



3 Trends Redefining Fraud



From a worldwide pandemic and shifting consumer behaviors, to inflation and economic uncertainty, the past few years have illustrated how abruptly business can change. And when the global economy fluctuates, fraudsters learn to innovate, finding new vulnerabilities to exploit, and driving fraud rates up across markets.

To accurately and efficiently combat fraud and foster growth regardless of the economic climate, businesses need a complete, end-to-end fraud prevention strategy. That's why Sift invests in partnerships with industry leaders like **Jumio**

and **Checkout.com**. Our partnership with Jumio helps businesses verify the identity of users while delivering a smooth validation experience. And to secure the post-transaction phase of the user journey, Sift has joined forces with Checkout.com to improve accuracy and simplify decisions by consolidating dispute data.

This guide, created in collaboration with Jumio and Checkout.com, covers how three emerging market trends are redefining fraud. Discover actionable ways to build fast and flexible fraud operations that hold up against disruption.

Building resiliency despite economic uncertainty

26%

of trust and safety teams are experiencing economy-related resource or budget constraints.*



*Sift surveyed trust and safety industry professionals from July-August, 2022.

In response to a shifting economy, many businesses are coping with a limited budget and fewer resources. These restrictions mean teams are being asked to do more with less. Analysts may have less time for manual review, leading to more fraud slipping through the cracks. But working with a smaller team or fewer resources doesn't have to hinder fraud operations.

Businesses can build resiliency despite economic uncertainty by optimizing their budget and resources. For example, teams can increase productivity by automating processes and building connectivity between tools. Sift's easy-to-use Console, end-to-end automation, and app connectivity help risk teams stay productive with network visualization and bulk decisions. No matter how transaction volumes and fraud rates fluctuate, Sift helps teams stay nimble to stabilize costs and enable growth.



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During times of uncertainty, focus on accomplishing your goals faster and more economically. Keep costs low and reduce the number of verifications needed by proactively blocking fraudulent users with Sift and Jumio.

checkout.com

The Sift and Checkout.com integration enables analysts to gain insight into fraud patterns and stop bad actors before the checkout page. Make manual review more accurate and efficient by accessing chargeback data from Checkout.com directly in the Sift Console.

Surfacing insights through disconnected data

45%

of trust and safety experts are re-evaluating what their businesses need to fight evolving fraud in a changing economy.



Nearly half of fraud analysts admit they aren't getting what they need out of their fraud prevention tools. Many teams are juggling dozens of tools at once, leading to disconnected data and inaccurate decisions. But linking data across those tools requires time-consuming manual work. This has the potential to introduce a high risk of human error, and lead to incomplete or incorrect insights.

Trust and safety teams need a fraud solution powered by machine learning to allow teams to share critical data and make informed decisions. Fraud teams can integrate existing applications with [Sift Connect](#) to break data out of silos in disparate systems to surface actionable and comprehensive insights. This increases overall productivity and adds scalability to fraud operations. With improved data analysis and automation, scoring is more accurate, enabling proactive fraud prevention and allowing you to activate step-up authentication dynamically.



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To help companies stay efficient and up-to-date, the Jumio and Sift integration provides robust data services to help meet ever-changing regulatory compliance. Streamline operations and accurately assess when KYC and ID verification should be applied with a simple connector.

checkout.com

Add efficiency to chargeback data analysis with the Sift and Checkout.com integration. Flow disputes from Checkout.com to Sift to inform time-sensitive decisions, or add to a Workflow queue.

Minimizing losses in the face of rising fraud

68%

of trust and safety experts have seen a spike in fraud since January 2022.

Many merchants are being forced to quickly scale down and pivot to stay afloat, while consumers are letting accounts and loyalty points sit dormant until they're in better financial standing. Fraudsters are leveraging these shifting consumer habits and market volatility to launch sophisticated and strategic attacks. And that's exactly what we're experiencing now. Businesses are reporting more first-party fraud along with an influx of account takeover (ATO) attacks. [New research](#) shows cumulative merchant losses to online fraud are expected to exceed \$343B globally between 2023 and 2027, foreshadowing a rough road ahead.

Account takeover fraud spiked **131% YoY** across the entire Sift network (H1 2021 versus H1 2022).



Because fraud will never stop evolving, it's crucial to utilize an automated solution at every touchpoint, from login to chargeback. Sift's real-time ML models are fed by global data insights spanning every region and industry. Leveraging this intelligent automation helps teams streamline fraud operations to preserve more revenue and drive growth. With Sift's backtesting capabilities, analysts can forecast the outcome of new security updates and make decisions with confidence. Businesses can also leverage automation within [Dispute Management](#) to lower chargebacks and improve win rates to recoup revenue that would otherwise be lost to evolving abuse.



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Throughout the entire user lifecycle, businesses need to ensure their end users are who they say they are without compromising the experience of legitimate customers. The Sift and Jumio partnership helps businesses mitigate risk by onboarding trusted users faster, optimizing the user experience, and stopping bad actors.

checkout.com

Real-time chargeback analytics helps you keep up with any influx in disputes and boost your win rate. View timely chargeback data from Checkout.com in reports and dashboards within Sift Insights.



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Jumio is proud to partner with Sift to provide a complete end-to-end solution that allows us to help organizations predict and fight fraud. Utilizing Jumio in Sift Connect gives fraud analysts increased user validation speed and decision accuracy.

**Stan de Boisset**

*Vice President of Partners
at Jumio*



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Every day, fraudsters and criminals are collaborating together with the goal of exploiting individuals and our businesses. In order to succeed, we must also work together to share best practices and tools to turn the tide on fraud.

**Kevin Lee**

*VP of Trust & Safety
at Sift*

Meet the partners



The [Sift](#) Digital Trust & Safety Platform empowers companies of every size to unlock new revenue without risk. Our cutting-edge platform dynamically prevents fraud and abuse with real-time machine learning that adapts based on our unrivaled global data network of 70B events per month. Global brands including Twitter, Blockchain.com, and Wayfair rely on Sift to catalyze growth and stop fraud before it starts.



The [Jumio](#) Platform provides advanced identity proofing, risk assessment and compliance solutions that help you accurately establish, maintain and reassert trust. Leveraging powerful technology including automation, biometrics, AI/machine learning, liveness detection and no-code orchestration with hundreds of data sources, Jumio helps organizations fight fraud and financial crime, onboard good customers faster and meet regulatory compliance including KYC and AML.



[Checkout.com](#) is a global payments solution provider that helps businesses and their communities thrive in the digital economy. They offer innovative solutions that flex to your needs, valuable insights that help you get smart about your payments' performance, and expertise you can count on as you navigate the complexities of an ever-shifting world.