



Digital Commerce

# *EVALUATION GUIDE* for Online Fraud Solutions



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### How To Navigate This Guide

Creating seamless e-commerce experiences is essential, yet competing in a digital-first buying environment is increasingly challenged by the growing scale and sophistication of fraud.

In this landscape, knowing which customers to trust and earning their trust throughout the entire customer lifecycle—from account creation to chargeback—have become crucial drivers for growth.

Use this guide to understand how the different types of fraud solutions can help you leverage trust as a growth driver. Understand how they stack up against each other and the critical questions to ask during the exploration process.

## Common Types of Fraud Solutions

There are several types of fraud solutions on the market, ranging from point solutions to AI-powered fraud platforms. These include:



### Point Solutions

Point solutions address narrow use cases, such as device fingerprinting or bot detection. They are often used as starter solutions or part of a broader solution set.



### Decision-as-a-service (DaaS)

DaaS vendors offer a fully outsourced solution for companies without a dedicated fraud program, managing both the decision strategy and operations for the client.



### AI-Powered Fraud Platforms

AI-powered fraud platforms have comprehensive capabilities and are complete solutions that utilize AI to uncover behavior trends and drive dynamic experiences based on risk.



### Platform Solutions (other)

Other platform solutions are more narrowly focused on specific capabilities or verticals and tend to be less comprehensive, often powered by models that rely on rules.

Questions to Guide Your Search

# Comparing Solution CAPABILITIES



To determine the best solution for your business, it's helpful to understand some of the key components you should be looking for in a vendor. You'll want to evaluate how the technology works, how much control the solution offers, and the level of transparency you'll receive.



## Control

The level of control a solution provides gives you the power to optimize fraud strategies without the need for in-depth development and analyst resources.

### Does the solution:

- Allow you to modify score thresholds that map to different decisions (e.g., approve, challenge, reject) based on your risk tolerance?
- Incorporate customer risk signals that automatically extracts behavior trends and insights?
- Combine custom risk criteria to build and test new fraud strategies in real time?



## Insight

Solutions that incorporate global and industry-specific risk patterns that also empower drill-down context into your unique user behaviors, so you can make informed and proactive decisions.

### Does the solution:

- Derive real-time risk insights from a global network and industry-specific cohort of peers?
- Surface key signals to easily assess key drivers of risk and connections to other users?
- Collect, standardize, and derive risk trends from data across the entire digital journey?



## Automation

Automation capabilities allow you to adapt to evolving fraud with automated decision-making to drive dynamic experiences at scale.

### Does the solution:

- Achieve stable target fraud decisioning rates while automatically addressing changes in fraud activity?
- Easily combine risk criteria and ML-based risk assessments to create and test tailored experiences for trusted users?
- Pinpoint and automatically prevent potential account takeover risk?



## Scalability

Vendors that offer comprehensive solutions are more scalable and help you detect and block fraud across the entire customer journey.

### Does the solution:

- Evaluate risk throughout the full customer journey as you expand your digital offerings (e.g. alternative payment types)?
- Leverage real-time risk assessments and behavior trends to drive dynamic user experiences and prevent account breaches?
- Centralize processes from transaction to chargeback operations to minimize resource requirements as you scale?



## Investigation

Solutions with investigation capabilities surface critical information to help you make quicker, more informed decisions across the entire customer lifecycle.

### Does the solution:

- Allow for bulk actioning transactions to speed up productivity?
- Provide advanced visual and functional link analysis that uncovers connections between seemingly unrelated fraudulent transactions?
- Streamline key insights to accelerate chargeback case resolutions?

## Evaluation Checklist

# Finding the Right Fraud Solution for Your Business

Reference the checklist below to understand which features and capabilities are offered across these solutions.

| Feature or Capability   | Point solutions | Decision-as-a-service | Platform solutions (other) | AI-Powered Fraud Platforms (Sift) |
|---|-----------------|-----------------------|----------------------------|-----------------------------------|
| Technology  |                 |                       |                            |                                   |
| Real-time risk assessment with ability to apply a decision at every interaction (e.g., account creation, transaction, login, content creation or trigger friction in cases of account takeover) |                 |                       |                            | ●                                 |
| Support for unlimited custom data and custom, user-designed fields—including unique events and specific features and signals  |                 |                       |                            | ●                                 |
| Advanced signal extraction that fuels models and custom rule builders   |                 |                       |                            | ●                                 |
| Ensemble of models deployed for comprehensive and accurate risk assessment  |                 | ●                     | ●                          | ●                                 |
| Real-time learning—model automatically updates within milliseconds based on new user interactions   |                 | ●                     |                            | ●                                 |
| Industry-specific fraud behavior trends using a cohort model based on the insight from your peers   |                 |                       |                            | ●                                 |
| Dedicated custom model that incorporates features and learns fraud patterns specific to your business   |                 | ●                     |                            | ●                                 |
| Built-in native authentication capabilities for dynamic friction  |                 |                       |                            | ●                                 |

| Feature or capability  | Point solutions | Decision-as-a-service | Platform solutions (other) | Digital Trust & Safety platforms (Sift) |
|--|-----------------|-----------------------|----------------------------|---|
| Console functionality  |                 |                       |                            |   |
| Advanced console with case management capabilities, including built-in queues with both user and order-level views   |                 |                       |                            | ●                                       |
| Ability to set target fraud decisioning rates while automatically addressing changes in fraud activity   |                 |                       |                            | ●                                       |
| Functional visual link analysis that shows hidden connections between seemingly unrelated fraudulent events  |                 |                       |                            | ●                                       |
| Rule-building and on-demand simulation capabilities without needing developer and data analyst resources   |                 |                       | ●                          | ●                                       |
| Infrastructure to support and scale with growing operational needs (e.g., seasonal online traffic spikes)  | ●               | ●                     | ●                          | ●                                       |
| Internal controls to configure and assign multiple roles and permissions—including customizable ones   |                 |                       | ●                          | ●                                       |
| Seamless integration with existing fraud stack with the flexibility to input different types of data from multiple sources, and output to other existing systems | ●               |                       |                            | ●                                       |
| Centralize and templatize key insights to accurately assess and streamline chargeback investigations   |                 |                       | ●                          | ●                                       |
| Security   |                 |                       |                            |   |
| Data encryption at rest  |                 | ●                     | ●                          | ●                                       |
| SOC 2 certification  | ●               | ●                     | ●                          | ●                                       |
| Support for mandatory 2FA and SSO to grant access to user console  |                 |                       | ●                          | ●                                       |
| Governance and access control, user management, and data compliance capacity   |                 | ●                     | ●                          | ●                                       |

| Feature or capability   | Point solutions | Decision-as-a-service | Platform solutions (other) | Digital Trust & Safety platforms (Sift) |
|---|-----------------|-----------------------|----------------------------|---|
| Reporting capabilities  |                 |                       |                            |   |
| Pre-built reports analyzing order and chargeback metrics (e.g., order volume, acceptance rates, block rates, chargeback rates, etc.) in real time |                 |                       |                            | ●                                       |
| Pre-built reports to monitor team performance (e.g., number of cases reviewed, review accuracy, etc.)   | ●               |                       |                            | ●                                       |
| Out-of-the-box analytics to monitor decision strategy effectiveness   |                 |                       | ●                          | ●                                       |
| Advanced segmentation capabilities that allow users to drill down on specific business channels   |                 |                       | ●                          | ●                                       |
| Ability to easily export reports to CSV for further data analysis   |                 |                       |                            | ●                                       |
| Partnership and support   |                 |                       |                            |   |
| An online community for customers to share knowledge and best practices   |                 |                       |                            | ●                                       |
| Dedicated Sales Engineer for integration planning and deployment  | ●               | ●                     | ●                          | ●                                       |
| Customer service for onboarding, training, and continued support  | ●               | ●                     | ●                          | ●                                       |
| Access to trust and safety experts for consultation on building a holistic strategy   |                 | ●                     | ●                          | ●                                       |



# Turn Trust into Revenue

Transform fraud prevention with AI to boost revenue, loyalty, and lifetime value

With the influx of new vendors entering the fraud prevention market, selecting the right fraud solution for your business has never been more challenging. It's crucial to understand the level of automation, control, and insight a solution provides to make the best decision for your company. Organized fraud is on the rise, and your business needs more than just technology — you need the right partners to tackle the constantly-changing threats of online fraud and abuse.

Between Sift's team of Trust and Safety Architects, dedicated technical support experts, and our global industry-cohort fraud intelligence network, we ensure you're not alone in your mission to keep your customers, and your business, safe and secure.

[Talk to an expert](#) to learn how you can stop fraud, break down data silos, and lower friction with Sift.



## Grow Fearlessly with AI-Powered Fraud Decisioning

Sift is the AI-powered fraud platform securing digital trust for leading global businesses. Our deep investments in machine learning and user identity, a data network scoring 1 trillion events per year, and a commitment to long-term customer success empower more than 700 customers to grow fearlessly. Brands including DoorDash, Yelp, and Poshmark rely on Sift to unlock growth and deliver seamless consumer experiences.

Visit us at [sift.com](https://sift.com) and follow us on [LinkedIn](#).