

CASE STUDY

How SkipTheDishes successfully established a holistic fraud management framework using **Visa Secure**

Benefits of **adopting Visa Secure with EMV 3DS**



Opportunity

SkipTheDishes' ecommerce volume has grown significantly over the past few years with the increased usage of food delivery services. As they continued to grow, they were challenged by rising fraudulent activity in the card not present (CNP) environment **resulting in a high number of chargebacks on their transactions.** SkipTheDishes, a Canadian ecommerce merchant, knew that something needed to be done to address the fraud risk and sought out methods to improve their fraud management practices.

The Solution

They found that **Visa Secure with EMV 3DS was the best solution to implement in order to address their challenges and protect their customers.** SkipTheDishes decided to use 3DS with hopes that the introduction of authentication capabilities would mitigate the fraud risk they were exposed to. The benefits of incorporating 3DS provided a key opportunity to further assess transactional risk solutions and learn how to enhance their internal fraud management strategies. For SkipTheDishes, **the cost savings and potential reduction in fraud for their customers outweighed any concerns of the potential impact from increased friction** they may introduce to their checkout experience.

As background, issuers drive the authentication process. An important authentication method is Risk-Based Authentication (RBA), where the issuer uses data that the merchant shares with them to compare with what they know about their cardholders. If the transaction is low risk and the merchant's data matches what the issuer has on file, the transaction can be authenticated behind the scenes, without impacting the consumer with a challenge. What makes RBA effective in these situations is the amount of data a merchant shares during authentication. **The more data they provide to the issuer, the more likely the transaction can be authenticated without checkout friction.**



Results

Following the adoption of EMV 3DS in 2019 the merchant observed an **increase in their authorization approval rates by 530 BPS from an average approval rate of 88.3% in 2019 to an average approval rate of 93.6% in 2023**. They attributed this to their usage of Visa Secure to weed out fraudsters and share enhanced data that aids issuers in their approval decisioning.



Opportunity

Solution

→ **Results**

SkipTheDishes populates the key EMV 3DS data elements¹ for over 90% of their authentication requests². The inclusion of these elements on a consistent basis supports issuers in their authentication decisioning and the overall creation of risk based authentication rules. The merchant’s quality of data not only improved the approval rates but also fostered customer and issuer confidence in their transactions.

By fully adopting EMV 3DS in their CNP fraud management strategy, SkipTheDishes has gained substantial learnings over the years in how to assess risks for ecommerce transactions. As a result of these learnings, this merchant continues to **optimize their fraud tools to better identify risk** upfront and reduce unnecessary friction for customers.

SkipTheDishes is an established, high-volume merchant in Canada. They exemplify successful implementation of a layered approach to fraud management with the use of Visa Secure. By **combining Visa Secure with additional internal fraud management tools**, this merchant has successfully **increased their approval rates while enhancing the overall experience** for their customers.

“3DS helped us to decrease fraud, increase overall authorization rates, and improve trust with banks. Our research shows that customers show a desire for extra security layers, and they understand the benefits”

SkipTheDishes

¹ Key EMV 3DS Fields include IP address, Browser Screen width/height, IP Country, Device ID, Method URL etc.
² Visa Secure data over a six-month period, from July through December 2022 for same merchant category.

Key learnings from adopting Visa Secure:



Incorporating EMV 3DS as a piece of an overall payment fraud strategy in addition to other fraud tools **creates a strong defense against fraud in the CNP space.**



It is imperative to have **internal monitoring practices** to assess Visa Secure performance and improve over time.



Customers appreciate **extra layers of security** and understand how beneficial the presence of fraud management tools in the ecommerce space are in protecting their purchases.

Key Statistics³



70% reduction in fraud related costs/chargebacks



92.4% authentication success rate



5 BPS fraud rate for authenticated transactions, **11 BPS** for non-authenticated transactions.



93.6% approval rate of authenticated transactions

³ These statistics are based on SkipTheDishes' use of Visa Secure from 2019 to 2024

“We’ve always had a great relationship and partnership with Visa. **Visa provides invaluable insights and connections** as Skip continues to scale into new verticals and grow our business”

- SkipTheDishes

Contact your Visa representative to learn how **Visa Secure** can help reduce fraud.