



PAF CASE STUDY

PREDICTIVE ANALYTICS IN GAMING IDENTIFIES TRUSTWORTHY CUSTOMERS

CHALLENGES

Unable to quickly identify trustworthy customers, Paf was dealing with large review queues and holding back attractive promotions from good customers as they dealt with fraudsters who were abusing them.



SOLUTIONS

iovation gave Paf the ability to immediately apply trust intelligence to new site visitors, as well as leverage predictive intelligence, which applies iovation's trust rating on devices used at login, account creation and payment.



RESULTS

Paf saw a 40% decrease in deny rates for trustworthy customers, reduced manual review time by 33 hours a month, and reduced ID requests for additional authentication. Paf's trusted users are now in the revenue pipeline much sooner, thanks to iovation.



PAF, A GAMING COMPANY HEADQUARTERED IN ALAND, FINLAND USES IOVATION'S PREDICTIVE TRUST SCORING TO QUICKLY IDENTIFY TRUSTWORTHY CUSTOMERS, REDUCE REVIEW QUEUES, AND INCREASE REVENUE.

Founded in 1966, Paf was established with the sole purpose of generating money for good causes. Starting with just a few coin-drop arcade machines, they have grown into a cause-driven gaming company that has already given over €240m to charitable initiatives. Today, the full-service online gaming company offers more than 150 games including slots, bingo, lotteries, casino, poker and betting.

An iovation fraud prevention client since 2009, Paf recently began to use iovation's Trust Score to reduce deny rates for good players and better understand who their most trustworthy customers are, in order to know who deserves the most attractive promotions and high-end offers.

Improve Customer Experience with Predictive Analysis

There is a direct correlation between customer satisfaction and the number of authentication steps they are put through when creating an account, logging in or making a payment. The online gaming space is competitive and customers have many choices if they become unhappy with a company. Paf found that when customers were asked for additional authentication only 60 percent responded. That means there's a lost opportunity to engage with the 40 percent who didn't respond and are potentially dissatisfied with the authentication process.

iovation's Trust Score gives Paf insight into trustworthy customers, while working in the background without adding any friction to the customer experience. This predictive score indicates the trust rating of the device used for a transaction. The higher the score, the more likely the current user-action will be legitimate, and that future actions from the device will be as well.

While iovation's fraud prevention service identifies the riskiest devices, Trust Score indicates the most trustworthy devices. That means Paf's fraud and VIP teams know in real time which transactions have the highest and lowest risk—both groups can be eliminated from the review queues.

OUR CUSTOMERS ARE VERY IMPORTANT TO US—KNOWING WHO'S GOOD MAKES ALL THE DIFFERENCE IN PROTECTING AND ENHANCING THEIR EXPERIENCE WITH PAF.

Jessica Hård af Segerstad, Data Analyst

Ensure the Lifetime Value of Good Customers

During the first three months of using iovation Trust Score, Paf processed 3 million transactions. "On average, we denied about 0.2 percent of transactions or 6,000 transactions. The consequences of those denials could be lost revenue opportunities or a strain on customer relationships," said Hård af Segerstad. "When we applied iovation Trust Score, we learned that 13 percent of those denied transactions could have been accepted. That's nearly 800 transactions or 3,200 annually. Imagine the lifetime value of those customers had we known upfront that they were trustworthy."

While some competitive trust services simply allow businesses to tag accounts that they already know are trustworthy, iovation's trust service in contrast, is extremely predictive. It informs businesses about the trustworthiness of complete strangers to them, those customers who are using brand new devices transacting with your business for the very first time. iovation Trust Score is based on a global experience by all of iovation's clients over time, across industries and geographies.

Manual reviews are expensive for all businesses. Paf can now quickly predict which devices are the most trustworthy. Trust Score's sophisticated, predictive analysis helped reduce Paf's manual reviews and approximately 33 hours of staff time is expected to be saved each month moving forward. "Manual checks take 5-10 minutes per request. That time adds up quickly and can be saved by applying Trust Score to devices and the associated account," said Hård af Segerstad.

Grow Revenues Faster by Offering High Value Promotions

Like most online gaming companies, Paf is always looking for ways to balance highly rewarding marketing campaigns with the threat of high bonus abuse. The need for caution, and less attractive offerings, can lead honest players to frustration and disinterest. The purpose of bonuses and promotions is to engage players and develop deeper customer loyalty. iovation Trust Score was enabled to help Paf confidently launch highly rewarding promotions, with a greater degree of certainty, to their most trusted customers. This helps the business take more revenue.

Have Confidence Setting Deposit and Withdrawal Limits

Paf also found that iovation Trust Score helps them evaluate and set deposit and withdrawal limits for new customers. With Trust Score, 10 percent of new customers can now be given higher limits or no limit at all. This creates a new opportunity to accelerate the revenue stream of new players who have no history of fraud, abuse or other suspicious activity.

"What made this even more attractive to us at Paf was it took zero development time," said Hård af Segerstad. "The only implementation time involved was storing iovation Trust Score values, which was only 20 hours. You can literally turn it on and start gathering data." Paf found iovation Trust Score extremely valuable to their bottom line in a number of ways. They gained greater visibility into new players or returning players with new devices, which led to:

- Fewer manual reviews which saves staff time and operational costs
- Reduced requests for additional authentication
- Decreased deny rates for trustworthy players

When it comes to customer experience and brand loyalty, Paf can apply Trust Score to:

- Increase limits for new customers, which lets them spend more sooner
- Target high-end bonus campaigns to their most trusted customers

iovation's Trust Score continues to arm Paf with data about the trustworthiness of a device at account creation, login and payment. By providing visibility into customers new to their site, but known to iovation, Paf now takes more good business with confidence.

ABOUT IOVATION

iovation protects online businesses and their end users against fraud and abuse, and identifies trustworthy customers through a combination of advanced device identification, shared device reputation, customer authentication and real-time risk evaluation.

More than 3,500 fraud managers representing global retail, financial services, insurance, social network, gaming and other companies leverage iovation's database of more than 3 billion Internet devices and the relationships between them to determine the level of risk associated with online transactions.

The company's device reputation database is the world's largest, used to protect 16 million transactions and stop an average of 300,000 fraudulent activities every day.

The world's foremost fraud experts share intelligence, cybercrime tips and online fraud prevention techniques in iovation's Fraud Force Community, an exclusive virtual crime-fighting network.

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