



Riskified Launches “Auth Rate Enhance” as Part of Chargeback Guarantee to Improve Conversion Rates and Maximize Ecommerce Revenues for Merchants

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New offering aims to optimize approval and card issuer authorization rates to capture more online sales

NEW YORK--(BUSINESS WIRE)--Mar. 12, 2024-- [Riskified](#) (NYSE: RSKD), a leader in ecommerce fraud and risk intelligence, today announced the launch of [Auth Rate Enhance](#), a configuration of [Chargeback Guarantee](#) that helps merchants propel ecommerce growth by maximizing authorization rates and approving more online orders without compromising on fraud prevention.

In today's competitive ecommerce landscape merchants fight to attract and retain customers. But for many shoppers, the journey ends before it truly starts. According to Riskified data, approximately 15% of ecommerce orders fail due to card issuers declining to authorize payment. Meanwhile, Riskified's data indicates that up to 70% of these declined payments may be from legitimate customers who appear too risky. The impact is massive: false declines were expected to generate a \$157B loss ([Nuvei](#)) for US merchants alone in 2023. Globally, false declines were set to exceed \$443B ([Aite-Novarica](#)), far outweighing the projected \$48B loss globally from actual ecommerce credit card fraud ([Statista](#)).

Overly low authorization rates can choke conversion rates, in turn stunting ecommerce growth. This situation highlights a critical opportunity to optimize the various safeguards within the purchase process to enable merchants to capture more customers and revenue.

[Auth Rate Enhance](#) pre-screens orders and enriches the analysis with data points that give issuers such as Capital One the confidence to authorize more digital orders. Furthermore, Riskified's [Chargeback Guarantee](#) offers the flexibility to be configured pre-authorization or a combined approach integrating pre-auth risk assessment with a post-auth feedback loop. This empowers merchants to optimize conversions, reduce insult rate, and offload chargeback risk to Riskified based on the needs of their specific business segments.

"We're providing an intelligent risk signal to issuers, so they can authorize more ecommerce transactions for our merchants," said Eido Gal, CEO & Cofounder of Riskified.

"Our integration with Riskified allows us to meaningfully increase our authorization rates by leveraging data from their merchant network, resulting in superior experiences for consumers shopping with Riskified merchants," said Jonathan Borman, Head of Fraud Partnerships, Capital One. The partnership has enabled Capital One to decrease false declines by up to 25% with certain Riskified merchants.

Working with Riskified, athletic apparel retailer [Lorna Jane](#) saw an immediate 13% lift in its issuer authorization rate. The retailer also saw a 98% reduction in chargebacks, emphasizing Riskified's high degree of accuracy in identifying fraud in real-time.

"We were looking for a partner that would not only help us raise our approval and authorization rates, but also minimize fraud to keep us out of the most stringent chargeback programs," said Peter Clarke, Chief Technology Officer at Lorna Jane. "Riskified does exactly that, enabling us to significantly increase our overall authorization rates while also ensuring accurate fraud prevention."

Riskified's [Auth Rate Enhance](#) can help merchants improve their risk profile through accurate fraud prevention, see a significant increase in authorization rates, establish critical trust with card issuers, and take better control of their customer journey.

About Riskified

Riskified (NYSE:RSKD) empowers businesses to unleash ecommerce growth by taking risk off the table. Many of the world's biggest brands and publicly traded companies selling online rely on Riskified for guaranteed protection against chargebacks, to fight fraud and policy abuse at scale, and to improve customer retention. Developed and managed by the largest team of ecommerce risk analysts, data scientists and researchers, Riskified's AI-powered fraud and risk intelligence platform analyzes the individual behind each interaction to provide real-time decisions and robust identity-based insights. Learn more at [Riskified.com](#).

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