



GOL Airlines Reduces
Fraud Losses by 90%



During the past decade, the internet has become a critical channel where airlines can streamline booking, reinforce brands and create a positive customer experience. Unfortunately, while consumers have been quick to take advantage of the convenience, so have fraudsters.

In an industry where loyalty is paramount and competition is fierce, fraud managers require tools which allow them to reduce fraud levels while delivering optimal customer experience. Because stopping a fraudster prevents a one-time loss. But every time a legitimate customer is blocked, lifetime value hangs in the balance.

This case study illustrates why Emailage Risk Assessment was selected by an GOL Airlines as the front of the line fraud prevention solution. Some key criteria desired included:

- The ability to get results using non-sensitive data
- A noninvasive approach to data exchange
- Quick response times, easy integration
- No friction added to checkout process
- Extremely low cost, with significant ROI potential

“In a span of three months, GOL Airlines reduced fraud losses by a factor of 10.”

Company Profile

Client: GOL - Linhas Aéreas Inteligentes

Location: São Paulo, Brazil

Usage: API integration as frontline security scoring 100% of transactions.

ROI: Over \$15 million in fraud prevented over 12 months

Need & background:

GOL Airlines was experiencing extremely high fraud losses on both gross amount and rates between its peers. Fraud losses were directly impacting revenue and the sustainability of the organization.

REQUIREMENTS:



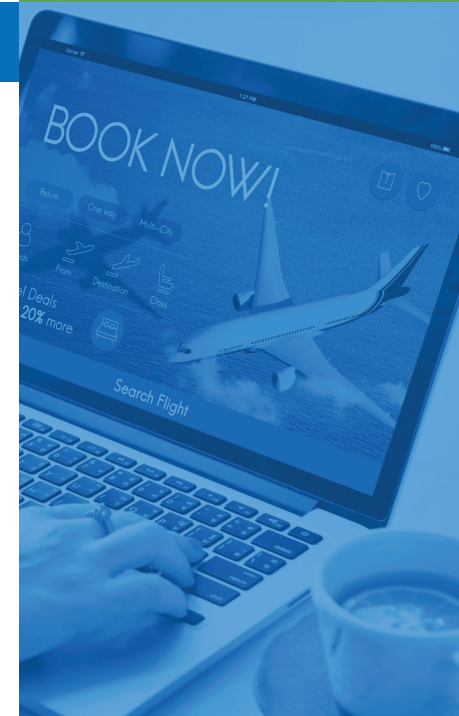
Required a very small amount of data due to privacy concerns and to limit breach risk to end client.



Yielded fast implementation from both a technical and legal perspectives.



Had the ability to evolve based on fraudsters' changes in strategies and tactics



Emailage has handled more than \$1 trillion in transactions. The result? Over \$1 billion in fraud prevented across the globe.

SOLUTION

GOL Airlines implemented Emailage Risk Assessment via API and began scoring 100% of transactions upfront. As part of this integration, both the email address and IP address for every transaction were sent for scoring.

OUTCOME

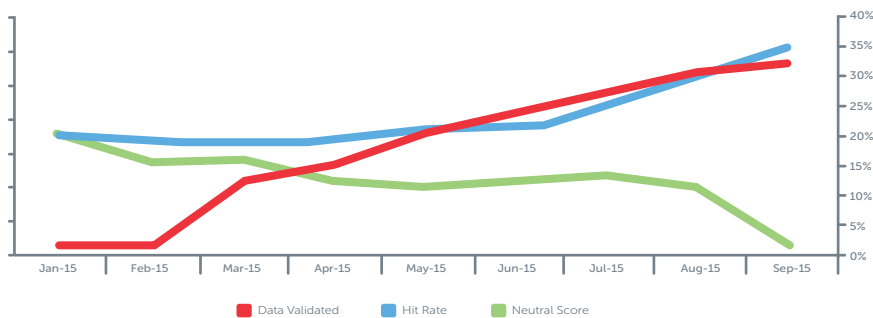
In a span of three months, GOL Airlines reduced fraud losses by a factor of 10, resulting in an overall reduction by 90% of all fraud losses. The total cost of fraud saved for the period was over \$6 million. GOL Airlines achieved this by leveraging Emailage's high risk band, (transactions with a risk score of 899+) to manually review risky transactions and catch fraudsters.

After a period of 3 months, GOL Airlines made the decision to utilize low risk band scored transactions (a risk score below 100) to automatically approve transactions. This approach led to an immediate 50% reduction of manual reviews.

In the following months, this method was able to capture 80% of the GOL's fraud. The overall hit rate exceeded 35% when additional API fields were used to evaluate the risk associated with the customers' email and IP addresses. By implementing Emailage, the GOL Airline is now considered the benchmark for fraud prevention among its peers.

FRAUD HIT RATE IMPROVEMENTS

Hit Rate Improvement (Feb-Jul) - 94% • Moderate Rate Reduction (Feb - Sep) - 92%



ROI



Over \$6 million in fraud costs prevented (on a period of 3 months)



Over 20X ROI for the period (immediate ROI since the first month)



80%+ of all fraud cases were detected.



35% hit rate on risk population (8X average hit rate using internal controls)

Key Takeaways:

- 30% cost reduction achieved by implementing Emailage Risk Assessment in front of other external fraud checks
- Only 1.5% of transactions received a risk score above 899 and were sent to manual review.

Want to know more about how you can get similar results?

Click here to get in touch!