

2025

# Proactive Mindset to Optimizing Your eCommerce Fraud Strategy

## Why Proactive Matters

Reactive vs. Proactive: The Fraud Mindset Shift



Detect fraud trends earlier to prevent losses while minimizing negative impact to legitimate customers and their lifetime value.



Placing emphasis on balancing fraud and legitimate business to establish measurable metrics as your guiding light.



Enriched data improves accurate decisioning earlier in the journey and aligns risk performance with business goals.

## Exposing Blind Spots Early

Future-Proofing Your Fraud Strategy

- Audit the Entire Customer Journey
- Analyze Historical Losses and Missed Approvals
- Involve Cross Functional Stakeholders
- Test for Resilience Against Emerging Threats
- Close the Feedback Loop
- Leverage Pooled Intelligence
- Review Rule Fatigue & Model Drift
- Review Staff Today, "Humans In The Loop" Tomorrow

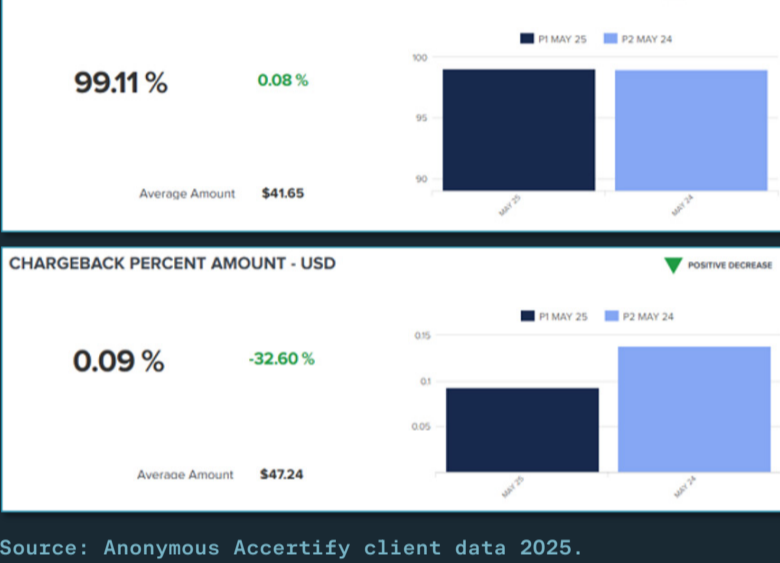
## Risk Is More Than Checkout Fraud

Identifying and Segmenting Risk Types is Best

- Policy
  - Resellers, Promotional, and Loyalty Abuse
  - Positive and Negative Tables
  - Returns and Refunds Abuse
- Account based fraud
  - Creation, Registration, and Login
  - Account Takeover (ATO)
- Unique fraud trend layers
  - High Risk Fraud
  - Sophisticated Fraud
  - Generic Fraud
- Dispute & Chargebacks
  - First Party vs Third Party

May 2024 vs May 2025

Actual client improvement numbers before leveraging an account protection solution to identify risk earlier in the customer journey. This client was able to realize a 33% reduction in chargebacks without compromising their overall approval rate.



Source: Anonymous Accertify client data 2025.

## Accurate Data is Your Superpower

Making Data Meaningful

- Accurate data starts with accurate labelling. It's the foundation to confident data driven decisions.
- Key areas:
  - Distinct labelling between each risk segment
  - Enrichment processes
  - Validation checkpoints
  - Timely updating

A "Humans in the loop" strategy helped this merchant enrich their feedback to increase data accuracy:

Chargeback Label	Count of Transaction ID	Rate	Validations
Accepted	181,728	98.52%	
Rejected	1,748	0.95%	
Approved from Review	151	0.08%	
Declined from Review	167	0.09%	
Auto Accepted from Review	26	0.01%	
Chargeback Received (Possible Third-Party Fraud)	101	0.05%	Fraud reason code assigned, low/medium IDV rating
Chargeback Received (Validated Third-Party Fraud)	422	0.23%	Fraud reason code assigned, higher IDV rating & no refund request
Chargeback Received (First Party Fraud)	77	0.04%	>1 CB in last 180 days with low IDV rating
Chargeback Received (First Party Dispute)	8	0.00%	Refund request denied
Chargeback Received (Other)	32	0.02%	CB associated to processing errors
Grand Total	184,460	100.00%	

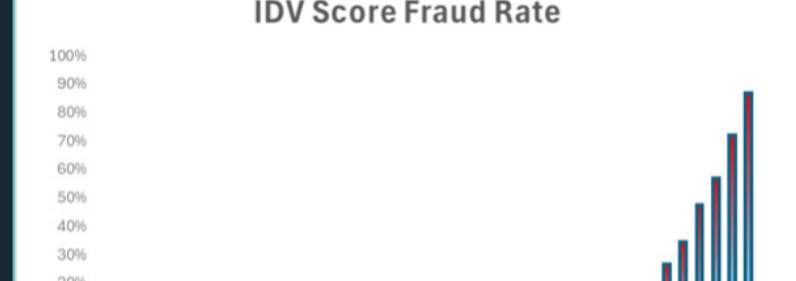
Source: Anonymous Accertify client data 2025.

## The Power of ML and the Community

Outsmarting Fraudsters Through Pooled Intelligence

- Fraud providers should provide access to predictive Identity Verification (IDV) scores.
- Proper performance validation against your environment can help with:
  - Faster decisioning
  - Finding anomalies
- Validating feedback, rule performance and trend mitigation.

A regular performance evaluation exposed anomalies in lower risk IDV scoring ranges that had higher fraud rates; this helped with identifying ATO activity:



Source: Anonymous Accertify client data 2025.

## Key Takeaways

Metrics your fraud providers support you.

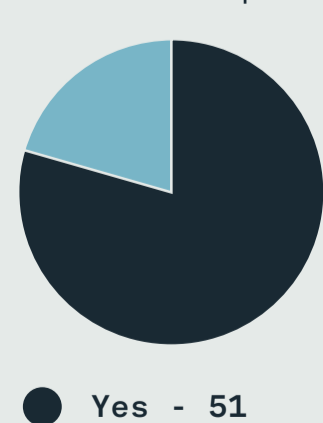
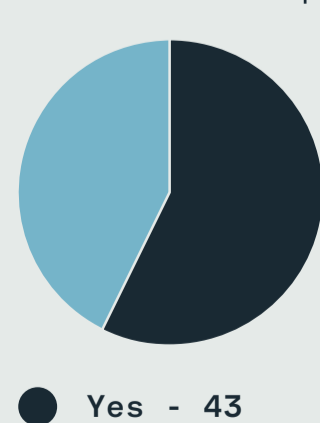
Position yourself with the goals of your organization through accurate data driven metrics and an adaptable mindset.

Metrics give you a baseline to work from when fraud spikes or the business changes.

KPI's solidify your specialized position in the organization.

Does your organization segment its different risk vectors and address the threats separately?

Does your organization enrich its negative outcomes to improve future rule or ML performance



Yes - 43  
No - 32

Yes - 51  
No - 13

Source: Source Accertify Poll 2025 30th July