Riskified delivered ROI of 594% and $71m in total benefits over three year period, according to independent consulting study

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Total Economic Impact study revealed that benefits included a $57 million profit increase from higher transaction approval rates

NEW YORK--(BUSINESS WIRE)--Mar. 31, 2022-- Riskified, (NYSE:RSKD), a fraud management platform enabling frictionless eCommerce, today released the results of a commissioned Total Economic Impact™ (TEI) study conducted by Forrester Consulting (NASDAQ: FORR) on behalf of Riskified, quantifying the potential return on investment for merchants who invest in Riskified's machine learning solution. The study found that a composite Riskified customer using Riskified achieved a 594% return on investment (ROI) and generated $71.3m in total benefits over a three year period. The study also found that the same composite customer saw approval rates rise by 6% and realized a $57.2m in incremental profit increase over the same period.

Based on interviews with companies that use Riskified's solution, the TEI found that Riskified can not only enhance revenue for merchants, but also yields significant cost savings - the composite Riskified customer saved $13.1 million in fraudulent chargeback costs and $1 million in operational costs over a three year period. Merchants interviewed also noted that since adopting Riskified, their fraud operations teams were able to shed between 75% - 88% of their workloads, largely from manual review and updates and are now able to spend their time on higher-value work.

Merchants also reported that using Riskified directly improved their customer experience by shortening the time required for transaction approval, resulting in improved customer loyalty. The interviewees further noted that having Riskified in place also enabled them to more easily expand into new markets and offer more shopping options by helping them have higher approval rate while avoiding fraud. The merchants interviewed praised Riskified for being a responsive and adaptive partner able to account for their needs. Security leaders interviewed singled out the fact that Riskified provides insights and data through a user-friendly dashboard that allow internal terms to more easily collaborate.

"eCommerce is growing at an incredible pace, with customers becoming more demanding and fraud becoming more sophisticated," said Peter Elmgren, Chief Revenue Officer at Riskified. "As the provider of one of the market's smartest and most accurate fraud management platforms, we help our merchants realize significant results and efficiencies. We don't stop there - we tailor solutions to fit each client's specific needs and support them with market-leading advisory services. Ultimately, we strive to be the premium partner for merchants, working side-by-side with them to tackle the challenges of eCommerce and maximize the opportunities."

"The argument for digital store transformation must include both hard and soft benefits. Soft benefits like branding, customer satisfaction, and competitive differentiation are important, but a strong business case requires hard, measurable benefits, usually in one of three categories: revenue optimization, capital efficiencies (e.g., cost savings), and operational efficiencies," according to the Forrester report, Construct The Business Case For Digital Store Transformation, authored by Brendan Witcher, Vice President and Principal Analyst at Forrester Research.

Riskified is a risk management platform that provides eCommerce merchants with automated risk-based decisioning throughout the customer journey, from pre-transaction to checkout to post-transaction. Riskified's machine learning platform identifies the individual behind each online interaction by leveraging insights from a global merchant network. It has reviewed over 1 billion historical transactions from the world's largest merchants and has over 400 million unique consumers across 180 countries in its network.

For the full TEI report, click here.

About Riskified

Riskified empowers businesses to realize the full potential of eCommerce by making it safe, accessible, and frictionless. We have built a next-generation eCommerce risk management platform that allows online merchants to create trusted relationships with their consumers. Leveraging machine learning that benefits from a global merchant network, our platform identifies the individual behind each online interaction, helping merchants—our customers—eliminate risk and uncertainty from their business. We drive higher sales and reduce fraud and other operating costs for our merchants and strive to provide superior consumer experiences, as compared to our merchants' performance prior to onboarding us. Learn more at riskified.com

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