

**FORRESTER**[®]

Highlights:

- Identified 43,000 fraudulent applications in 1st year
- Reached break-even on investment within 6 months
- Achieved risk-adjusted, two-year ROI of 321%
- Saved over \$8 million in two years

For the full report, visit
www.iovation.com/ar-forrester

Forrester Consulting developed a methodology to demonstrate, justify, and realize the tangible value of IT initiatives. The Forrester Total Economic Impact™ (TEI) Report consists of 4 components to evaluate total investment value based on: benefits, costs, risks, and flexibility. The case study highlights the ROI of using iovation's real-time device-based fraud management service iovation ReputationManager™ and its economic benefits compared to other in-house fraud detection solutions.

Forrester Reports 321% ROI for Fortune 100 Company Using Device Reputation

Challenge

A large, US-based financial services issuer of private-label credit cards and bank cards was experiencing higher fraud rates within its Internet channel. The organization, which was already employing the industry's best practices to identify and reduce fraud, was still looking for a solution that could be both highly effective and efficient. Due to the labor-intensive process of online fraud reviews, reducing the number of false-positives was a necessity.

Solution

The company chose iovation ReputationManager™, a valuable fraud management tool that leverages device identification to create unique device reputations that can be shared across iovation's vast network. By sharing the reputations of 650 million unique devices, iovation allows businesses to reduce more online fraud and abuse and act confidently on device intelligence information with very low false-positives.

Results

The study found that by spending \$1.5 million over a two-year period, the organization reached break-even on its investment in iovation within 6 months and saved over \$8 million, achieving a risk-adjusted, two-year ROI of 321%. The report discovered that the organization reduced losses from fraud exposure by "identifying fraudulent applications early in the process and reducing the number of false positives." Additionally, the company improved operational efficiency within its fraud process by "reducing time spent diagnosing potentially fraudulent applications." Other benefits included the ability to better target high-value customers and identify fraud at individual transaction levels.