

How Traveloka increased real-time bookings and stopped ATO attempts

- ✓ 3x less traffic to 3D Secure
- ✓ 2x more orders accepted
- ✓ Low ATO rate despite customer growth

OVERVIEW

A smart booking platform for savvy travelers

Jakarta-based [Traveloka](#) is Indonesia’s number one platform for booking flights and getting great deals on hotels. With an ever-growing number of visitors to the site, this company has grown to offices in Thailand, Malaysia, Singapore, Vietnam, and the Philippines. Traveloka’s business is booming in the Southeast Asian market and—following on the heels of legitimate customers—fraudsters are creeping into the fold.



Challenge

- Payment fraud and ATO were damaging user trust and brand reputation
- Rules couldn’t keep up with an increase in customers and evolving fraud tactics



Solution

- Two separate custom machine learning models for payment abuse and ATO, respectively
- Faster, more efficient, proactive fraud detection



Results

- Now accepting 2x the orders
- Reduction of traffic to 3D Secure by 3x



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Sift helps us to identify more trusted customers and reduce the number of transactions that have to be authenticated, thus reducing payment friction and increasing overall conversion. It also detects more ATO than our rules-based system could, and the console makes it easy for our team to investigate suspicious cases and take action quickly.

Wayan Tresna Perdana, Senior Product Manager - User Platform



CHALLENGE

Account takeover and too much friction degraded trust

As a Sift customer, Traveloka's volume of fraud is miniscule, and the Traveloka team is committed to keeping that fraud rate low. Traveloka sees two main types of abuse: 1) payment fraud coming from stolen credit cards and 2) account takeover (ATO) stemming from stolen credentials and social engineering schemes. Both these problems lead to financial loss but, more importantly, damaged user trust and brand reputation. In order to combat these problems, Traveloka dedicated an internal team to fraud and risk, developing a series of elaborate fraud rules that attempted to provide an automated first screening of all orders.

“ When our anti-fraud rules rejected too many legitimate transactions, we engaged with Sift to reduce that number of false positives and stay ahead of real fraudsters.

Wayan Tresna Perdana, Senior Product Manager - User Platform

However, as the range of customers on the site changed, Traveloka's rules-based system couldn't keep up. When it came to payment fraud, they experienced many false positives that were blocking trusted customers and their orders, leading to poor customer experience. On the ATO side, static rules were missing a lot of cases, weren't able to adapt quickly enough to emerging trends, and resulted in a lot of false positives, blocking legitimate users from accessing the site. Traveloka wanted to maintain their low fraud rate for both payments and ATO while also reducing friction for legitimate customers falsely caught in the rules filters. This led Traveloka to search for a flexible and adaptive solution.



SOLUTION

Custom machine learning models and behavioral data for multiple types of abuse

In keeping with Traveloka's focus on smart solutions and innovation, they began investigating machine-learning based solutions to replace their rules-based system. Big data was already an integral part of Traveloka's customer service, marketing, and fraud operations. And now the product team—headed by Wayan Perdana—as tasked with finding an adaptive solution that reduced false positives, identified more ATO incidents, and could increase conversions. He turned to Sift because of its sophisticated machine learning platform that scales with growth, adapts to new fraud patterns, and accurately separates legitimate users from fraudsters.

Traveloka integrated with Sift to detect both types of fraud. Traveloka has two separate, custom machine learning models that leverage behavioral data—one for payment abuse and the second for ATO—to identify suspicious cases. Traveloka saw accurate results within weeks, giving them the ability to reduce friction for legitimate, paying customers and preemptively identify more ATO attempts at the point of login. Additionally, the Sift Console provides Traveloka's team an easy-to-use interface for investigating both payment fraud and compromised accounts. They can work faster and be more productive thanks to the holistic picture it paints of the user's activity.

**RESULTS****Faster checkout for happy customers; fewer ATO incidents**

With Sift, Traveloka was able to accept twice the amount of orders that were previously blocked by their rules system. They also crafted a better customer experience that reduced traffic to 3D Secure by 3x. On top of that, they have seen fewer ATO cases overall thanks to Sift's detection abilities.

“ We believe in an adaptive machine-learning approach to fraud management. Sift's web interface and API were quite simple and straightforward.

Wayan Tresna Perdana, Senior Product Manager - User Platform

ABOUT SIFT

Sift is the leader in Digital Trust & Safety, empowering digital disruptors to Fortune 500 companies to unlock new revenue without risk.

Sift dynamically prevents fraud and abuse through industry-leading technology and expertise, an unrivaled global data network of one trillion (1T) events per year, and a commitment to long-term customer partnerships. Global brands such as Twitter, DoorDash, and Wayfair rely on Sift to gain competitive advantage in their markets.

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