

ON SHOPIFY

HomeSeer

With Signifyd's fraud protection, HomeSeer has protected itself from fraudsters and freed up its employees to work on projects and initiatives that help drive revenue.



95%

Reduction in Cases Reviewed



5%

Increase in Accepted Orders



0

Chargebacks

Time for business

With Signifyd's Guaranteed Fraud Protection, HomeSeer's team has been able to focus on ways to build the business, rather than reviewing potentially fraudulent orders. Before Signifyd, Jon Smith would start every day by reviewing up to 100 or more ecommerce orders.

"I was just going through and making judgement calls," says Smith, Operations Manager at HomeSeer, a home control systems developer based in Bedford, New Hampshire. "Do the shipping and billing addresses match? Did they use PayPal? What kind of card did they use? Do they have any history with us?" In fact, all HomeSeer employees were constantly on alert for fraud. "If they noticed anything it was brought to my attention," says Smith, who has been with the company for five years.

But these days, HomeSeer employees pay more attention to their primary responsibilities and Smith says he has time to take care of other tasks. That's because every order that comes in is scanned for fraud in real-time and then guaranteed by Signifyd.

"I will go in some days and not even look at the orders," says Smith. "If Signifyd sends me an email saying I have to look at this one order every two days, or three days, I go in and look at it. It's cancelled. The customer gets notified. Someone in sales takes care of it after that."

Smith says in the one year since HomeSeer signed on with Signifyd he's had the time to revamp the warehouse, improve documentation, and implement new IT systems for the company. "They cost us 1 percent and it gives us peace of mind. And I honestly think we're saving money," says the IT manager.

A Long Track Record

Owner Richard Helmke and his wife Karen started HomeSeer in 1998.

"It was called originally "Keware," says Smith. "They started by just selling software from their basement. They were packaging up CDs and license keys and mailing them to people. In 1999 he quit his full-time job to do this."

Half a dozen years later the Helmkes made their first hire, a friend who continues to serve as a marketing director. "They moved to a warehouse-office. We don't really have a storefront. We have walk-ins here and there. Since then we've just continued growing," says Smith.

"At our core is our software, which we sell the most of. We recently got into manufacturing light switches and dimmers and we added some features that were exclusive to our systems. Since no one else had them, sales have simply taken off."





"We take a bunch of different services and put them all in one place so you can make them work together and communicate together. You couldn't have Alexa control your irrigation system before, but now you can do that with HomeSeer. A common thing people want is to open and close their garage door with their phone. We can do stuff like that, and there's actually a lot of variations and options of what we can do. We're essentially a catchall, that's our specialty, our niche."

"Our demographic includes home owners and apartment dwellers of all ages and we sell worldwide. Usually Signifyd stops orders that come from places that we don't ship to. We've had a couple of orders from Russia recently that Signifyd stopped for us."

Post-Shipment Protection

"Hardware's a little harder than software to protect against fraud because once it's shipped it's gone. It's pretty much out of your hands." Once, HomeSeer found the same fraudster ordering the same door lock three times in one weekend and sending each item separately to the same address. "But we caught them," says Smith. "No one in their right mind wants to pay for shipping today so I can't imagine why they would pay for it three times, it just didn't make any sense. I guess they were trying to keep each order under a certain amount."

Before signing up with Signifyd, HomeSeer was using PayPal as a processor. But then door locks that sold for between \$150 and \$250 started getting stolen. Owners of the credit cards that had been used to buy the door locks challenged the credit card companies. "We're the ones that got penalized because our hardware was gone and PayPal was not covering the losses," says Smith. Smith explains how one particular order "broke the camel's back."

"Someone ordered our best controller and bundled it with typical system items. The total was roughly \$2,400. Nothing was out of the ordinary; no red flags. So, we shipped it... and then got a chargeback a few weeks later! At that point, we knew we needed help."

Making the choice

Smith says HomeSeer chose Signifyd, in part, because they were able to customize their service to meet the e-retailer's needs. Most companies, he says, don't do that.

"They will either say 'pay me' or 'no, we can't do that," says Smith. "With Signifyd, I was on calls with their engineers. Everyone was very accommodating to what we were trying to do. So we signed an annual contract and we're planning to renew next year as well."

Signifyd evaluates every order across more than 10,000 merchants. It acquires third-party data in real-time as needed via its machine learning model, which is constantly updated and perfected by domain experts and specialized risk analysts. Every approved order is guaranteed against fraud by Signifyd, so HomeSeer's orders are protected.

Prior to starting with Signifyd, HomeSeer underwent a three-month trial testing period.

"Within those three months they were able to accomplish the customization we desired. We started using it and within a month everything was up and running smoothly."

"I recommend using it for the peace of mind. Even if it costs us a little extra, we need to realize what is at stake here: You're going to frustrate customers, you're going to frustrate the business owner and you're going to frustrate the person who has to go through the process of reviewing orders. Regardless of which fraud prevention tool you use, think about the time you're spending. Is it worth it if you still get chargebacks?"