More than 3 accounts on same device in 90 days	1500
IP domain type is .edu	-250
More than 3 accounts were seen in the last 30 days	500
Order is more than P8,000	500

https://siftscience.com/sift-edu/prevent-fraud/fraud-detection-solutions

Shipping address

https://siftscience.com/sift-edu/prevent-fraud/signs-fraud-shipping

Reshipping

https://siftscience.com/sift-edu/fraud-basics/where-does-fraud-come-from

Auction fraud

STEP 1

A fraudster creates listings for copies of a novel.

STEP 2

Julie Goodgal purchases a copy from the fraudster with legitimate money.

STEP 3

Fraudster buys the novel from a retail site with a stolen credit card.

STEP 4

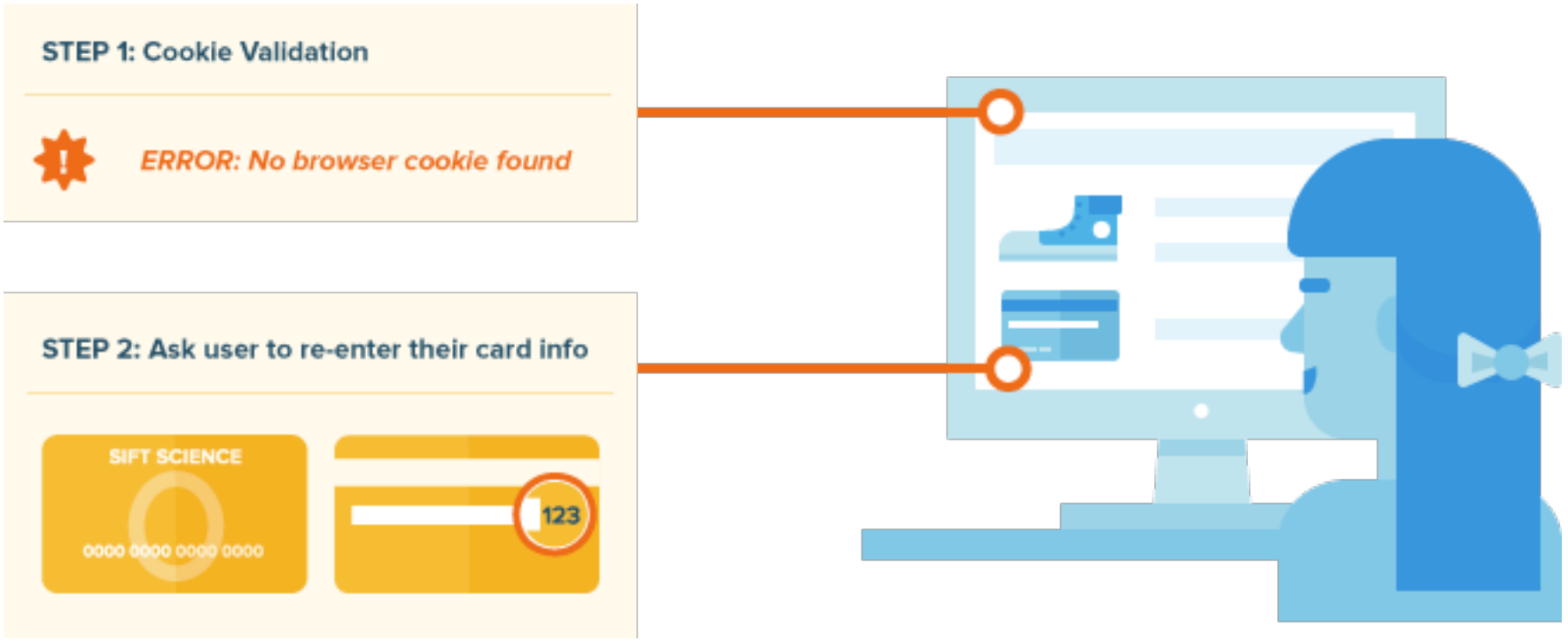
Fraudster ships the novel directly to Julie and makes 100% profit!

https://siftscience.com/sift-edu/fraud-basics/where-does-fraud-come-from

Abuse resulting to fraud

- Refund abuse.
- Promo abuse.
- Affiliate fraud.

Account takeover



https://siftscience.com/sift-edu/prevent-fraud/deal-with-account-takeovers

Chargeback

Notes:

- Customer has up to 6 months to file request for chargeback.
- Request usually come in on 2nd or 3rd month after initial charge.

https://siftscience.com/sift-edu/prevent-fraud/basics-manual-review

Chargeback

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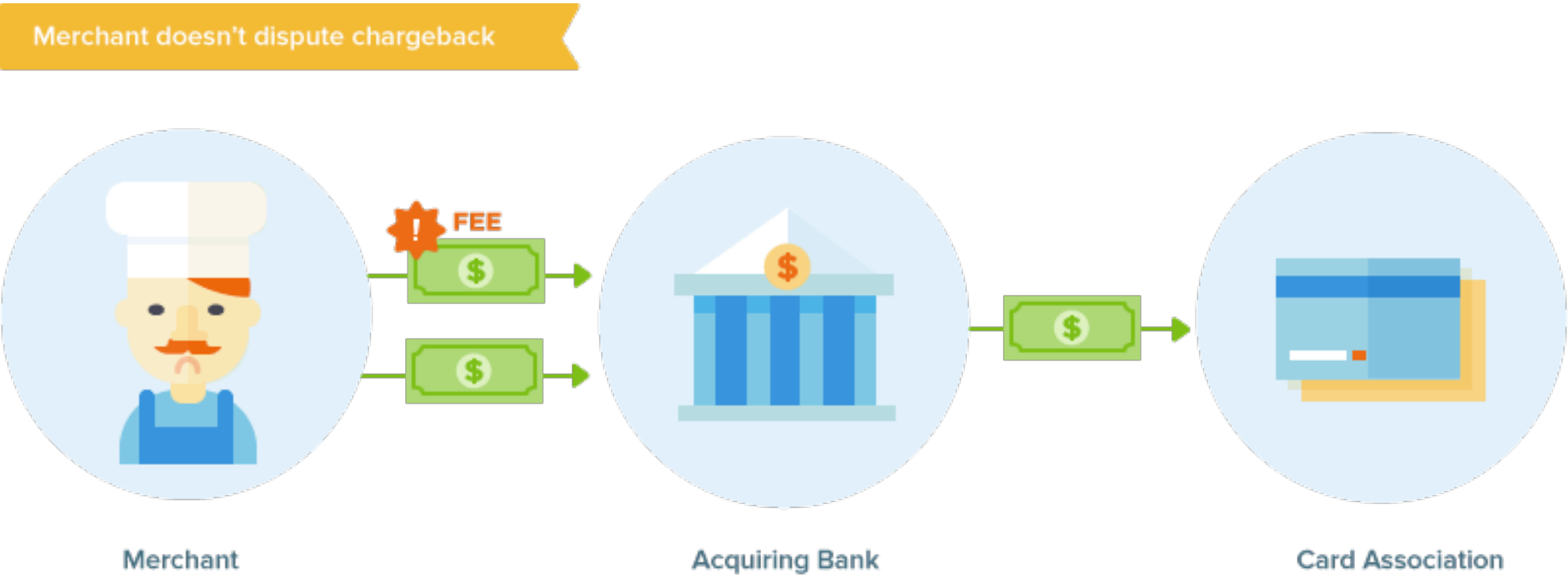
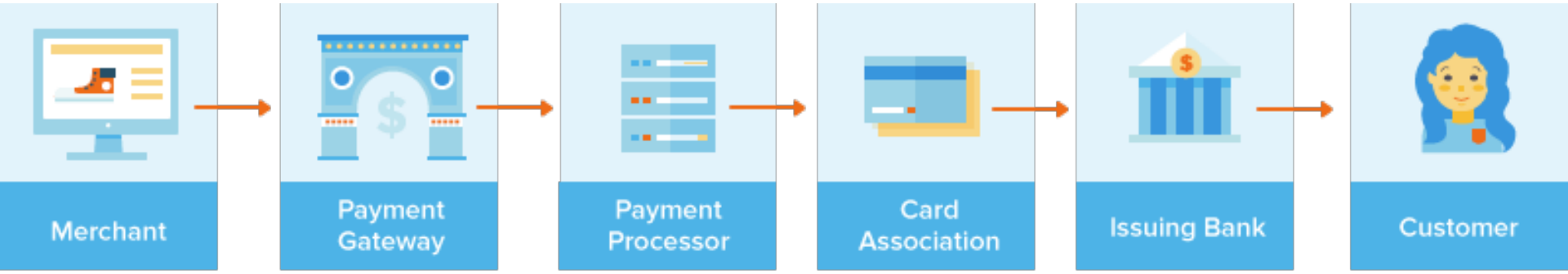
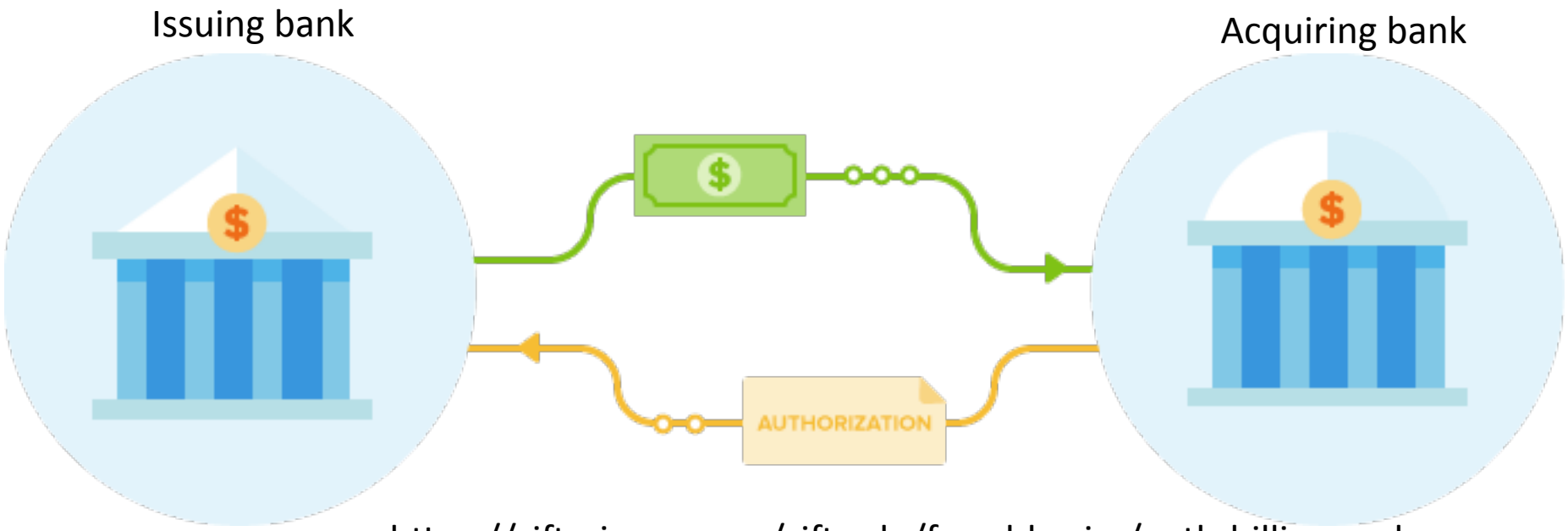
Chargeback



https://siftscience.com/sift-edu/fraud-basics/all-about-chargebacks

Authorization





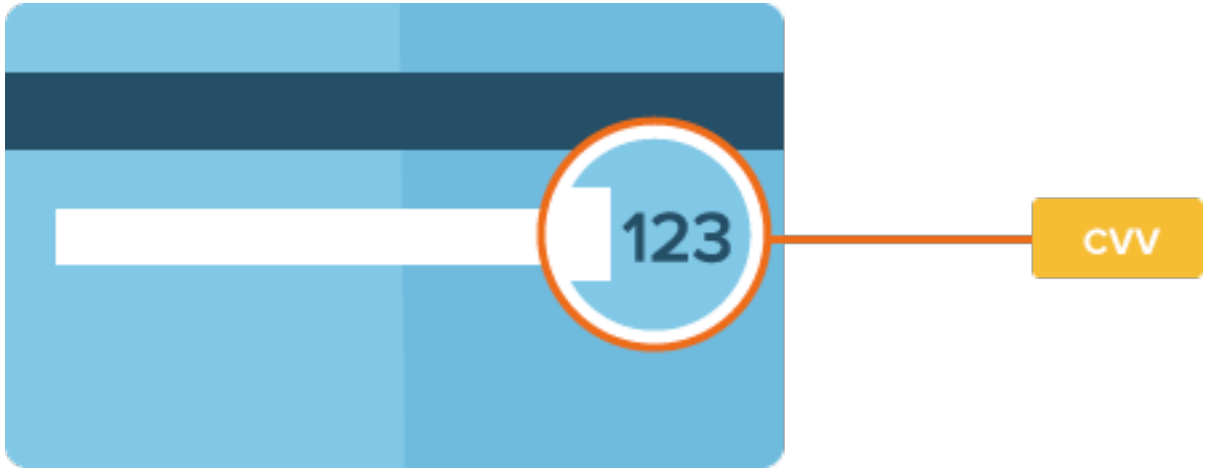
https://siftscience.com/sift-edu/fraud-basics/auth-billing-cycle

Address Verification Service (AVS)

- Domestic orders
  - Y or X means billing address and postal code match.
  - Z means postal code match
  - A means street address match
  - N means neither matched

https://siftscience.com/sift-edu/prevent-fraud/avs-cvv2

CVV2 (online orders)



RESPONSE:

- M (code matched)
- N (code not matched)
- P (code not processed)

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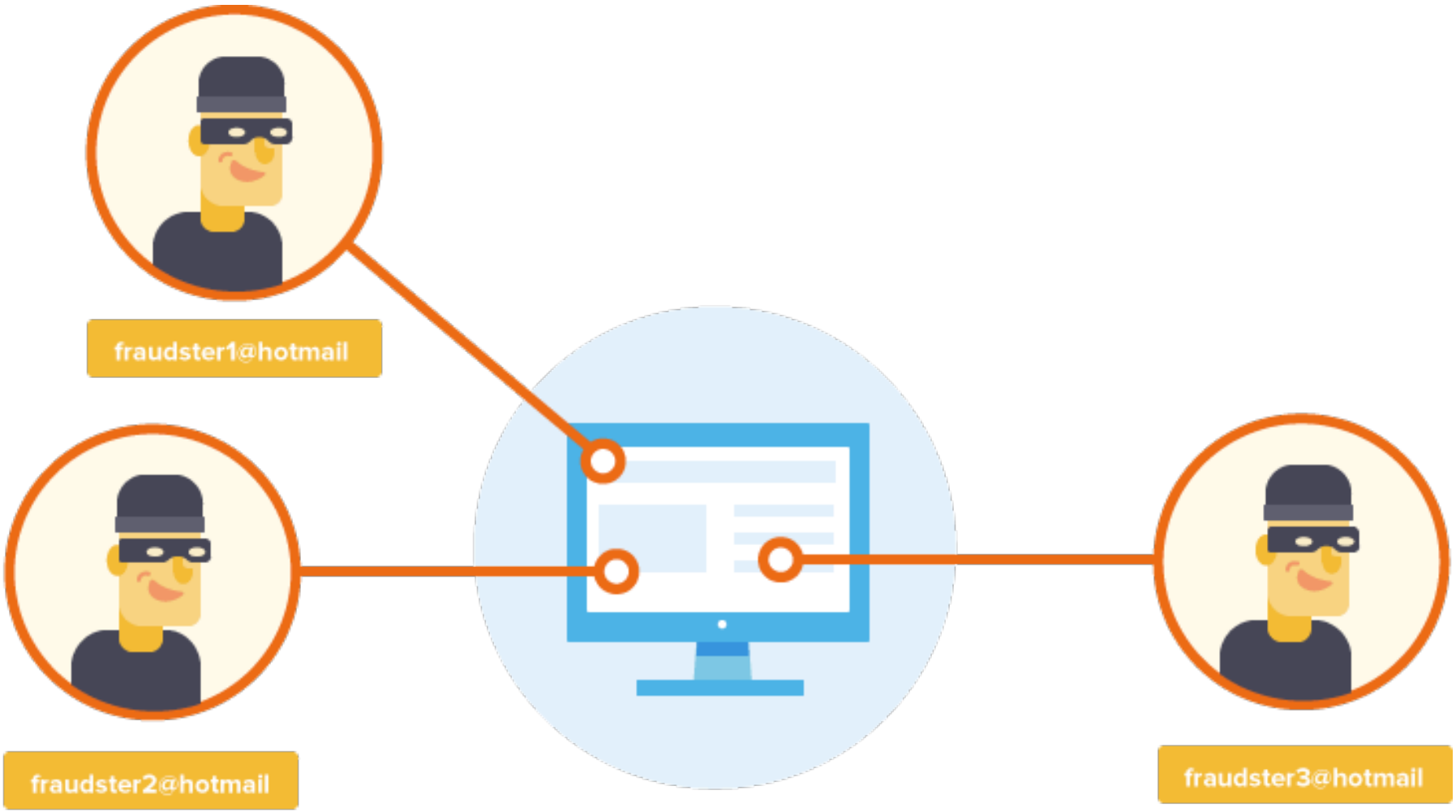
Device ID and IP Address Analysis



Multiple fraudulent accounts linked to the same device

https://siftscience.com/sift-edu/prevent-fraud/device-ip-analysis

Which computer?

Browser cookies

- Very specific
  - Creation time and date
  - Unique
- Easily erasable

Device information

- Very persistent
  - OS
  - Browser used
  - Browser language
- Not very specific
  - Changes with version upgrade or downgrade.

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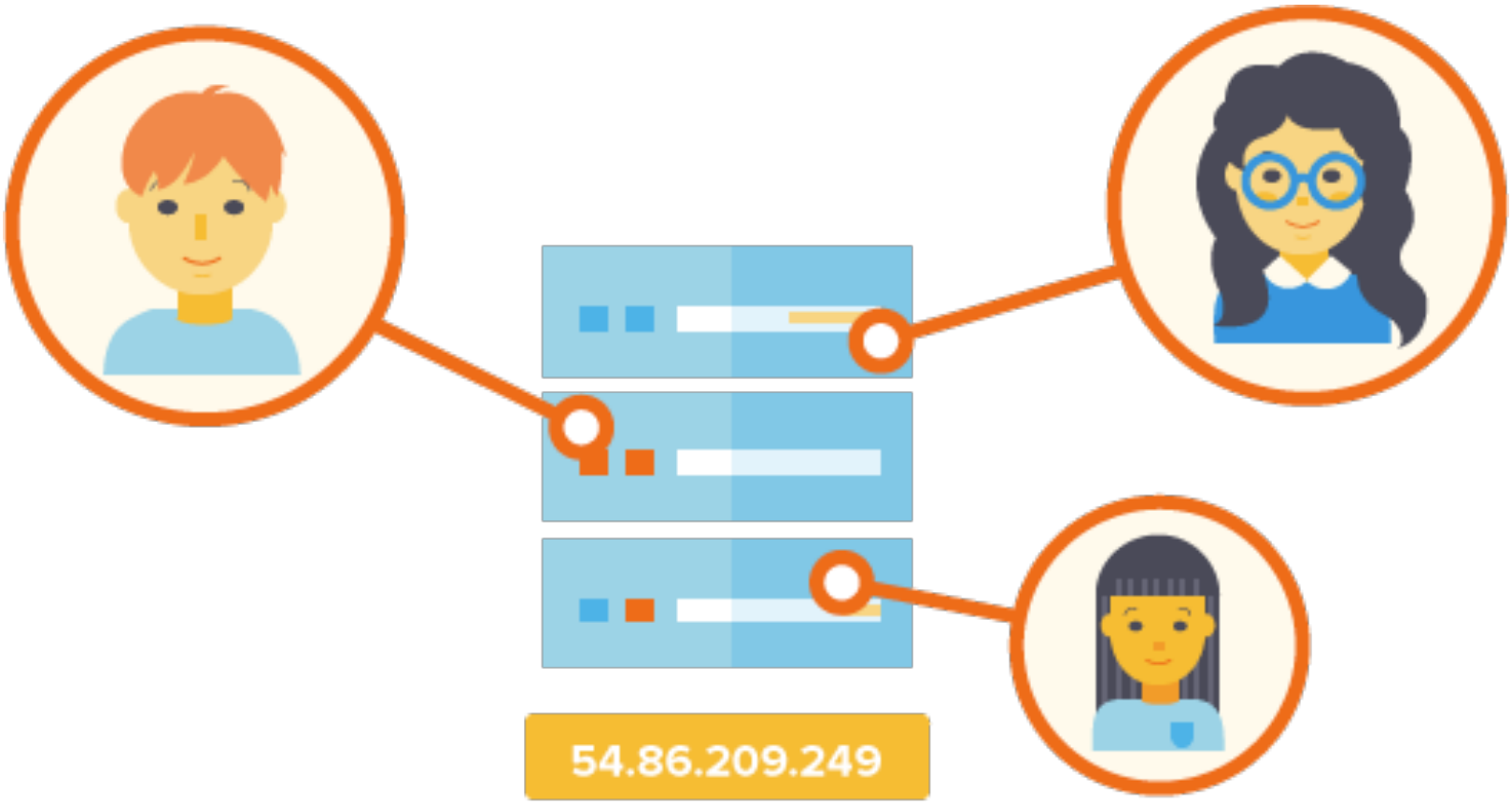
Where is the computer?



Multiple people with the same IP address

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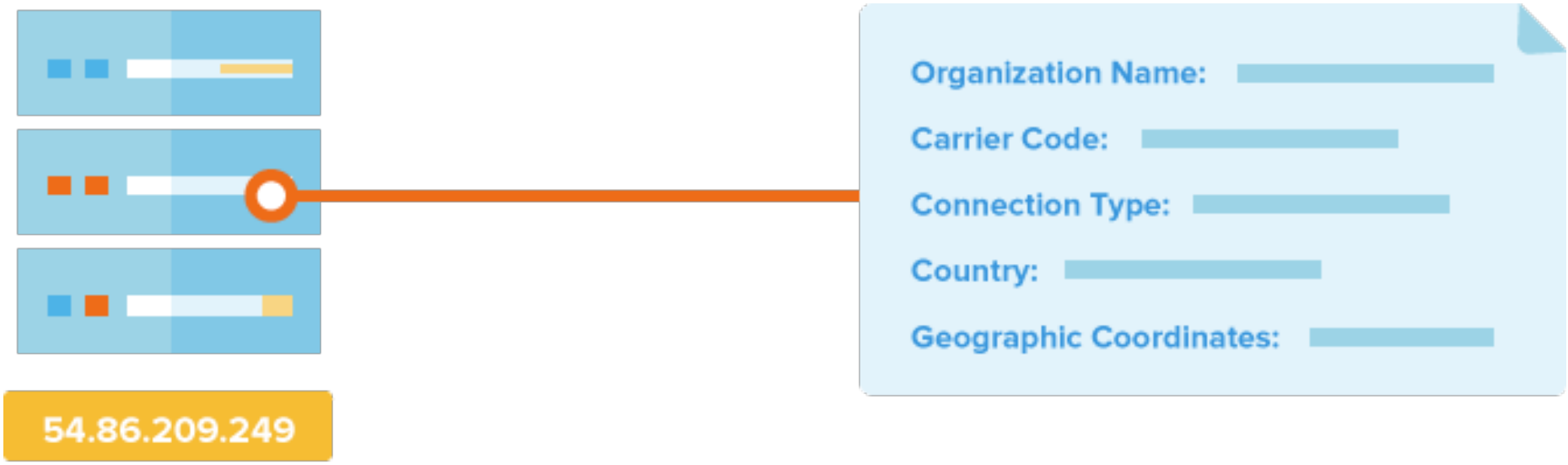
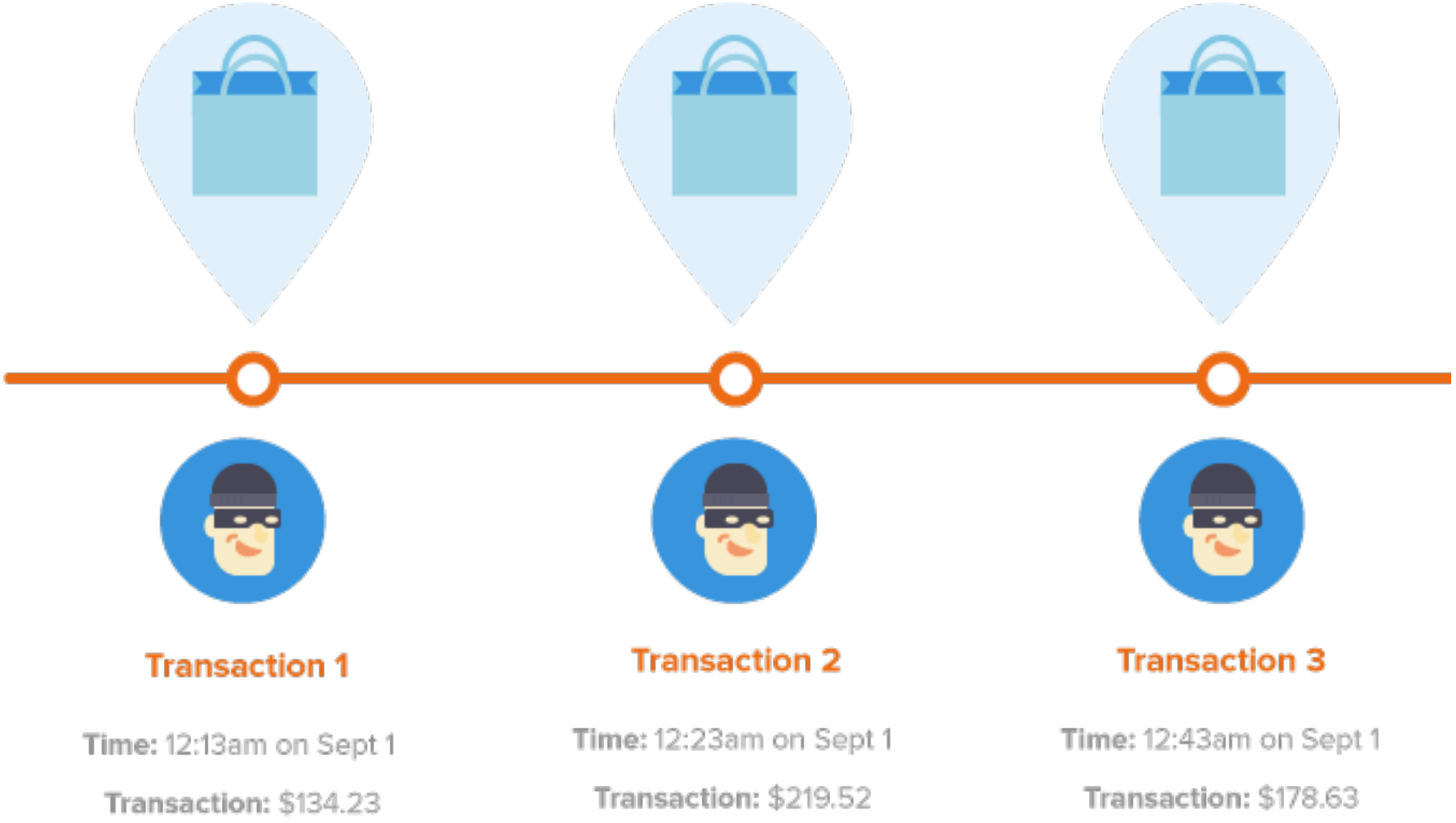
Where is the computer?



Information typically linked to IP adresses

https://siftscience.com/sift-edu/prevent-fraud/device-ip-analysis

Velocity Check: How much was spent by this person in the last day?



https://siftscience.com/sift-edu/prevent-fraud/velocity-detection

Velocity Check: How many accounts have been seen on this IP Address in the last 30 days?

- User id
- Email
- Device signature

- IP address
- Browser cookie
- Shipping address
- Payment method

https://siftscience.com/sift-edu/prevent-fraud/velocity-detection

Reference

- http://www.siftscience.com