



Silver Jeans Co. Finds Fraud Prevention That's a Perfect Fit



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Mike Girardin
E-Commerce Manager
Silver Jeans Co.



SITUATION

Silver Jeans Co.[™] is an extension of Western Glove Works, a family-owned business that has produced quality denim products since 1921. Dedicated to the craft of making jeans and the integrity of its product, Silver Jeans Co.[™] has grown to a \$150 million denim giant, with sales across North America, Europe, and Southeast Asia.

However, their e-commerce success resulted in substantial on-going fraud losses, which the company considered as somewhat of a cost of doing business. “We didn’t know solutions like Kount Complete existed,” says Mike Girardin, E-Commerce Manager at Silver Jeans Co. “But my boss got interested when he ran into Kount at IRCE a few years ago.”

Discussions quickly lead to Silver Jeans Co. installing Kount. “Kount seemed like an affordable investment, and for the price, didn’t see any reason not to get started right away.” Integrating Kount with Silver Jeans Co.’s Magento platform went quickly and without incident. “Deployment was fairly simple,” recalls Mike, “The Kount Magento plug-in, it just works with our payments system. And we have never had a problem

with uptime, there’s not a time I can remember when Kount has been down.”

SOLUTION

“Kount paid for itself in the first few months,” says Mike. “Our chargeback rate went from as high as 10% down to 0.1%. In terms of dollar amounts, our fraud losses dropped from \$10,000, sometimes \$30,000 a month, down to \$0 in many months. Once in a while we may see a chargeback, but it’s almost always less than \$600.” Mike puts those numbers in perspective: “Fraud losses and chargebacks were 3% to 3.5% of revenues before Kount. Now they’re less than one tenth of that... under 0.3% of revenues. The ROI is certainly there.”

Yet even with the dramatically lower fraud, there hasn’t been a drop off in sales. “We basically have the same order approval rate,” observes Mike. In fact, Kount is helping Silver Jeans Co. boost sales substantially. “Before Kount, we had stopped allowing sales in a number of international markets,” Mike notes. “For example, we had to ban every sale coming from the UK, more than half the orders were fraudulent. But now we’ve re-opened our international sales there. It’s because we have Kount.”

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Kount provides additional brand- and sales-building benefits: “Bigger orders can go out faster, now that we’re not as concerned about fraud,” says Mike. “Also, because we can identify fraud before a transaction turns into a chargeback, we can usually contact the cardholders and let them know someone’s using their card. Whether they’re a customer or not, that helps build goodwill. When someone’s card gets a fraudulent charge — even though it’s not the merchant but the fraudsters — the cardholders tend to blame the merchant. Kount helps us avoid that.”

Mike also appreciates the greater operational efficiency that Kount provides: “At most, we spend 20 or 30 minutes a day checking Kount. And we probably save two to three hours every day on manual reviews. It’s one of the top extensions we have on the website in terms of service, ease of use, and functionality.”

OUTCOME

- Reduce chargebacks to \$0 in most months, down from \$10,000 - \$30,000 in monthly losses before Kount.
- Enable re-opening of sales to international buyers.
- Reduce time spent on manual reviews by two to three hours every day.

Mike sums up his experience with Kount: “Fraud is no longer one of the things I worry about. I just don’t devote much mindspace to it anymore. When you look at ROI alone and what we get out of Kount, it’s a great value. A big reason for that is our Kount account person. She’s been great. Very proactive, good at checking to make sure our rules are as good as they can be. We have a number of different suppliers — probably 10 or more — and she is one of my favorites because she is so proactive, so helpful.”



BOOST SALES, BEAT FRAUD

Kount helps online businesses boost sales by reducing fraud and allowing them to accept more orders. Kount’s all-in-one, SaaS platform is designed for merchants operating in card-not-present environments and the payment service providers that support them, simplifying fraud detection and dramatically improving bottom line profitability. Companies using

Kount can accept more orders from more people in more places than ever before. Kount is a turnkey fraud solution that is easy-to-implement and easy-to-use. Kount’s proprietary technology has reviewed billions of transactions and provides maximum protection for some of the world’s best-known brands. For more information about Kount, please visit www.kount.com