

ONLINE RETURN AUTHORIZATION





Engage Online Return and Claim Authorization

Fraudulent or abusive returners often engage with a retailer's website or call center—not just in-store. Effective fraud mitigation requires protection across all channels. Appriss® Engage Online Return and Claim Authorization extends the protection across all channels. Validating claims such as "item not received" or "item damaged" protects your bottom line from fraudulent claims and appeasements. Customer claims, appeasements, postorder adjustments, and refund fraud often stem from issues like, lost orders, mis-shipments, reshipments, and damage claims—all of which erode business margins.

The Challenge

While many claims are legitimate, fraudulent claims are becoming increasingly common. In 2024, 15% of returns and claims were abusive and fraudulent.¹ For example, in false "item not received" claims, a customer may assert that they never received the item, even when they did. These fraudulent claims can lead to significant financial losses for retailers, making it crucial for them to differentiate between legitimate claims and abusive ones.

The Impact

Over 50% of consumers have decided not to buy from retailers due to return policies.² To remain competitive, retailers need solutions that prevent abuse without alienating their best customers.

The Solution

A comprehensive fraud mitigation strategy must include a 360-degree view of the customer across all interaction points—online, in-store, and through call centers. When combined with Engage In-Store Return Authorization, this holistic approach allows retailers to better understand customer behavior, detect inconsistencies, and prevent fraudulent or abusive returns and claims. Appriss Engage Online Return and Claim Authorization extends fraud protection across all channels, helping ensure that no matter where a customer engages, the transaction is safeguarded against fraud and abuse.

By leveraging AI technology, retailers can confidently address claims and reduce the risk of false claims going unnoticed. Appriss Retail's real-time, behavior-based AI models analyze interactions across all touchpoints to stop fraud, protect margins, and maintain a frictionless shopping experience.

Engage Online Return and Claim Authorization

is a module within the Appriss Engage solution that applies AI modules to stop return fraud and abuse in real time based on shopper profiles.

BENEFIT:

An 8 to 12% reduction in returns and claims, saving millions while ensuring every customer gets the experience they deserve.

¹ 2023 Consumer Returns in the Retail Industry Report ² How Important Are Returns to Customers?

How It Works

The Appriss Linking System connects the dots in your data.

Applying artificial intelligence and advanced data models across all your transactions, the Appriss Linking System links purchases, returns, orders, claims, appeasements, credit cards, and other information to create a more consistent view of shopper behavior.

Engage instantly analyzes the linked transactions to give your automated systems recommendations to approve or deny a return, or issue a warning based on guidelines defined by your company. The result: Profit dollars directly back on your bottom line. Good customers have a great experience while fraud and abuse are deterred.



An example of Engage Online Return and Claim and Authorization in action



Pete purchases 20 pairs of athletic footwear, he uses a different email address, phone number and first name, but the shipping addresses are the same. $\overleftarrow{\triangleright} \rightarrow$

Once the shipments arrive, he calls customer service to report that he did not receive the orders one at a time, and requests re-shipments.



Engage notifies the customer service associate that Pete has made multiple claims for items not received and declines the re-shipments.



Pete receives a message that the retailer is unable to process the re-shipments.

Unleash the Full Potential of Your Return Strategy

Engage helps you to relax your online return strategy, remove inflexible rules, and build consumer loyalty. When Combined with Engage In-Store Return Authorization, Engage Online Return and Claim Authorization Becomes Even More Powerful.

- Offer more lenient and flexible online returns and claims, while mitigating the risk of fraud and abuse.
- Apply a fair and consistent return process with unbiased decision making. Don't penalize all
 customers with a blanket policy because of the misdeeds of 1% of returners.
- Simplify buy-online-return-online (BORO).

Key Features of Engage

Flexible Return Parameters:

 Retailers can confidently offer consumer-friendly return policies without increasing exposure to fraud or abuse.

Behavior-Based Authorization:

 Engage leverages AI models and statistical models, reviewing individual behaviors to authorize returns, making it highly effective in reducing fraud and abuse.

Real-Time Recommendations:

 Engage assesses customer behavior and return history, providing recommendations to approve, deny, or warn during the claim process. Warnings are often perceived more positively than denials, helping to preserve customer loyalty.

Optimizing Your Return Process Is Easy

Return authorization will help you reduce claim rates, increase net sales, and reduce your shrink by millions. As an expert in retail returns, Appriss Retail delivers best practices to help you establish the optimal rate of merchandise returns necessary to guarantee your revenue objectives are met while still protecting the important relationships with your good consumers.



Our commitment to data privacy and security is embedded in every part of our business. For detailed technical information, visit: <u>docs.apprissretailcloud.com</u> For detailed infosec information, visit: trustportal.apprissretail.com

Appriss Retail helps retailers protect themselves against fraud and abuse across all transaction channels. With more than 20 years of retail data science expertise and experience, we've built a robust omnichannel intelligence platform that is trusted by over 60 of the top 100 U.S. retailers, covering 40 percent of all U.S. omnichannel sales. Globally, Appriss Retail reaches 45 countries across six continents. The company provides relevant and actionable intelligence to retailer's operations, finance, marketing, and loss prevention teams. Appriss Retail's performance-improvement solutions yield measurable results with a significant return on investment. For more information about Appriss Retail, visit apprissretail.com or our LinkedIn page.

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