



Growing and diversifying digital asset portfolios

With Plaid, Uphold protects their customers from fraud while reducing their return rates and losses



Problem

Uphold needed to prevent fraud on their platform while lowering their return rates and losses.

Solution

Uphold worked with Plaid to implement a holistic payments risk solution that fights fraud, reduces returns, and creates a better customer experience.

Results with Plaid

Uphold reports the following results with Plaid:

83% 83% of transactions are no longer subject to a 65-day withdrawal hold.

80% Uphold's return losses have decreased by 80%.

77% The number of customer complaints have dropped by 77%.

83%

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“Plaid reduced fraud considerably when we started using them to verify bank account ownership. We were confident they could help us cut our fraud losses even more while improving our customer experience.”

ROB MCCALL,
Director of Fraud Prevention, Uphold

Flexible trading made easy

HOW UPHOLD SPEEDS UP ACCESS TO FUNDS WHILE PREVENTING ACH RETURNS WITH PLAID

Uphold's “anything-to-anything” platform allows customers to diversify their portfolios by trading cryptocurrencies, national currencies, stocks, and precious metals, regardless of type. As part of their vision to give more people access to financial services, Uphold also serves a global customer base in over 184 countries.

One of Uphold's biggest priorities is protecting customers. To that end, Uphold put a 65-day hold on withdrawals to prevent attackers from profiting off fraudulent trades. This extra line of defense meant customers had to wait weeks to move money out of Uphold, making it difficult to get full value out of the platform.

On top of that, Uphold faced high return rates and losses from fraud or insufficient funds. At scale, these losses were beginning to eat into profits.

Uphold was already working with Plaid to verify bank account ownership for their customers with Plaid's Auth and Identity products, so they knew where to turn to solve these challenges. Rob McCall, their Director of Fraud Prevention, said, “Plaid reduced fraud considerably when we started using them to verify bank account ownership. We were confident they could help us cut our fraud losses even more while improving our customer experience.”

80%

Uphold's return losses have decreased by 80%.

"In every executive meeting, we check how fraud losses are doing, and all we can say is 'wow, that's amazing.' We could have saved ourselves a lot of pain if we had this sooner!"

**CHRISTOPHER
ADJEI-AMPOFO,**
*Chief Information Officer,
Uphold*

End-to-end protection

Uphold worked with Plaid to create a comprehensive payments risk solution to give customers faster access to funds.

That process looks like this:

- Customers connect their bank account, and Uphold matches the account owner to the user's identity to confirm the user is who they say they are. This prevents bad actors from connecting bank accounts that aren't theirs and making fraudulent trades.
- Next, Uphold gets two risk scores in under two seconds based on over 1,000 risk signals. These scores allow Uphold to prevent transactions that are fraudulent or likely to result in a loss, saving Uphold money and effort.
- Transactions with low-risk scores have funds released immediately, while higher-risk transactions are reviewed or declined. For other transactions, Uphold performs a real-time balance check within seconds. The balance check ensures Uphold doesn't have to deal with a return later, avoiding fees and losses associated with returns.

Christopher Adjei-Ampofo, Uphold's Chief Information Officer, worked closely with Plaid on this launch.

"We deeply appreciate the support and responsiveness from Plaid throughout this process. We had weekly touch points, and the team helped us work through some internal challenges that delayed the project and get the buy-in needed to launch successfully."

Happy customers

With Plaid, 83% of Uphold's transactions are no longer subject to a 65-day hold. Now customers can ramp up more quickly and withdraw funds after only a four-day hold. Uphold's customers are taking note—since implementation, complaints have dropped by 77%.

In McCall's words, "Customers want to move from US dollars to crypto or equity as quickly as possible. They want to act on funds immediately, and Plaid makes that possible."

In addition to improving the customer experience in the near term, working with Plaid has opened up new possibilities for the Uphold product roadmap. Adjei-Ampofo shared, "Plaid allows us to assess risk with user-permissioned data easily. That means we can confidently offer more services to VIP and long-standing customers with low risk."

A better bottom line

Uphold's return losses have now dropped by 80%, and their customers are onboarding faster. In Adjei-Ampofo's words, "In every executive meeting, we check how fraud losses are doing, and all we can say is 'wow, that's amazing.' We could have saved ourselves a lot of pain if we had this sooner!"

77%

The number of customer complaints have dropped by 77%.

These savings matter in a turbulent economy where every dollar counts. Adjei-Ampofo shared, "In the bull market, we looked at loss percentage against our revenue and thought it was acceptable. But the market has shifted. The losses we've prevented with Plaid have strengthened our position in a challenging market."

Uphold has built a reputation as a secure, trustworthy trading platform, and the fraud prevention measures they've taken with Plaid have boosted that message. That work isn't just saving them money; it's helping them attract customers.

"While some unregulated companies were able to profit off riskier business models, we've always put security and compliance at the forefront," shared Adjei-Ampofo. "Plaid is an essential part of that work. Now, we see that customers are looking for someone they can trust. And we have a net inflow of customers because we take compliance seriously, and people trust us because of it."

An all-in-one solution

Having multiple products from Plaid has benefitted Uphold in several ways. For one, Plaid provides detailed risk insights, meaning more data to accurately identify risk and better protection for Uphold and their customers. McCall shared, "Plaid has the full picture of our user-permissioned data, from account linking to transactions, which makes their fraud analysis more robust."

These improvements have also cut the fraud prevention team's workload by about 42%, allowing them to be more efficient and focus on more strategic work.

The work to onboard new vendors can also be a major challenge. Adopting more Plaid products meant Uphold didn't have to perform additional third-party risk and assessments.

"Having one partner to handle our fraud prevention needs means less engineering effort," said McCall. "It takes a lot of effort to find resources to implement new tools or build insights from multiple tools into one channel, but Plaid makes all that easy."

"Working with Plaid is a no-brainer."

**CHRISTOPHER
ADJEI-AMPOFO,**
*Chief Information Officer,
Uphold*

Financial freedom

Uphold's comprehensive payments risk solution enables their customers to grow their portfolios faster without compromising security. To sum up this partnership, Adjei-Ampofo had one thing to say.

| *"Working with Plaid is a no-brainer."*

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Plaid powers the digital finance solutions that enable millions of people to live healthier financial lives. Trusted by 8,000+ of the world's leading companies and connected to 12,000+ financial institutions across the US, Canada, UK, and Europe, Plaid's mission is to unlock financial freedom for everyone.

Ready to build the future of digital finance? Reach out to our sales team at info@plaid.com.