

Stopping the decline of good transactions

Visa Advanced Authorisation and Visa Risk Manager case study



+700bps

in approval rate¹



+31bps

in approved transaction dollars¹



-35bps

in fraud rate¹

Challenge

A multi-national issuer in Latin America struggled with a high decline rate of good transactions, especially card-not-present (CNP) transactions. These disruptive false declines were negatively impacting both revenue growth and the cardholder experience. The issuer recognised the need to employ swift and targeted actions to combat these false declines in order to maintain its top-of-wallet position with cardholders.



Solution

By partnering with Visa, the issuer saw a positive business impact within one year of implementing Visa Advanced Authorisation and Visa Risk Manager. With speed and simplicity of implementation, these two powerful products work together to give issuers integrated, comprehensive fraud risk management.

- **Visa Advanced Authorisation (VAA)** – Powered by advanced artificial intelligence (A.I.) and Visa global data, VAA delivers a real-time risk score to identify both good transactions and fraudulent transactions with confidence.
- **Visa Risk Manager (VRM)** – With a web-based, seamless integration with existing authorisation and payment systems, VRM offers near real-time rule creation, rule testing, and rule implementation. Whether you're a large multi-national issuer or a credit union wanting to complement your processor's fraud services, VRM enables you to customise your fraud strategies to meet your portfolio's distinct fraud patterns.

Results

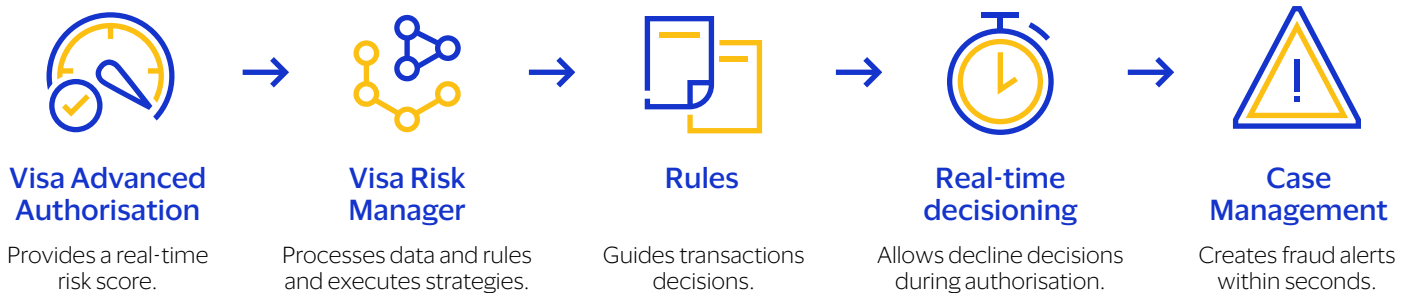
Through frequent and regular optimisation efforts, the issuer achieved better authorisation performance within a year. The issuer saw a 7% increase in approval rates with a 31% increase in authorisation volume (\$) translating to over \$7 million in incremental sales.

Because every issuer has their own risk tolerance, VRM delivers the flexibility for issuers to architect their own destinies. In this example, the issuer was able to identify the highest risk transactions in real-time and have the appropriate infrastructure to monitor each rule's False Positive Ratio (FPR) to ensure cardholder satisfaction. With VRM, the issuer saw its False Positive Ratio (FPR) decrease by 90% in count and 70% by amount within eight months²



Expand your fraud capabilities with Visa Risk Manager

Combine the strategic capabilities of Visa Risk Manager with the real-time scoring of Visa Advanced Authorisation – all at the point of purchase for more secure, more streamlined transactions.



Benefits

Visa Risk Manager leverages the real-time insights of Visa Advanced Authorisation and more than 70 other transaction parameters and puts them into action. Through a web-based and easy-to-use interface, Visa Risk Manager can complement your existing services and give you more control over your fraud strategies.



Superior customer experience.

Gives you the confidence to decline the highest risk transactions helping to increase customer loyalty, spend and payment volume.



Improved authorisation rates.

Provides extensive fraud management functionality and comprehensive alert data to help you confidently approve more transactions, which can lead to higher revenue.



Enhanced control.

Expand your current fraud capabilities beyond your processor SLAs by being able to build, test, deploy, and monitor rules to better control the risk associated with your portfolio.



Improved efficiencies.

Delivers ease of rule writing for complex statements allowing you to target specific fraud trends and deploy better rules based on reported FPR information.



Key components

Visa Risk Manager can be accessed through Visa Online 24 hours a day/7 days a week. VRM APIs are specifically designed to help issuers optimize fraud loss prevention and maximize profitability by connecting VRM to your backend systems. With high reliability and accessibility, VisaNet helps ensure your fraud strategies are executed effectively.



Rules manager.

Create, test and publish custom strategies within minutes to help identify and investigate the riskiest transactions.



Case manager.

Flag transactions for further review and analysis.



Account manager.

Create rules for specific card accounts, manage whitelists and blacklists.



Report generation.

Track account activity, learn from previous transactions and manage the performance of rules.



Learn more

For more information on Visa Risk Manager, please contact your Visa Account Executive

1. VisaNet data from Q4'18 to Q3'19.
2. VisaNet data for 8 months within 2019.