

A Fraud-Free Digital Marketplace for Sneaker Enthusiasts

Our customer created a marketplace that turns sneaker collecting into an exciting game, inspired by fantasy sports and supported by a trusted and seamless digital experience. Their goal is to make limited-edition sneakers more accessible by allowing collectors to use their sneakers as currency and an alternative to paying in cash.

They also strive to create something more than just a marketplace. It's a community that fosters meaningful connections between people who share a passion for sneakers. However, to foster a trusted and growing community, any fraudulent activity must be immediately detected and blocked which is why this customer selected Verosint.

CHALLENGE: Fostering Rapid Growth Without Fraud

As a platform that facilitates the trading of valuable goods, this sneaker marketplace is vulnerable to a wide range of account and platform fraud. A top priority is community and platform growth, which means that limited resources were available to create a dedicated fraud prevention team capable of investigating and stopping all of the potential fraud incidents occurring within the platform. As a result, the customer needed an easy-to-use technology solution for fraud detection and prevention for their small team that could identify a wide range of potential fraud incidents in real-time.

SOLUTION: Verosint Real-Time Fraud Detection and Prevention









After evaluating several options, the customer selected Verosint. Verosint was chosen due to its robust capabilities to span all of their fraud use cases, including real-time monitoring, AI insights to automatically detect fraud, security audit automation, and ease-of-use for their existing teams to readily recognize and prevent fraud.

Global Sneaker Market:

- Valued at over \$88.9B annually
- Collectible premium, celebrity and limited-edition sneakers fueling online marketplace growth
- Rapid market expansion in China and India provides new opportunities and risks



Verosint was able to address all of the company's fraud and security use cases including:

-  **1. Identity Theft:** Prevent fraudsters from using stolen identities to create accounts and engage in trading activities, potentially causing financial and reputational damage to legitimate users and the platform.
-  **2. Account Takeover:** Prevent hackers from gaining unauthorized access to legitimate user accounts through phishing, credential stuffing, or other cyber-attacks, leading to fraudulent transactions and loss of assets.
-  **3. Synthetic Identity Fraud:** Stop criminals from creating fake identities using a mix of real and fabricated information to open accounts and conduct fraudulent activities, making it difficult to detect and prevent.
-  **4. Money Laundering:** Stop fraudsters from using the platform to launder money through the creation of multiple accounts and engaging in a series of transactions to obscure the origin of illicit funds.
-  **5. Phishing and Social Engineering:** Block legitimate users from being targeted with phishing or social engineering attacks to reveal their login credentials, which are then used for fraudulent activities.
-  **6. Account Farming and Bot Attacks:** Stop fraudsters from creating multiple fake accounts (account farming) to manipulate trading markets, benefit from promotions, or conduct fraudulent trades.
-  **7. Transaction Fraud:** Block fraudulent transactions, such as fake sales or purchases, that can be used to manipulate markets or transfer funds illicitly.
-  **8. Payment Fraud:** Prevent stolen credit card use or chargeback fraud, where fraudsters use illegitimate payment methods to fund accounts or withdraw money.

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Flexibility And Adaptability To Support Future Growth

Verosint is used on a daily basis to investigate and discover fraudulent activity, and has already proved invaluable to the company in rapidly identifying and blocking damaging credential stuffing attacks and account takeover attempts. In addition to covering the use cases identified above, after implementation Verosint has proven to be highly adaptable to uncover new fraud patterns and tactics as they arise within the marketplace.



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