



# PayPal Fraud Protection Advanced: Leveraging rich data intelligence to help Kiva focus on enriching lives



Kiva is an international nonprofit with a mission to expand financial access to help underserved communities thrive. They do this by crowdfunding loans and unlocking capital, improving the quality and cost of financial services, and addressing the barriers to financial access around the world. With 2.2M lenders, over \$2.00B in loans have been funded through Kiva to nearly 5M borrowers in 80 countries. And if that is not impressive enough, the repayment rate of these loans is over 96%.<sup>1</sup>

We spoke with Louisa Daly, Senior Director of Strategic Partnerships, Kate Irick, Senior Manager, Community and Operations, and Zazil Ortega, Senior Credit Operations Manager at Kiva to talk about their experience with PayPal Fraud Protection Advanced (FPA).

## The opportunity.

Kiva was looking for an enhanced fraud solution to help increase productivity.

Despite all the economic and social good that Kiva generates, unfortunately, fraud does not discriminate. Kiva was looking for a fraud prevention solution that was reliable, secure, and machine learning based.

Kiva's prior fraud process was cumbersome. There were hundreds to thousands of transactions to manually review monthly, including many false positives. They wanted to automate the fraud management process as much as possible, to focus on their mission of financial democratization for the underserved.





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**Zazil Ortega**  
Senior Manager, Credit Operations, Kiva

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## The solution.

**PayPal Fraud Protection Advanced provides a smart and flexible solution.**

Kiva and PayPal have a strong, long-standing partnership. The trust that has developed over the years led to Kiva using multiple PayPal solutions. This collaboration has resulted in reduced technical costs, increased operational efficiencies, and a deep understanding of Kiva’s needs.

PayPal Fraud Protection Advanced (FPA) was the answer for many reasons. Not only is it an adaptive machine learning solution that helps protect against evolving fraud, but its robust capabilities help manage fraud and help reduce loss.

Since Kiva already used PayPal Braintree for their payment processing as well as PayPal Checkout, they turned to PayPal for a fraud solution that could scale. Kiva selected FPA. FPA is available out-of-the-box with PayPal Braintree, so no integration was needed. FPA decisions credit card, debit card, Apple Pay, Google Pay, and Secure Remote Commerce transactions processed with PayPal Braintree.

“The success of our FPA implementation is a testament to our strong partnership with PayPal. We knew FPA’s seamless integration with PayPal Braintree’s processing technologies would add significant value to our operations,” said Irick.

According to Ortega, “FPA has been an effective tool for managing payment fraud. It’s a flexible, user-friendly tool for customizing and managing rules.”



## The impact.

### PayPal FPA helps reduce reviews, optimizes productivity, and provides customized analytics.

Kiva is an organization dedicated to creating a financially inclusive world, and FPA has helped them face the challenge of managing fraud in their operations. Using FPA not only reduced their review rate by 200%, but also provided their team with important insights and control.

"With the move to FPA, we were able to leverage FPA's risk model and conditional filters, which resulted in a reduced number of rejected transactions. And we did not see any increase in chargebacks," said Ortega

FPA provided reliable insights, enhancing fraud risk identification, and reducing the effort needed to understand complex data.

"FPA helps Kiva simplify. In 2020, with our prior fraud solution, we had 40 different rules that we were managing. It was complex, and we didn't have the analytics support to look at them comprehensively. With FPA, we are provided with a score. We found that it was

so reliable and straightforward, replacing the complex set of intersecting rules that we had previously," said Irick.

The impact on Kiva's marketplace was substantial, with significantly fewer transactions requiring review. Trust in FPA's calculations and analysis played a vital role, allowing Kiva to operate confidently, emphasizing the tool's effectiveness over individual decision-making.

"In addition to reducing our chargeback rate, FPA has reduced a lot of the noise around fraud. It has helped to reduce the amount of time we were spending looking at transactions that we really didn't need to be looking at," said Irick.

Analytics is another critical improvement with FPA. "FPA's reporting capabilities allow us to manage and analyze the data directly in FPA, effectively removing the need for multiple reporting systems," emphasized Ortega. The analytics that FPA provides allows Kiva to quickly group the data and share at various levels of detail. "It is user-friendly and has added efficiency to our processes."

"Thanks to the effectiveness of PayPal's FPA solution, we feel more confident in the task of detecting and declining transactions. This solution analyzes a multitude of data points in addition to employing a machine learning model," said Ortega. "This technology enables a more efficient and accurate analysis, ultimately enhancing our decision-making process."

Kiva's journey with FPA is one of operational optimization and heightened efficiency, resulting in more time committed to its mission of financial inclusivity. With the transformative power of FPA, Kiva can focus on offering financial access to the underserved population globally.



# 10<sup>x</sup>

decrease in the number of transactions reviewed weekly.<sup>2</sup>

# 9/10

rating for PayPal FPA from Kiva.<sup>3</sup>

# 200<sup>%</sup>

decrease in average review rate.<sup>4</sup>

<sup>1</sup> Source: <https://www.kiva.org/about>

<sup>2</sup> Data is from Kiva from 2023 metrics. These results may not be typical and may vary substantially by business. This content is provided for informational purposes only. You should always obtain independent business, tax, financial, and legal advice before making any business decision.

<sup>3</sup> Data from Kiva interview, November 2023.

<sup>4</sup> Data is from Kiva comparing Q3 of 2023 versus Q3 of 2020.