

Digital Identity Check

Address verification of the future

Your challenge

Purchasing on open invoice is still the most popular payment method in German e-commerce, but it entails the highest risk of default. If an online shop operator wishes to maximize their conversion rate, offering purchasing on open invoice to customers at the checkout is essential. However, in order to keep the risk of payment default as low as possible, certain checks need to be performed. Reliable information about whether a customer is actually known at the address they provide allows better assessment of the risk of payment default or enforced collection. Such checks must be made as quickly as possible to ensure a smooth customer journey, without media break and without additional effort for the consumer, in order to prevent the customer from cancelling the purchasing process.

Our solution

The Digital Identity Check – a joint product between Arvato Financial Solutions and Deutsche Post Direkt GmbH – is a solution for verifying people at addresses, which tells online shops in a fraction of a second whether there is a match for the requested person and address. Based on this information, online shops can decide quickly and easily which payment methods they want to offer to individual customers. This information is particularly reliable due to the intelligent combination of the best data pools on the market, which generate more than 15 million economic signs of life every month. The result is a confirmation rate that is on average 22 percentage points better than a comparative product.

Your benefits



Intelligent multi-sourcing



Valuable additional information



Extremely short transaction times



Permanent updating of database



Easy to interpret results



Excellent confirmation rate



How the Digital Identity Check works

Entry of address

An online shop customer provides their address for payment processing. In order to avoid the risk of payment default as far as possible, and still offer purchasing on open invoice to as many customers as possible, the online shop operator needs to check customer details to ensure they are correct.

Address verification

Names and addresses provided by customers are checked against the existing database via the interface to Arvato Financial Solutions, which is integrated into the online shop operator's system.

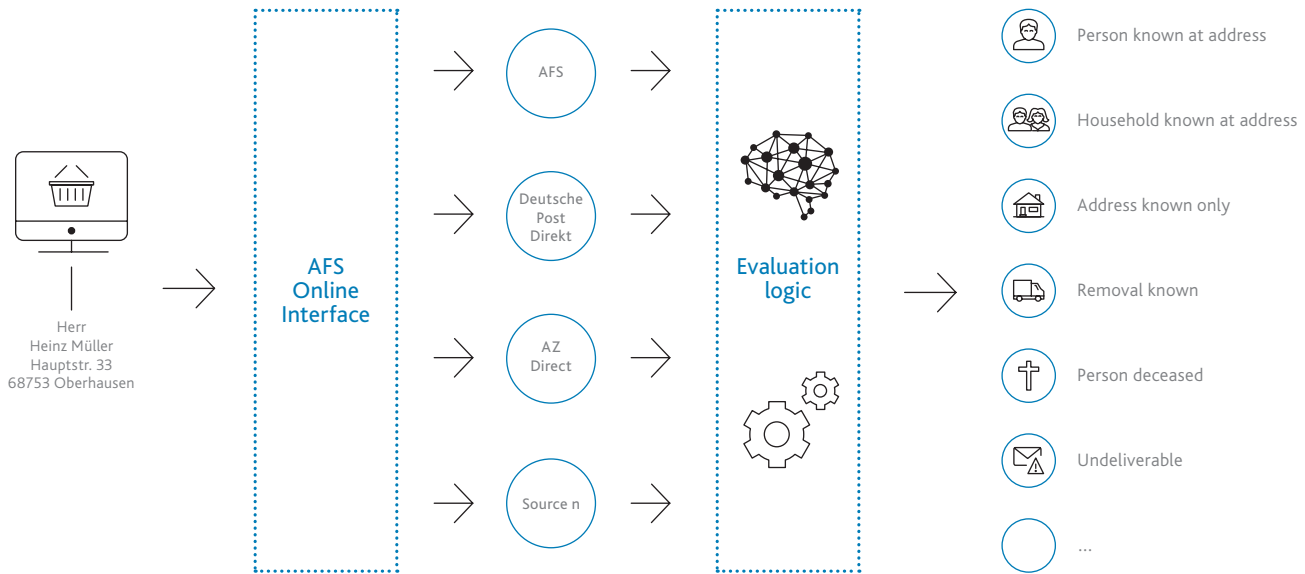
Intelligent combination of data pools

The Digital Identity Check uses a combination of data pools from Deutsche Post Direkt, AZ Direct and Arvato Financial Solutions, which generate around 15 million economic signs of life every month.

Parallel enquiries are sent to all data sources used. This results in extremely short transaction times. The conversion rate is not adversely affected by waiting times that are too long for the consumer. If different information comes back regarding the existence of a person at a certain address, an intelligent set of rules decides which information is most likely to be true.

Easy to interpret results

The Digital Identity Check returns results in the form of easy to interpret abbreviations, such as, for example, PPB (person known) or PHB (household known). Results also include useful additional information, such as, for example, details of house moves, vacant premises or deceased persons. They provide further information on the reasons for undeliverability and the associated payment risks. Reliable and professionally calibrated matching algorithms also find the intended person or address in the case of spelling errors and show these in the form of corrections in the information returned.



Arvato Financial Solutions Services

Arvato Financial Solutions provides professional financial services to renowned international brands as well as respected local businesses – allowing them to leave their credit management to a professional, so they can focus on what matters most for their business. The services center around cash flow in all segments of the customer lifecycle: from identity, fraud and credit risk management, to payment and financing services and debt collection.

More questions? Contact us.

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