

GUESS.com



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CyberSource[®]
 the power behind the buy button

www.guess.com/www.cybersource.com

CyberSource helps GUESS? make fraud exposure a scant issue

organization

- GUESS?

industry

- apparel

challenge

- implement a system to minimize exposure to fraudulent orders and provide high-performance payment processing

CyberSource Internet

Commerce SuiteSM featuring:

- Internet Fraud Screen
- Credit Card Services

results

- significant drop in the number of fraudulent orders
- fast processing of credit cards
- confident that fraud will not be a problem during busy holiday season

GUESS? is one of today's most recognized and influential fashion brand names. After almost 20 years in the traditional retail channel, GUESS? opened an online store in March 1999. This was a big step for the fashion leader, but it was time to bring its GUESS? brand jeans, apparel and fashion accessories to customers via the Internet.

hot brand attracts cyber thieves

The launch of the GUESS? online store was a big success. Unfortunately, the GUESS? Online store also caught the attention of cyber thieves. Shortly after, GUESS? found that online fraud was becoming an issue.

"Our online business was doing great, but the growing number of fraudulent orders were becoming a problem. Fraud was starting to cut into our bottom line," explained Jennifer Makkar, eCommerce manager at guess.com. "With the 1999 holiday season promising to be even bigger than last year, we could not afford to be in a vulnerable position," continued Makkar.

GUESS? turns to CyberSource

CyberSource had a solution to the fraud issues that GUESS? needed to address. CyberSource Internet Fraud Screen enhanced by Visa offered a secure infrastructure to make online transactions safe and easy for GUESS? and its customers.

GUESS? heard that CyberSource has the Internet's most effective weapon against online credit card fraud and decided to implement its services. CyberSource Internet Fraud Screen enhanced by Visa has a proven record of being able to reduce online credit card fraud to less than 1%.

quick results

As soon as GUESS? implemented CyberSource Internet Fraud Screen enhanced by Visa, it saw results. "From the moment it was up and running, we saw our instances of fraud drop," said Makkar. "We have continued to see the number of fraudulent orders decrease, even after the initial drop. With CyberSource Internet Fraud Screen enhanced by Visa, we do not have to divert valuable personnel to manually chase down fraudulent transactions," Makkar continued.

what's behind the screen

CyberSource Internet Fraud Screen enhanced by Visa screens eCommerce transactions and measures the level of risk associated with each order, returning a related risk score back to the merchant in real time. This automated risk assessment service calculates the risk associated with an order, based on unique Internet order variables and other transaction characteristics, and returns a "risk score" to the merchant. The system leverages Visa's fraud modeling expertise and CyberSource's Internet fraud reduction experience and historical transaction database. And with CyberSource



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Internet Fraud Screen enhanced by Visa, merchants maintain full control over their risk tolerance and final acceptance or rejection of the order.

enhanced payment processing

To provide customers with a rapid and secure checkout and payment experience, GUESS? also implemented CyberSource Credit Card Services. Designed to meet the needs of high-volume online stores, CyberSource Credit Card Services deliver 99.98% payment processing uptime and quick, three-second second response—even during peak sales periods.

fast and easy implementation

GUESS? was anxious to get up and running with the CyberSource services and were pleased with how quick and easy the implementation process was. “It was a very simple procedure,” explained Makkar. “We were able to implement the services on our own, without anyone from CyberSource coming on site. CyberSource was very easy to work with during implementation and continues to be very responsive to our needs.”

prepared for international expansion

CyberSource services are designed to support international sales. This is important to GUESS?, which plans to open its online store to international markets. “CyberSource is prepared for international eCommerce,” said Makkar. “This is big benefit for GUESS?. We are preparing to expand our

online operations to international markets and with CyberSource we do not have to rethink our back-end systems,” continued Makkar.

All CyberSource Credit Card Services enable secure, reliable, multi-currency payment processing in local currencies worldwide. CyberSource Credit Card Services support real-time international trade in over 170 currencies worldwide. CyberSource also provides robust tax calculation services to support the thousands of ever-changing taxing jurisdictions that exist worldwide. With CyberSource Tax Calculation, merchants are able to calculate Value Added Tax (VAT) in real-time to support sales in more than 18 countries.

Additionally, CyberSource Policy Compliance Services help online merchants, who do business outside of the United States, comply with corporate, partner and government policies for sales. CyberSource uses a sophisticated combination of geolocation technology and artificial intelligence to validate the information provided by the purchaser and screen for compliance. With Policy Compliance, merchants can limit product or service distribution to specific territories, thereby maintaining marketing policies or distribution agreements. Also, with Export Control, merchants can ensure that they are in compliance with U.S. government export regulations by monitoring order acceptance against a changing list of denied countries or persons.

conclusion

“GUESS? has a highly visible brand name and a reputation for customer satisfaction to protect. Our use of CyberSource services ensures that our customers are able to check-out quickly and securely, as well as helps GUESS? prevent fraudulent transactions that take away from our profits,” said Makkar

“Additionally, CyberSource has helped GUESS? gear up for end-of-year online sales and made fraud less of an issue for us. Its suite of high-performance payment processing and comprehensive fraud screening services has already helped GUESS? protect its profits and will be a real asset, particularly during the holiday season,” concluded Makkar.