

How a Leading LATAM Acquirer Increased Approval Rate by +2.2pp and Reduced 3DS Usage by 20% Without Increasing Chargebacks

14x
Return on Investment

Background

Our client relied on two fraud prevention solutions: an external vendor (U.S.-based) and an in-house system.

- The external solution was applied to only **10% of transactions due to its high cost.**
- The internal solution consisted of a **rules engine without machine learning**, requiring **significant involvement from the engineering team.**

Initial Challenges

1. **Very low chargeback rates, but low approval rates and high false positives.**
2. **3DS used in the majority of transactions.**
3. **Merchants dissatisfied** with both approval rates and the cost associated with 3DS.

Challenge

Improve approval rates and reduce the use of 3DS while maintaining a **low chargeback rate.**

Solution

We implemented **GatekeeperX**, our **real-time fraud prevention platform**, replacing both the external solution and the internal system.

GatekeeperX enabled the client to:

- ❑ **Optimize the existing rule set**
- ❑ **Develop a large number of new features** to evaluate transactions that were previously unavailable
- ❑ **Propose more effective fraud rules**
- ❑ **Implement a transactional scoring model**

17 Millions
Transactions evaluated per month
100% coverage in Card Not Present Transactions

250ms in p99.9
Latency
100% Availability

Benefits and Results

Higher Approval Rates / Lower False Positives

+2.2
Percentage points
Increase in net approval rate without deteriorating chargeback performance.

USD 20K
Incremental Net Revenue / Month
This improvement represents **USD 6M** in incremental monthly TPV

14x
ROI

Reduced 3DS Usage

-20%
3DS use

Optimized rules significantly reduced the use of **3DS in CNP transactions**, resulting in approximately **USD 90,000 in monthly cost savings for merchants.**

Stable Chargeback Rate at minimal levels

< 0.2%
Chargeback Amount

Approval improvements were achieved while maintaining the **same low chargeback levels** the client had historically managed across its vertical mix.

Improved risk control

- Explainable decisions
- Full rule control by the client's fraud team
- Machine learning used as support, not as a black box
- Aligned with internal risk policies and Visa & Mastercard best practices