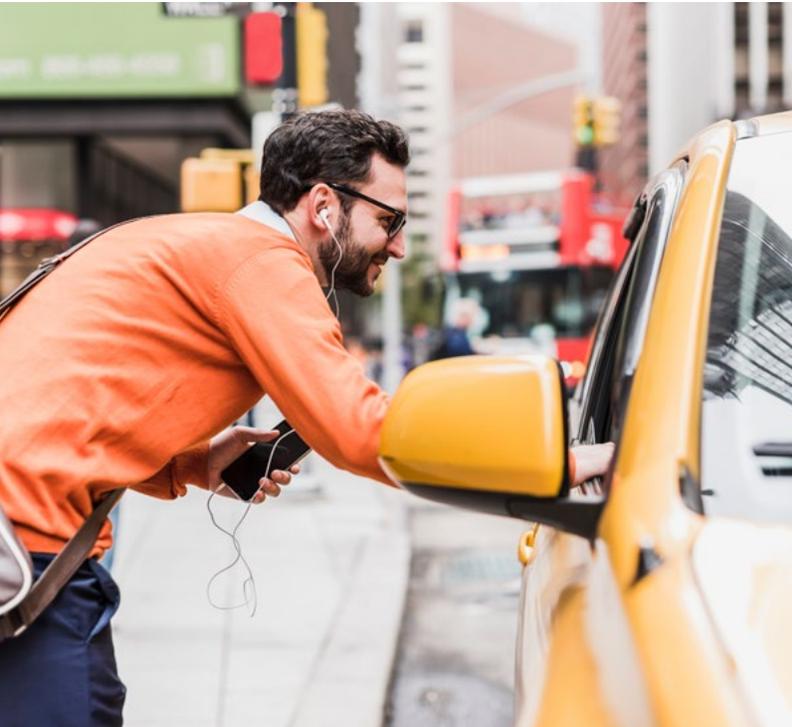


Expanding Mobile Payments for Taxis to New Destinations



Founded in New York City in 2005, Creative Mobile Technologies, LLC (CMT) has expanded to provide innovative mobile payment systems for taxis around the world.

The company's point-of-sale devices are used by approximately 50,000 taxis in 150 cities across North America and Europe. In 2015, CMT introduced a mobile passenger booking and payment app—Arro—to enhance passenger convenience while helping taxis remain competitive with emerging ridesharing services.

Dramatically—and quickly—reducing fraud losses

92%

drop in chargebacks in the first full month of implementation

92%

decrease in fraud losses, from 4.22% to .34% of trip volume

Challenge

Combating fraud has always been challenging, but the introduction of CMT's mobile app amplified the economic imperative to improve fraud management. At the peak, CMT approached \$100,000 per month in chargebacks related to card-not-present fraud. "We could no longer absorb the losses," says Jeffrey L. Wilson, CMT General Counsel and Director of Business Development. "We needed a solution that could help reduce fraud and stop the bleeding."

CMT's first attempt to implement a fraud management solution yielded disappointing results but gave the company some insight into the increasing scope of the problem. To improve fraud

management going forward, the CMT management team wanted to find a solution that could be automated and strengthened over time.

A new solution also had to accommodate the unique nature of the company's payments business. Whether someone is registering on the app or paying for a cab ride, there is no time for manual review. "If a passenger has to wait two minutes while someone reviews multiple sources of data, the taxi company will never see that passenger again," says Chris Plunkett, Director of Product Line Management for CMT.



Solution

As CMT searched for a new fraud management solution, the company's card brand partners and other technology partners recommended CyberSource. The CMT team found that CyberSource understood and embraced the company's unique challenges to propose a comprehensive, effective solution.

CMT ultimately chose the CyberSource Decision Manager fraud management solution to drive down fraud losses. Decision Manager supports the company's Arro mobile app as well as a white-labeled version of the app branded for individual taxi companies. CMT has implemented Decision Manager in the United States and the United Kingdom, and has plans to use it in other North American and European countries.

In the U.K., the company also implemented the CyberSource payment gateway, which connects to the company's back-end processor. CMT plans to roll out the payment gateway in North America.



"By working with CyberSource, we have a better handle on fraud..."

"...and we have the confidence to expand into new markets with much less financial risk."

Jeffrey L. Wilson, General Counsel and Director of Business Development, CMT

To help maximize the value of Decision Manager in managing fraud, CMT is using CyberSource Managed Risk Services. A dedicated analyst proactively assists with ongoing fraud concerns, works with CMT personnel to refine and test rules, and stays attuned to evolving fraud threats. These services have made a critical difference in helping CMT combat fraud.

"We didn't have the proper resources and expertise in-house to build a large fraud department," says Plunkett. "CyberSource Managed Risk Services gives us continuous access to expert assistance to help us optimize our fraud management strategies."



Additional Insights

A Dedicated Team Can Help Streamline Implementation

To help CMT deploy Decision Manager and the payment gateway quickly, CyberSource assigned a team that included a project manager, a solution expert, and a technical integration specialist. "Throughout the implementation process, the CyberSource team was focused on keeping the project moving and ensuring our success," says Plunkett.

Real-Time Decisions Help Deliver a Strong Customer Experience

Decision Manager helps CMT and its taxi company customers maintain a rapid, seamless customer experience for passengers. "CyberSource Decision Manager enables us to make fraud decisions in real time so we don't disrupt the experience for good customers," says Plunkett.

Reducing Economic Risks Enables Business Expansion

With Decision Manager and CyberSource Managed Risk Services, CMT has significantly reduced fraud losses. That reduction enables the company to move forward with the development of new features and functions for the app.

Fewer monthly losses also mean CMT is in a better position to continue rolling out its mobile app in new cities across North America and Europe. "By working with CyberSource, we have a better handle on fraud and can expand into new markets with much less financial risk," says Wilson.

Expert Resources Can Help Contain Evolving Fraud Threats

The Managed Risk Analyst service is helping CMT navigate a constantly changing fraud landscape. Whenever regulations change or new threats emerge, the analyst is ready to recommend new rules to implement. "It was definitely a smart decision to bring in an expert from CyberSource rather than trying to develop our own expertise internally," says Plunkett.

"With fraud management, there's no finish line. You have to move fast, and you have to keep moving," says Wilson. "Now we have the resources we need to stay ahead of fraudsters."