

CASE STUDY



## Intelligence from LexisNexis® ThreatMetrix® Helps Spanish *Wallapop* better Detect Fraudulent Activity Across the Customer Journey

### AT A GLANCE

#### CUSTOMER



Wallapop

#### REQUIREMENTS

- Provide a more secure user environment for customers, establishing trust between buyers and sellers
- Detect new account opening fraud and returning fraudsters
- Improve reputation and brand while protecting customers from fraud

#### SOLUTION

Wallapop, the leading platform for a more human, sustainable and responsible method of consumption, leverages digital identity intelligence from the LexisNexis® Digital Identity Network® to reliably differentiate between trusted and fraudulent online behavior in near real time. Device, location and behavior data help the retailer identify high-risk scenarios.

#### BOTTOM LINE

- Improved capability to detect fraud and returning fraudsters with high accuracy
- Significant uplift in fraud detection rates
- Provided trusted customer insight and customer protection from fraud
- Aided a secure user environment and trust in transactions
- Enabled operational efficiency

*“LexisNexis ThreatMetrix® helped us detect fraudsters before they could create any friction or harm to our users. This was vital to provide the best experience to our users.” – Wallapop*

## Overview

Wallapop’s geo-localized technology connects a community of 15 million users by offering an easy and convenient way to buy and sell items that are no longer used. The platform, which has found a second home for more than 180 million items, provides people with access to unique goods at great prices, while extending the life of fully functional products. Since its inception, Wallapop has been committed to continuous innovation in the online classifieds industry and second-hand market and aspires to use technology to contribute to sustainability.

## Business Problem

Today, more than ever, customers are turning to e-commerce, prompting a dramatic and steady rise in online transactions.

However, online retailers are stuck between providing the smoothest possible experience for customers (new and existing) and protecting themselves from fraudsters who take advantage of the anonymity provided by digital channels.

Wallapop brings together buyers and sellers by offering them an easy and convenient way to buy and sell items that are no longer used. Fraudsters, however, have occasionally tried to exploit the platform. Wallapop was looking for a solution that could maintain the integrity of the platform for the enjoyment and success of good users, while keeping the fraudsters out.

## Key Pressure Points for Wallapop Included:

- Working on maintaining a secure environment for trusted users and interactions
- Detecting fraudsters establishing new accounts
- Identify returning fraudsters using new identities



## Building a Picture of True Digital Identity at Each Stage in the Online Journey

The design of an effective solution for Wallapop started with being able to reliably recognize trusted, returning customers, regardless of when and where they transact. LexisNexis ThreatMetrix® helps Wallapop collate intelligence relating to the customer's device, location, online behavior and credentials, building up a complete digital identity of every transacting user. Not only was this intelligence harnessed from Wallapop transactions, but it was also collated across all transactions relating to that user within the LexisNexis Digital Identity Network®.

The LexisNexis Digital Identity Network collects and processes millions of global transactions across thousands of websites every day, helping to piece together the digital footprint of online users across businesses, industries and locations.

Using this information, the Digital Identity Network creates a unique digital identity for each user by analyzing the myriad connections between devices, locations and anonymized personal information. Behavior that deviates from this trusted digital identity can be reliably identified in near real time, alerting Wallapop to new users who may be using stolen identity data, obfuscating their location or attempting to sign up for multiple accounts from the same device and other such scenarios.

## Leveraging Trust to Identify Returning Fraudsters in Near Real Time

Regardless of whether a fraudster is in possession of genuine identity information, LexisNexis ThreatMetrix could flag the fact that the transaction was coming from a returning digital persona that was associated with previous fraud, an unusual location not previously associated with the trusted user, or at a velocity that was anomalous with normal human behavior (and therefore indicative of automated bot traffic).

Wallapop could therefore identify accounts that were deemed high-risk, as well as returning fraudsters. This protected good customers and improved Wallapop's reputation for providing a trusted online user marketplace and safe interactions.

*“LexisNexis ThreatMetrix is key for having a better understanding of the potential risk of each new user.”*

— Wallapop





The Wallapop solution was underpinned by the following core capabilities from LexisNexis ThreatMetrix:

- **ThreatMetrix SmartID®:** Identifies returning users that wipe cookies, use private browsing and change other parameters to bypass device fingerprinting. This improves returning user detection and reduces false positives. Derived from the analysis of many browsers, plug-in and TCP/IP connection attributes, SmartID is based exclusively on device attributes to improve the detection of returning visitors, especially those trying to elude identification.
- **ThreatMetrix Mobile:** A lightweight software development kit (SDK) for Google Android and Apple iOS mobile devices, providing complete fraud protection for the Wallapop mobile app. This includes advanced persistent device identification, anomaly and device spoofing detection, application integrity evaluation, malware detection, location services, jailbreak and root detection technologies.
- **TrueIP:** Reliably detects the use of location and identity cloaking services, such as hidden proxies and VPNs, allowing Wallapop to see the true IP address, geolocation and other attributes of each transaction.
- **LexisNexis Risk Solutions Professional Services:** The LexisNexis Risk Solutions Professional Services team provides hands-on fraud expertise, tailoring the LexisNexis ThreatMetrix solution to meet the unique and evolving requirements of Wallapop. The team helps to continually optimize rules and policies to ensure that the full spectrum of fraud attacks is effectively detected, while minimizing false positives and manual reviews.

For more information, visit [risk.lexisnexis.com/FIM-EN](https://risk.lexisnexis.com/FIM-EN)



#### About LexisNexis Risk Solutions

LexisNexis® Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX (LSE: REL/NYSE: RELX), a global provider of information-based analytics and decision tools for professional and business customers. For more information, please visit [www.risk.lexisnexis.com](https://www.risk.lexisnexis.com) and [www.relx.com](https://www.relx.com).

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