# Backcountry.com

## How Backcountry used Decision Manager Replay to scale fraud operations during holiday season.

**CHALLENGE**

Backcountry.com is a trusted global resource for outdoor enthusiasts, offering quality performance gear for activities including motorsports, bicycling, backpacking, climbing, skiing, snowboarding, trail running and adventure travel. Founded in a Park City garage, Backcountry has grown into one of the largest online retailers of premium outdoor gear and apparel globally.

Every name-brand high-value retailer with an online presence understands two simultaneous challenges that Backcountry faced in handling fraud during the Q4 holiday season: minimize the impact of fraud attempts and increase operational efficiency.

Typically Backcountry would increase its tuning frequency during the holiday season when fraud attempts peaked. Ad-hoc data analysis and serial rule tests were time-consuming, and worse, anecdotal reactive responses often did not work.

The answer? CyberSource Decision Manager Replay.

**SOLUTION**

Backcountry implemented CyberSource Decision Manager Replay to create, modify and test fraud strategies quickly and accurately in time for holiday season. Building on their existing peak-season rules, they leveraged Decision Manager Replay's added speed and power to test and quantify different fraud strategies in real-time. Decision Manager Replay enabled them to update their rules multiple times a week, helping their fraud defense tactics adapt quickly to rapidly evolving attacks.

It allowed them to do real-time testing of "what-if" fraud rule profiles against their own historical data. Simple reports of likely changes to the transaction disposition and fraud rate showed Backcountry which rules led to desired results. Thus, they improved both their fraud detection rates and their operating efficiency by making more informed changes. Automating more order ACCEPTS and REJECTS helped them better utilize their internal order review resources, meet fulfillment deadlines, and keep service quality high during the demanding holiday season.

### RESULTS
## IMPROVED BOTH FRAUD DETECTION RATES AND OPERATING EFFICIENCY

Insights to improve accuracy and reduce mistakes

Real-time testing of various "what-if" fraud rule profiles against historical data

"Decision Manager Replay was like testing real-time orders faster than real-time."

Jamon Whitehead, Sr. Manager of Payment and Risk Operations

Replay reporting provided Backcountry insights for better tactical decisions

Optimized staff utilization

# Additional Insights

## SCALING WITH SALES GROWTH; TESTING FLEXIBILITY

As sales increased in the fourth quarter, Backcountry ran intensive testing on automated accept rules to discover where they could increase the auto-accept rules tolerance. In general, suspect orders are sent for manual review, but this model does not scale very well during peak season. By using Decision Manager Replay to test various fraud strategies, Backcountry was able to increase automated order decision routing. This allowed them to minimize the number of orders that were sent to time-consuming, resource-intensive manual review, and to improve responsiveness while experiencing high sales volumes.

During the off-peak season, when sales volume returned to normal, Backcountry continued to run Decision Manager Replay 2-3 times per month. Fraud is a dynamic problem, and even in slower seasons fraudsters continue to deploy new attacks. To ensure they aren't caught off-guard, Backcountry relies on Decision Manager Replay to regularly re-assess and refine their rules.

## FASTER ADAPTATION, BETTER DEFENSES

Improved efficiency was a key result of using Decision Manager Replay. Before, Backcountry relied on the passive profile rule functionality to test possible rules changes against new orders. These tests would typically run for a week at a time to gather sufficient data to make an informed decision.

Decision Manager Replay gave Backcountry faster testing and analysis of new rules updates. New rules used to take Backcountry a week to create, test and apply; now with Decision Manager Replay that time is cut to less than a day to respond quickly to fraud attacks.

## SANITY CHECKING RULES

Before Decision Manager Replay, Backcountry would sometimes make simple mistakes when configuring their rules, with negative impacts on their bottom line. Decision Manager Replay lets them safely test new rules before applying them to active profiles.

Backcountry also often relied on the anecdotal feedback from their manual review staff to update their rules. With Decision Manager Replay, they can test staff feedback and incorporate it when the suggested changes are shown to lead to improved results.

Backcountry is part of the Liberty Ventures unit of Liberty Interactive Corp., No. 6 in the 2014 Internet Retailer Top 500.

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