

# Upgrade Case Study

Upgrade is a fintech company that offers a wide range of services to both mainstream consumers and customers who often have limited credit-history data. In the last five years, Upgrade has made available \$12 billion in affordable and responsible credit to customers through cards and loans.

## Challenge

Senior Director of Fraud Analytics Ying Min Pang was hired before Upgrade's site went live and was tasked with finding a reliable identity verification and fraud detection solution that wouldn't add unnecessary friction to the customer onboarding process.

Pang was determined to find a way to obtain a more holistic view of applicants' identities to enable the verification of accounts that were not easily verified through traditional methods. Such accounts include those held by thin-file customers: someone with little to no credit history. In a competitive landscape, a frictionless customer experience is key. It's critical to assess and onboard good customers to avoid losing their lifetime loyalty and revenue. Pang and the Upgrade team needed to identify these hard-to-assess applicants and better assess their risk. Pang reached out to her colleagues in the fraud analytics arena for a solution. Her colleagues recommended Ekata's data and risk signals.

## Solution

The powerful identity data that Ekata provides during account opening helped Upgrade to launch with a reliable fraud detection process in place. Upgrade was able to tailor the onboarding experience with Ekata's Account Opening API and sort applicants into appropriate risk categories, in turn determining the level of friction to introduce. With such an innovative approach to identity verification and fraud detection, Upgrade will be able to continue tailoring the Ekata suite to meet their evolving needs.

"We conducted some back-testing on the product that showed very promising results," Pang says. "With additional data, Upgrade was able to verify additional customers that were difficult to verify without Ekata's services."

- Upgrade needed to provide a frictionless experience for good customers, while detecting and removing bad actors from their system
- Upgrade needed access to new data sources that could help it identify good customers while mitigating fraud

- Ekata's personal identity data helped Upgrade identify good customers who had been falsely flagged as high fraud risk
- Quality data provides the backbone of any fraud detection system
- Ekata met Upgrade where they needed to be throughout Upgrade's growth

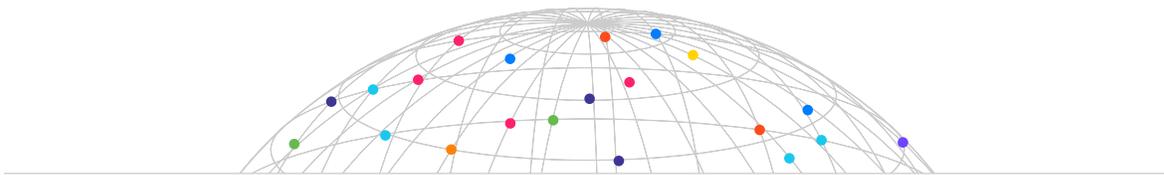
## Outcome

With Ekata's superior identity data, Upgrade saw a 21% reduction in falsely flagging good customers as suspicious. This was done while keeping the onboarding process as friction-free as possible, resulting in capturing additional revenue.

Talk to an Ekata expert to learn how Ekata can help your company optimize its customer onboarding experience while blocking fraudulent accounts. To learn more, visit [ekata.com](https://ekata.com).

## It's All in the Data

Our identity verification solutions are powered by the Ekata Identity Engine which combines sophisticated data science and machine learning to help businesses make quick and accurate risk decisions about their customers.



### ABOUT EKATA

Ekata Inc., a Mastercard company, empowers businesses to enable frictionless experiences and combat fraud worldwide. Our identity verification solutions are powered by the [Ekata Identity Engine](#), which combines sophisticated data science and machine learning to help businesses make quick and accurate risk decisions about their customers. Using Ekata's solutions, businesses can validate customers' identities and assess risk seamlessly and securely while preserving privacy. Our solutions empower more than 2,000 businesses and partners, including Alipay, Paypal, and Microsoft, to combat cyberfraud and enable an inclusive, frictionless experience for customers in over 230 countries and territories.

### ABOUT UPGRADE

Upgrade has delivered over \$10 billion in affordable and responsible credit to mainstream consumers through [cards](#) and [loans](#) since its inception in 2017. It also offers [Rewards Checking](#) accounts with debit cards that pay 2% rewards on everyday transactions and monthly subscriptions. Upgrade is headquartered in San Francisco, California, with an operations center in Phoenix, Arizona, and a technology center in Montreal, Canada. Loans and credit lines are issued, and banking services are provided, by Cross River Bank, a New Jersey State Chartered Commercial Bank, Member FDIC, Equal Housing Lender, and Blue Ridge Bank, a nationally chartered commercial bank, Member FDIC. Bitcoin execution and custody services are provided by NYDIG Execution LLC ("NYDIG"). NYDIG is authorized by the New York State Department of Financial Services to engage in virtual currency business activity. Upgrade Card is issued by Sutton Bank, Member FDIC, pursuant to a license from Visa U.S.A. Inc. Rewards associated with the Upgrade Card, when applicable, are provided by Upgrade, Inc. More information is available at [upgrade.com](https://upgrade.com).