

How Cozy creates a safe platform for renters and landlords

- ✓ \$1M+ in fraud prevented
- ✓ Constantly falling fraud rate
- ✓ Automation on accurate scores

OVERVIEW

Making renting easy for everyone

Cozy is a Portland, Oregon-based startup that offers a platform to streamline interactions between property managers and renters. Using this consolidated system, renters can connect with landlords, apply for properties, and pay their rents through the simple web interface, accessible on desktop or mobile.

On the landlord side, Cozy makes recurring payments and property management simple and automatic. Additionally, the platform allows property managers to market their rentals and screen their prospective tenants online. With a commitment of making renting easy for everyone involved, Cozy processes close to \$1 billion in rental payments every year. The company boasts 350,000+ property managers, landlords, and tenants in cities throughout the United States.



Challenge

- Lean fraud team, so manual review was unscalable
- Payment fraud and content abuse



Solution

- Quick integration, immediate accuracy
- Automation on Sift Score



Results

- \$1.4M in attempted fraud caught since integration
- Decreasing fraud rate
- Less than 0.001% in fraud losses annually



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Sift has been extremely helpful.
I would be lost without it.

Kevin Collins, Head of Trust & Safety



CHALLENGE

Maintaining trust in the platform

Renting an apartment is a nearly universal experience, and Cozy’s user base has only grown as tech-savvy young professionals have begun their hunt for a place to live. With listings and renters in 13,000 cities nationwide, fraud hasn’t been far behind. As a combination of a marketplace as well as a payment gateway/ processor, Cozy experiences both payment fraud as well as content abuse in the form of fake rental listings.

Payment options on Cozy are only growing – expanding beyond ACH to credit card – and wily fraudsters have begun using fake rentals to ask for wire deposits from unsuspecting renters. In order to stay ahead of the issue and prevent loss of trust in the platform on both the renter and landlord sides, Cozy’s fraud team of one needed a solution that could keep up with their wide user base and prevent fraud before it resulted in losses.

“When it comes to seeking and destroying fraud, it’s been just me analyzing the data since our first fraud loss in July 2014 until April 2017, when we added an analyst.”



SOLUTION

Fighting fraud with a team of one

As a lean and agile startup, Cozy brought on Kevin Collins and leveraged his experience in tracking fraud with online communities. Having sourced solutions and weighed his options, Kevin pushed for a machine learning solution that could scale with the business and be predictive in its modeling. With just a small team dedicated to fraud, Cozy couldn’t afford to be reactionary.

After trying a few different solutions that didn’t work for Cozy, Kevin found Sift. He was able to demonstrate Sift’s immediate value to the company, and a quick integration followed.

“We had everything up and running within a few days of beginning our work, brought on by a two-person engineering team only tapped for a few tweaks every few weeks. Once we integrated, the model just clicked. It worked right off the bat and has only gotten more accurate. Even better, it’s been easy for us to manage.”



RESULTS

Business is booming, fraud is fizzling out

Now, although business has grown, fraud rates have remained low. Kevin is efficient in his fraud management, automating based on Sift Score. When further investigation is required, he can do so effortlessly with the Sift Console, where he explores connected accounts and account activity.

He has a single stop to train Cozy’s machine learning models, manage the company’s user base, and better understand their platform’s traffic. Best of all: since integrating, the Sift platform has accurately identified over \$1 million in fraudulent payments, allowing Kevin to stop these attempts before they could result in costly chargebacks – and Cozy’s fraud rate is continually decreasing.

“ We’ve seen excellent business growth, while our fraud rate has continued to decrease. We lost under \$10,000 in 2016, which is pretty incredible given how much we process.

Kevin Collins, Head of Trust & Safety

ABOUT SIFT

Sift is the leader in Digital Trust & Safety, empowering digital disruptors to Fortune 500 companies to unlock new revenue without risk. Sift dynamically prevents fraud and abuse through industry-leading technology and expertise, an unrivaled global data network of one trillion (1T) events per year, and a commitment to long-term customer partnerships. Global brands such as DoorDash, Poshmark, and Twitter rely on Sift to gain a competitive advantage in their markets.

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