ACI Worldwide
Real-Time Payments

THE CHALLENGE

- Remove friction and reduce staff time in handling manual review processes

- Improve customer experience

- Fast decisioning and time to market

- Accelerate the deployment of bespoke strategies at scale

- Minimize operational expenses

THE SOLUTION

- The merchant selected ACI® Chargeback Indemnification™, part of the ACI Fraud Management™ solution

- ACI Chargeback Indemnification enabled fast implementation time on fraud strategies and improved efficiency for greater acceptance rates

- The service also provided the ability to partner and grow with a team of ACI experts (fraud analysts, payments optimization specialist, customer success manager, solution consultants and procurement)

THE RESULTS

- Merchant has ongoing full visibility and insights on fraud performance and guaranteed KPIs

- Increased settlement approval rate from 99.39% to 99.53%, translating into an added monthly positive revenue of $700K on average

- Reduced operational cost by $50K

- Reduced manual review cancellations from 9% to 4.33%

Global Fashion Retailer Saves Millions With ACI® Chargeback Indemnification™, Part of the ACI Fraud Management™ Solution

Fraud chargebacks are common with online purchases. For merchants, processing and managing claims can be an expensive task and negatively impact overall profits.

To continue securing important market share in the digital eCommerce space, this leading global fashion retail company wanted to significantly reduce the cost of fraud that impacted business revenue and growth as part of their overarching fraud strategy. Working with ACI Worldwide payment experts allowed the fashion retailer to remove the complexity of chargeback management, guaranteeing increased acceptance rates.

ACI® Chargeback Indemnification™ is designed to help merchants reduce their overall fraud prevention operational costs and fraud chargeback losses, all while safeguarding revenue.

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> **"**
>
> **Implementation of the ACI Chargeback Indemnification service was seamless and wrapped up in a week's time. We were able to release or reassign staff over the course of one month and have retained two analysts to manage business processes and oversee the shopper experience."**
>
> Global Retailer

A Comprehensive, Managed Chargeback Service

The retailer thoroughly reviewed ACI Chargeback Indemnification capabilities and requested ACI to provide expertise and work jointly as a consultant to meet ambitious KPIs in reducing the cost of managing fraud and increase profitability.

ACI team experts delivered a thorough assessment of the retailer's ongoing financial and operations costs to then present a new modeling based on success metrics through the ACI Chargeback Indemnification offering.

Additional business impacts include[1]:

- Increased settlement approval rate from 99.39% to 99.53%
- Booked additional monthly revenue of US$700K on average
- Saved US$50K in operational costs
- Reduced manual review cancellation from 9% to 4.33%
- Increased automated method of consumer authentication using smart routing data authentication and verification
- Increased delivery speed and reduced consumer friction
- Increased teams' efficiency by redeploying internal resources to core business rather than fraud

2022 ACI Fashion Retail Sector Performance Results Versus Market Average[2]

ACI Fashion Retail Sector	Accept >98%	Deny 0-0.4%	Challenges 0-1.6%	Chargeback 0.03%
Market Average – *Domestic*	78.6%	3.4%	18%	3.1%
Market Average – *International*	76%	6%	18%	3.1%

ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.

LEARN MORE

www.aciworldwide.com
@ACI_Worldwide
contact@aciworldwide.com

Raising Profits, Savings and Customer Experience

To meet the merchant's business objectives, ACI payment experts provided a financial offering with commitment to ensure growth success. By shifting the liability and end-to-end chargeback management processes to ACI, third-party vendors are managed under one contract, fraud strategies are deployed faster, and manual order reviews and peak sales are assigned and handled by dedicated resources for optimum performance.

Driving Ongoing Growth

ACI continues to work closely with the fashion retailer to establish and deploy best payment and fraud strategies for each region and payments channel. Additional capabilities being discussed include QR code payments, free in-store returns, as well as ACI® Smart Engage™, a mobile app marketing interaction that facilitates one-click mobile payments and increases brand awareness.

About ACI Fraud Management

ACI Fraud Management is a highly customizable, multilayered, real-time eCommerce fraud orchestration solution designed to maximize business growth while ensuring seamless and secure customer buying experiences. Fraud orchestration guarantees fraud prevention KPIs that are in agreement with customers' objectives. It enables businesses to detect, decide, and deliver faster and smarter on high performing fraud prevention strategies for uninterrupted buying experiences at every touchpoint. The solution is fully integrated into the payments flow, enabling both pre- and post-auth screening and flexible strategies across channels via the same single API.

The ACI Fraud Management solution provides a daily, weekly, monthly and yearly KPI performance summary within a BI application or emailed directly to the merchant. ACI is committed to achieving top performance on all KPIs: approval, decline, fraud attempt and chargebacks.

[1] ACI customer data
[2] MRC Global Fraud and Payments Report 2022