Practice Case 7

Business Acumen

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Assume you are a product manager/data scientist (or anyone who has capability to make a change) in a Startup. The startup name is BukaToko and they are one of largest marketplace. Their main vision is to help small businesses to get wider market and buyers can buy product safely. This company also creates trusted payment ecosystem for both seller and buyer. Event though they have a complex security to protect transaction of sellers and buyers, several frauds have inflicted loss to all parties, especially BukaToko themselves. Cashback fraud, Fake “Cheap” Product, Transaction outside platform, Fake shipping receipt, and so forth are the problems that harmful and need to be solved soon. You, as the one who dedicated to stop these problems, need to make your own team to cooperate and solve these.

**1. Which problem you prioritize the most? And Why? (Choose one and focus on that topic)**

I will prioritize the cashback fraud case among all of the problems because it can cause BukaToko’s loss to be high up to millions Rupiahs. Sadly, this type of fraud is faced by many e-commerces nowadays.

Usually, this fraud is done by many suspects with fake transactions between them. One of them is the seller and others are the purchasers. They may be selling fake voucher, fake items, or “ghost” items (they literally sell nothing). They do the transaction according to rules that mentioned in the site. But it is a fake transaction as the suspects can reap so much money from the cashback given.

It will be a real messed-up if BukaToko loss so much money because of this type of fraud. So, before it happened, we better prevent this cashback fraud case.

**2. Which business components that will be your team to solve the problem? Why?**

For my team to solve this problem need to consist of:

1. Operation
   1. Operation (Legal, Investigator)

If there is a fraud detected by RnD team, legal make sure the problem is resolved by law. Before that, investigator will have to investigate suspected fraudsters before take a legal route.

1. Marketing
   1. Research and Development (Data Engineer, Data Analyst, Data Scientist, Anti-Fraud, IT)

RnD team will focused on developing technology that can detect this fraud by maybe locate the fraudsters, find outlier transactions, etc.

* 1. Marketing (Public Relation)

Maintaining our brand perspective and make sure our customers won’t churn even if they know there is a problem.

1. Finance
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Make sure the financial status is fine and no outlier exist. Finance also helps to track the shopping culture.

**3. How you define and identify the problem?**

Why this problem can exists and give bad financial loss because there may be a lack in our system. For example, we give our customers cashback vouchers way too easy and it can trigger fraudsters to perform fraud. Even unverified purchasers can get vouchers. This unverified case also applied for the sellers. If the seller is unverified, they can sell fake items or even make fake transactions with their hired/pay purchasers.

**4. What is your synthesized solution?**

Solutions for the problems above, first, give vouchers to only verified customers and make it not too easy to get the cashback vouchers. May be some missions then we can give vouchers to them.

Also, make sure the cashback vouchers are only applied to verified sellers so that we can prevent fake items sold or even fake transactions. How to verify purchasers and sellers are easy. For purchasers, they can send us their ID card photo and a selfie with the ID card. For sellers, they do the same thing plus we track their historical transactions and how usually they make each month.

RnD team will make a fraud detection system to prevent this type of fraud ever happen in our e-commerce.

source:

<https://nasional.kompas.com/read/2018/12/21/12224221/polri-ungkap-penipuan-transaksi-demi-cashback-di-bukalapak?page=all>

<https://www.news18.com/news/india/paytm-mall-says-cashback-fraud-of-up-to-rs-10-crore-detected-2141609.html>