



This sporting goods chain sells sports gear, apparel, footwear, and exercise equipment to consumers through its online presence and in hundreds of big box stores.

CASE STUDY

A Powerful Approach to Ecommerce Claims and Appeasements Fraud

Situation

An omnichannel big box sporting goods retailer analyzed its ecommerce order claims and found that 2% of its online sales were being adjusted or replaced—about the same amount as chargebacks. To provide the best customer service to its good shoppers, but still mitigate risk, the retailer wanted to give its CSRs the ability to easily understand a consumer's online and in-store history with their company in order to determine eligibility for a post-order adjustment. The solution would need to have measurable impact and place few demands on the IT department.

Solution

The retailer, already a user of the Appriss® Engage Return Authorization solution, implemented the Engage Claims and Appeasements Authorization module.

Financial Results

- \$3+ million in annual savings by removing fraud or abuse from the retailer's claims process.
 - Consumers with 6+ adjustments were considered outliers (potentially indicative of fraud or abuse), representing just over 1% of claims, but accounting for about 10% of adjustment costs.
- \$2.5 million in adjustments were attributed to just 0.3% of shoppers.
- The top 25 outliers alone had more than \$400,000 in appeasements and reshipments.
- One consumer had 110+ adjusted transactions, 100+ email addresses, and 110+ IDs. Most of the transactions were for just two styles of shoes. (Value: \$20,000)
- One consumer had more than \$4,000 worth of adjustments in one month.

Additional Benefits

Engage Claims and Appeasements Authorization helped the retailer identify consumers who were using its site and return policies to fuel their own re-sale businesses. They would purchase large amounts of inventory, sell what they could, and return the rest before the returns cut-off date. In some instances, these consumers even filed ecommerce order claims to avoid the return cost.

Case Details

A thriving omnichannel retailer analyzed its ecommerce order claims and found that 2% of its online sales were being adjusted or replaced. Additionally, it worried that a percentage of those claims were fraudulent or abusive. Therefore, the retailer needed an automated system that could connect a consumer's current and historical requests across frequently changing online and in-store identity elements, and then recommend a course of action to the call center agent in real-time.

WORKING WITH A KNOWN SOLUTION

The retailer was already a user of the Appriss Engage Return Authorization solution, so it was easy to test and implement the Engage Claims and Appearments Authorization module.

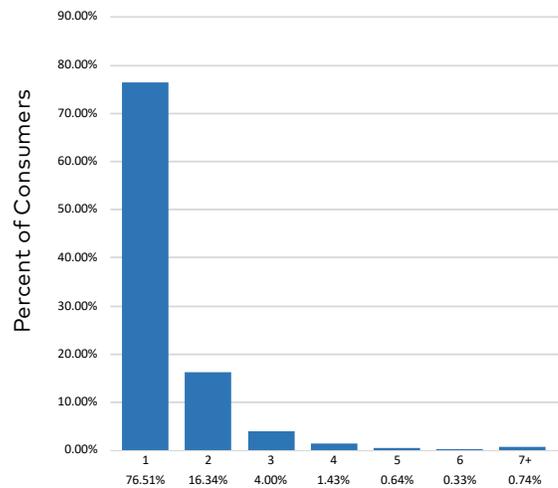


Key to the Engage platform, Appriss Consumer Linking connects the dots among online and in-store consumer transactions, analyzing tokenized credit/debit card information, email addresses, phone numbers, returns, IP addresses, loyalty card IDs, accounts, gift cards, ship-to addresses, and billing addresses. The linking system identifies people who change components of their identity frequently and links back to the individual to create a holistic, omnichannel view of that consumer's shopping behavior.

ENGAGE DOES THE LIFTING

Appriss Retail data scientists analyzed one year of data on post-order adjustments and reshipments from the retailer's own point-of-sale, web commerce, mobile commerce, and customer support center, to determine normal and abnormal claims behavior.

Number of Post-Transaction Adjustments or Reshipments



CONSUMER SATISFACTION PRESERVED

Engage analyzes the data and provides recommendations in real-time, behind the scenes. Call center staff can act with confidence and provide friendly service. Consumers with valid complaints quickly receive the assistance they need, and the relationship is strengthened and solidified.

Now, when a claim is initiated with this retailer, the CSR is instantly presented with consumer information including a claims risk indicator and a recommendation to decline, warn, or approve the transaction. The CSR (sometimes with guidance from a manager) determines the adjustment or reshipment to be offered, issues a warning, or denies the claim altogether.

The retailer benefits from the savings on adjustments and by freeing up time CSRs no longer spend dealing with fraudulent claims.



Leveraging more than 20 years of data science expertise, Appriss Retail transforms ecommerce and omnichannel consumer interactions by providing real-time, actionable recommendations that reduce fraud, drive efficiency, and maximize profitability. The company's AI-driven, SaaS platform generates analytical insights and recommendations at more than 150,000 physical and online retail locations in 45 countries across six continents.

apprissretail.com
ContactUs@ApprissRetail.com
Americas +1 949 262 5100
EMEA +44 (0)20 7430 0715
Asia/Pacific +1 949 262 5100

Follow Us On:  