elephant
by Pipl

Why Identity Uncertainty is the New Fraud (and How to Reclaim Your Revenue)

THE REALITY For most payment organizations, stable fraud metrics are the gold standard. But stability is often an illusion masking a systemic constraint. As fraud systems mature, the primary challenge isn't detection; it's uncertainty.

Most legacy systems lack a way to express partial confidence. When a transaction doesn't perfectly match a known pattern, the system defaults to suppression. This is the Default to Doubt tax — a silent growth killer that traditional fraud dashboards can't see.

The Problem: The Failure of Single-Signal Reputation

More often than not, identity verification is reduced to a simple reputation score based on a single signal. There are two major problems with this:

1. Asymmetric Learning Systems learn from the fraud they block but remain blind to the legitimate revenue they suppress.

2. The Connectivity Gap Fraudsters can easily buy aged or clean emails to trick single-signal vendors, but they can't easily fake contextual connectivity — the verifiable relationship between identity attributes.

The Opportunity: Shifting from Block-First to Trust-First

Reclaiming just 2-5% of suppressed legitimate demand can outperform even the most aggressive fraud-reduction initiatives in total ROI. Elephant enables this shift through two core differentiators:

Strategic Calibration We retrain models often on specific fraud trends and business reality, not generic consortium data. We can also calibrate your model to your specific historical fraud patterns, increasing model effectiveness even further.

Contextual Connectivity We analyze 740B+ signals to identify the human footprint behind the data. Transactions with three-plus strongly connected signals show 80% lower fraud rates.

80% → lower fraud rates in transactions with three-plus strongly connected signals

Cross-Functional Impact: Unlocking the Trust-First Advantage

Making the move to a trust-first strategy creates a ripple effect across your entire organization.

Department	Strategic Impact	Why It Matters
Finance + Revenue	Growth Lever	Reclaiming 2-5% of suppressed demand delivers outsized ROI and quantifies the cost of false declines.
Product + CX	Seamless UX	Trust-first logic eliminates needless friction (like CAPTCHA), directly improving conversion and LTV.
Risk + Fraud Ops	Operational Efficiency	A 15-60% reduction in manual reviews allows teams to pivot from triage to high-value strategic work.
Exec + Strategy	Competitive Moat	Shifting from loss-prevention to revenue-recovery turns fraud strategy into a primary growth engine.
Legal + Compliance	Defensible Action	Verifiable signal lineage ensures that trust-first decisions are auditable and compliant (GDPR, CCPA, SOC 2).
Customer Support	Loyalty + Retention	Fewer false declines mean fewer support tickets and a friction-free path to purchase for your best customers.

Proven Results: Seeing the Invisible

Revenue Growth A global marketplace unlocked $27.2M in additional revenue through a 19.4 percentage point increase in approvals.

Operational Savings A global consumer brand reduced manual review volume by 26.6% using calibrated trust scores.

Model Precision Calibrated identity signals lifted model performance to a 0.93 ROC-AUC for global payment platforms.

The Plan: 3 Steps to Trusted Autonomy

1

Integrate
Plug our trust layer into your existing flow to eliminate integration risk.

2

Calibrate
Align the system with your specific customer behavior and regional growth targets.

3

Unlock
Move from legacy Block-First logic to Confident Approvals.

→ Read The Report: Beyond False Declines: The Hidden Revenue Impact of Uncertainty