



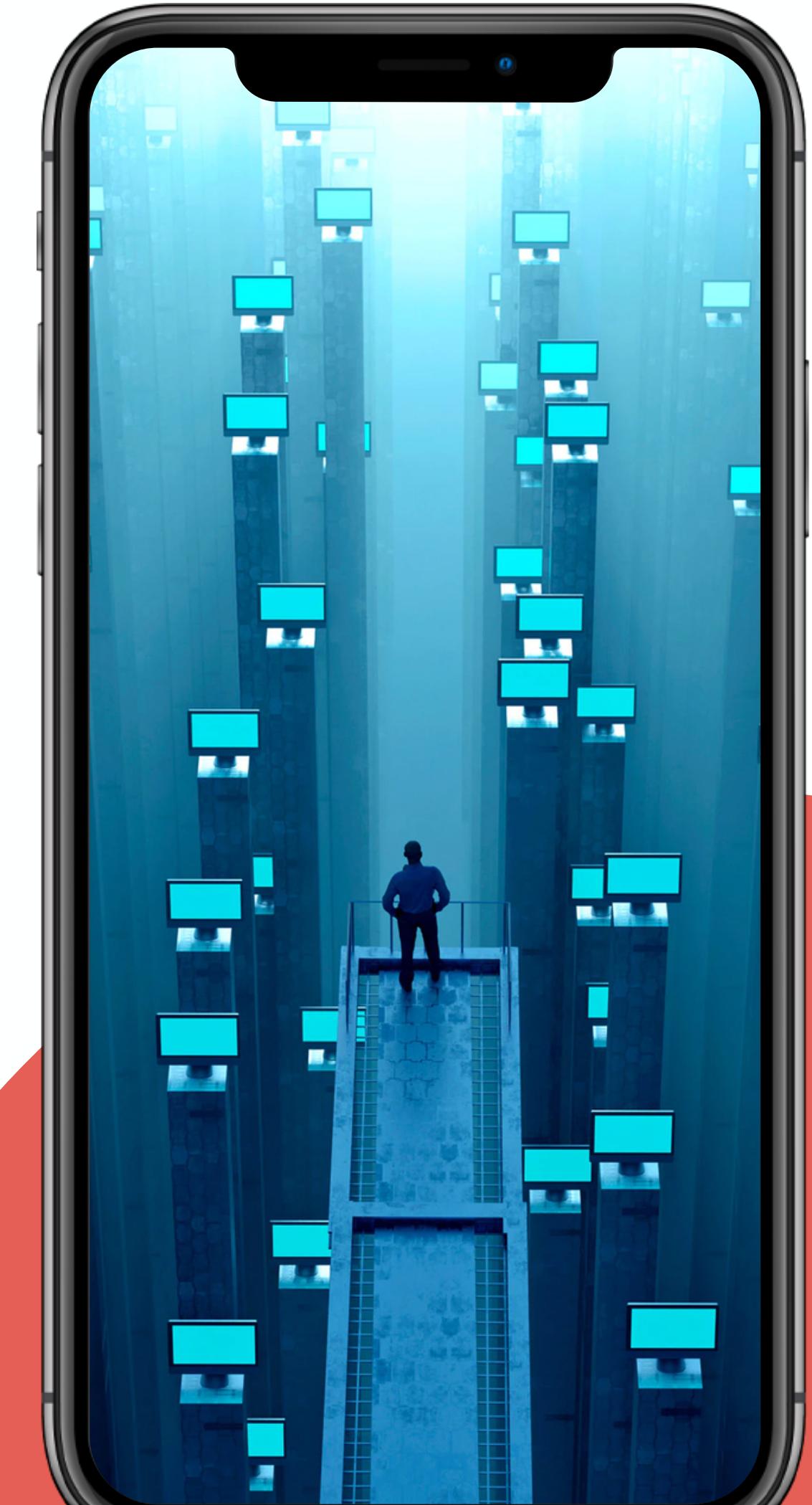
protectyour.business

PROTECTYOUR.BUSINESS

A CASE STUDY TO SHOW HOW
PROTECTYOUR.BUSINESS HELPED
ACTEVELY - A MARKETPLACE FOR YOGA
RETREATS

OVERVIEW

1. THE RISE OF ONLINE MARKETPLACES
2. UNDERSTANDING WHAT COULD GO WRONG
3. HOW DOES THE PRODUCT WORK
4. FRAUD ON ONLINE MARKETPLACES
5. CONCLUSION





1. THE RISE OF ONLINE MARKETPLACES

E-Commerce experienced a rapid growth in the past few years. It's estimated that there are up to 24 Million online stores globally. Just the top 10 platforms, including Amazon, Ebay, etc serve a combined 8 Billion visitors combined. With the rise of platforms like Shopify or No-Code tools the investment needed to launch an online marketplace is at an all-time low.

ACTEVELY.CO

M - OFFER & FIND YOGA RETREATS

One of these Marketplaces is actevely.com. Within just a year they have established themselves as a leading platform in Switzerland where Yoga teachers can promote their events to interested prospects. Since launch, the platform has listed over 500 retreats with more than 5000 monthly users..

The founders of Actevely.com soon learned that they target a market that has traditionally worked based on word of mouth. Working on a platform that provides them with larger exposure was new to them. This means that Actevely needs to offer easy to use solutions for both yoga teachers and potential clients.

Actevely doesn't charge for listings and is not involved in the booking process for retreats. This has allowed them to build and change their platform in much less time and lets them focus on building the community rather than maintaining technically complex business logic.

On the other hand it leaves them with less visibility and control over the process, which can be limiting in various ways. The founders have made this conscious decision as they believe that understanding the market is what they want to focus on first.



2. UNDERSTANDING WHAT COULD GO WRONG

A rising platform like Actevely will inevitably attract scammers who will use their criminal creativity to abuse the marketplace. Isabel Carbotta, Co-Founder of Actevely wanted to stay ahead of the curve and be prepared for when the platform would experience fraudulent activity.

Who are the personas that matter on the platform?

- **SELLERS: RETREAT ORGANIZERS**
- **BUYERS: PARTICIPANTS**
- **PLATFORM: ACTEVELY**

Understanding the involved personas and their motivations to participate on actevely.com sets a good foundation to identify risks that puts those interests at risk.

3. HOW DOES THE PRODUCT WORK?

The collaboration started with the two founders talking about how the platform is used and all the processes involved for new retreats to be listed on the site and how prospective participants learn about them and sign up.

In order to identify the risk, we need to understand how the market place works and is used. Everything between the login-flow and administrative processes performed by the staff is relevant to this assessment. Dario Salice

POTENTIAL FRAUD

We then proceeded to list potential fraud that can happen on a platform like Actevely.com. Using the potential impact primarily on customers - organizers and participants and also the reputation of the platform, this helped us rank the results by potential harm they could cause.

Another dimension to prioritize the ways scammers can cause harm on the platform is to assess how costly such an attack would be for the scammers. Scammers targeting online marketplaces are financially motivated and thus experienced in assessing how worthwhile an attack is. Focusing on cheaper scams is a good start for a platform like Actevely.

Dario walked us through the various types of risks Actevely or our customers could face. This laid the foundation for us to focus on what's most important.

OPTIONS FOR IMPROVEMENTS - READ THE ROOM

There's no limit to how much a company can invest in improving the security of their products. This is why for us at ProtectYour.Business it's important to understand where in their journey the customer is at and what the most practical ways are they can improve the fraud protections on their platform.

In the case of Actevely we identified that the risk of scammers posting retreats without any intention of running them is a top priority item to tackle. The solutions to mitigate such risk can massively range in cost and effort. When working with customers, it's important to keep in mind how "perfect is the enemy of good enough". Especially with Startups it's important to be pragmatic and avoid building solutions that are optimized for when the company is significantly larger.

With Isabel and Marcel we took the approach to look for ways to set up a good process that allows them to vet new retreat organizers without adding undue friction and distract their development cycles from making customer facing improvements on the platform.

IT'S THE START OF A JOURNEY TOGETHER

Rather than seeing this as a project which aims to generate dozens of pages of risks and mitigations, we looked at this as the starting point for a lasting partnership. As Actevely is growing and expanding their offerings, new risks will occur, old mitigations will become less practical, and new options become viable.

At ProtectYour.Business we want to find out what you need today and will be here for our customers as their business evolves.

For us at actevely it's important to have someone on our side that can help us at any step of our journey. This requires a pragmatic mindset and empathy towards the founders eager to grow their business.

APPROACH

The life of an entrepreneur is busy and time spent with customers is the top priority to be successful. The two founders joined two 60 Minute meetings and provided comments on the shared working document in between.

WORKSHOP 1 - 60 MINUTES

- Understand the product and processes to deliver
- Identify potential harms and rank them

1 Week of collaboration

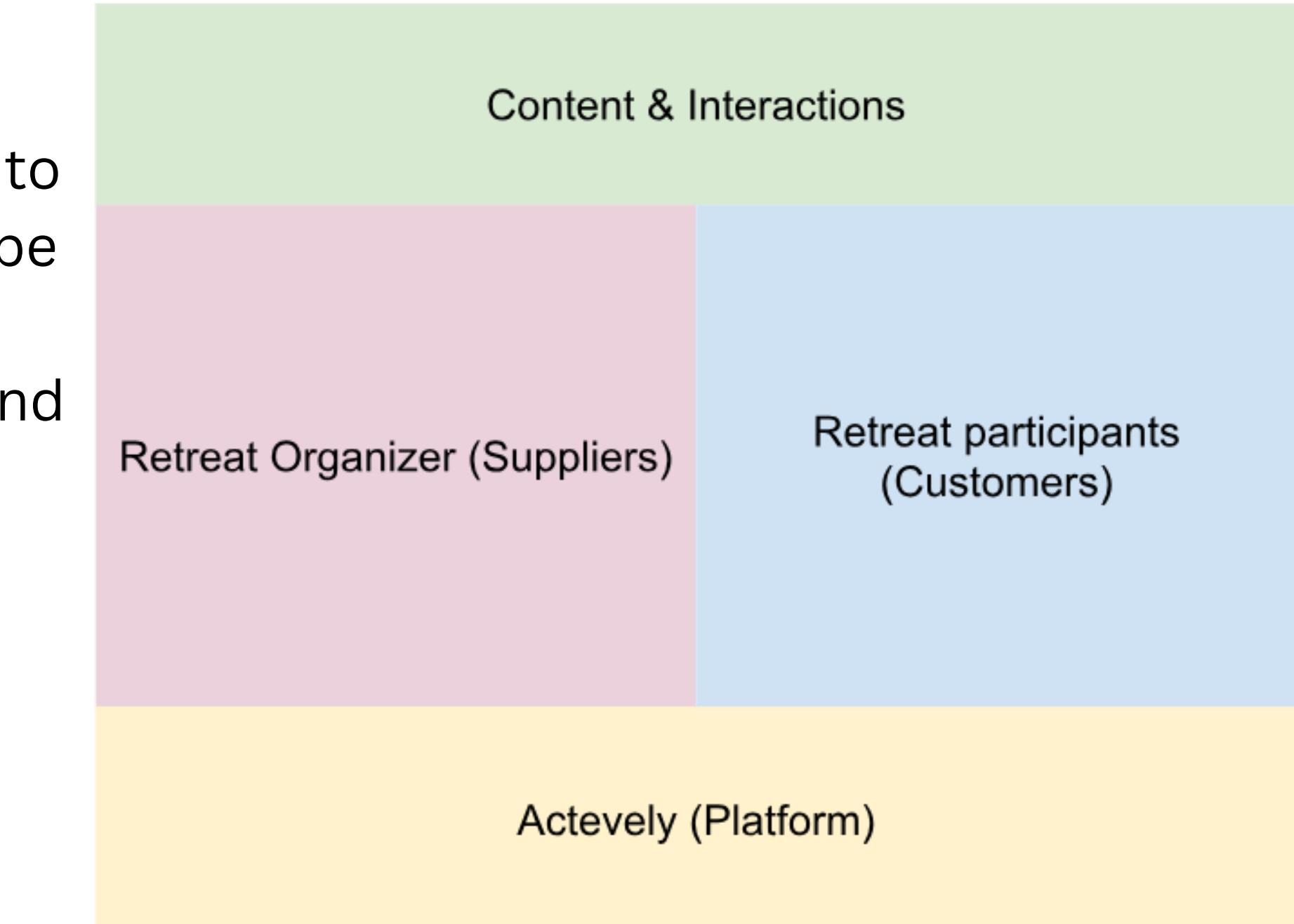
- Collaboration on the project document

Workshop 2 - 60 Minutes

- Agree on proposed priorities
- Walk through changes needed to reduce the risk of fake retreats being listed

4. FRAUD ON ONLINE MARKETPLACES

Two-sided marketplaces such as Actevely have to protect a number of areas that potentially can be subject to abuse leading to financial and reputational harm for the platform, suppliers, and customers.



LISTINGS WITH MALICIOUS INTENT

One of the most prevalent risks for Actevely and similar online marketplaces is if scammers post listings with malicious intent, usually to get payments without providing an (adequate) service.

In the case of Actevely, where the service is always meant to be provided in the form of an event people attend, we categorized potential listings with malicious intent into three categories:

1. Listings of retreats that are not taking place at all
2. Listings of retreats that intentionally overpromise on their deliverables
3. Listings with the intention to lure victims into a dangerous situation

When assessing the risk and potential damage of these types of listings with malicious intent, we look at different dimensions that reflect the effort for the scammers, expected benefit for the scammers and potential of criminal prosecution.

CONTINUE

LISTINGS WITH MALICIOUS INTENT

Objective of scam	Effort for scammer	Expected benefit for scammer	Criminal prosecution
Charge for non-existent retreats	Small - Can use images and text available online.	Revenue from pre-payments made by prospects	Small - Depending on method to perform pre-payment
Oversell	Large - Real retreats needs to be offered	Higher margin on retreats	Medium - Depending how blatant the discrepancy is
Non-finance scam	Large - Significant criminal intent is required	Depends on the intent	High - If reported to the local authorities

While Actively wants to prevent all of these scams affecting people on their platform, a pragmatic approach is to prioritize what to focus on first in a way that acknowledges where the business is at this point in its journey.

INCREASE THE EFFORT FOR SCAMMERS

Financially motivated scammers, who post fake listings, assess the effort it takes to perform their scam on a given platform. If Actevely can introduce measures that make it less attractive for scammers to post their fake listings, than on other platforms, they lose interest and move on.

With this theory we came up with a list of option on how to make it harder for scammers to post malicious listings:

Collect and verify information provided in the listing

Introduce additional identity verification when creating the first listing

CONTINUE

COLLECT AND VERIFY INFORMATION PROVIDED IN THE LISTING

In order to create a listing, some mandatory information like email address, phone number, website URL, etc. have to be provided. The platform also can collect information the user doesn't explicitly control like IP address, time of submission, etc.

Together with Actevely we defined a handful of checks that can be done manually or automatically that verify the information provided in the listing and help the team make a consistent decision whether to publish a listing, reject it, or request for more information.

This ensures that the friction to list retreats stays low and aligned with what Actevely has learned works best.

INTRODUCE ADDITIONAL IDENTITY VERIFICATION WHEN CREATING THE FIRST LISTING

There are more sophisticated options to increase the confidence that the listing is made by someone who doesn't hide their real identity. Financial services are often required to perform so-called KYC (Know Your Customer) checks where the customer has to provide evidence of their identity. Depending on the process, this can be a lengthy and expensive process.

Actevely doesn't have to perform these types of checks to allow listings on their platform, but can choose to implement elements of that to increase the confidence in the legitimacy of the organizers of retreats.

Having to perform such a verification process is also not a silver-bullet, but significantly increases the cost to perform the scam. If the scammer provides their real identity, they can be prosecuted more easily. Obtaining falsified information comes with a significant financial effort and makes the scam less profitable.

ACTEVELTY CAN IMPLEMENT TWO TYPES OF VERIFICATIONS TO ACHIEVE THIS GOAL:

1. **VERIFIED FORM OF PAYMENT:** BY REGISTERING A FORM OF PAYMENT LIKE A CREDIT CARD OR DEBIT CARD, THEY CAN CONFIRM THAT THE USER HAS A FORM OF PAYMENT THAT MATCHES SOME OF THE INFORMATION THEY PROVIDED LIKE NAME AND ADDRESS.
2. **VERIFICATION OF GOVERNMENT ISSUED ID:** BY VERIFYING THE AUTHENTICITY AND ACCURACY OF PROVIDED INFORMATION A GOVERNMENT ISSUED ID SUCH AS PASSPORT, NATIONAL IDENTITY CARD, OR DRIVING LICENSE CAN BE USED.

BOTH OF THESE OPTIONS CAN BE IMPLEMENTED USING THIRD PARTY PROVIDERS THAT ARE SPECIALIZED TO DO THIS. COLLECTING THIS TYPE OF INFORMATION IS STRICTLY REGULATED IN MOST COUNTRIES.

MANDATING THE YOGA TEACHERS TO PROVIDE A FORM OF PAYMENT OR GOVERNMENT ISSUED ID WOULD ADD FRICTION TO THE SIGN-UP PROCESS AND SLOW DOWN GROWTH OF THE PLATFORM. BUILDING THESE FUNCTIONALITIES REQUIRES TIME THAT CAN BE SPENT ON BETTER PROMOTING THE PLATFORM AND HELPING THE SELLERS GROW THEIR BUSINESS.

PYB PROVIDED US WITH RELEVANT INFORMATION THAT ALLOWED US TO DECIDE WHICH MEASURES TO TAKE AT THIS POINT AND WHEN TO REVISIT THEM IN THE FUTURE. PYB WASN'T TRYING TO SELL US ANYTHING, AND PRIORITIZED WHAT IS GOOD FOR ACTIVELY AND ITS USERS.

CONCLUSION

In conclusion, this case study highlights how ProtectYour.Business collaborated with Actevely, a yoga retreat marketplace, to identify and mitigate potential risks associated with malicious activities on their platform. The rise of online marketplaces has brought about various challenges, and Actevely aimed to proactively address these risks to protect their business and users.

Throughout the collaboration, ProtectYour.Business maintained a pragmatic approach, understanding Actevely's current stage and growth trajectory. They prioritized practical solutions that aligned with Actevely's goals, avoiding unnecessary complexities that could hinder the company's development.

Ultimately, the collaboration between ProtectYour.Business and Actevely resulted in a strengthened platform, better equipped to safeguard against fraudulent activities. Actevely gained valuable insights, practical solutions, and a partner they could rely on for ongoing support.

If you are running an online marketplace or have concerns about fraud and abuse affecting your business and customers, ProtectYour.Business encourages you to reach out and discuss your specific challenges. They aim to provide tailored assistance and prioritize your business's protection, independent of any particular solution.