

PrizePicks Adopts Game-Changing Identity Verification Solution to Accelerate Business Growth while Preventing Fraud

The industry's largest and fastest growing skill-based gaming company builds credibility and trust with its members from the start, with fast, frictionless, and accurate identity verification.

As a leading innovator in skill-based gaming, PrizePicks has a tough growth challenge to solve: creating a trusted environment with the identity verification of the largest swath of the population without posing friction at onboarding. For PrizePicks, that means onboarding harder-to-identify next-gen gamers with a lighter credit history while keeping out those 18 and younger who aren't legally allowed to engage. This younger demographic tends to have less financial history and therefore requires more advanced capabilities for verifying identity — features that were lacking in PrizePicks' previous KYC solution.

As a result, during a period of hypergrowth, PrizePicks was experiencing low auto-approval rates for identity verification. Potential new members that didn't pass the automated review had to go through an additional, and costly, document verification onboarding step, which was a manual effort managed by an internal group of 15 full-time PrizePicks employees.

"Our KYC provider's fraud decisioning capabilities were sorely lacking, so we were hamstrung when it came to being agile with onboarding next-gen gamers and capturing fraud at the top of the funnel," said Jay Deuskar, co-founder and CTO at PrizePicks, adding that "it was creating friction at the start of our member onboarding journey that we needed to address."

1M

New members in 10 months with increase customer conversion rates

15

Staff reallocated to other strategic functions



PRIZEPICKS

- Industry: Skill-based fantasy gaming
- Headquarters: Atlanta, GA
- Website: prizepicks.com
- PrizePicks is the fastest-growing sports company in North America according to the 2022 Inc. 5000 rankings and the largest independent skill-based fantasy sports operator in North America. PrizePicks is the most fun, fast, and simple version of daily fantasy sports, covering a wide variety of sports leagues from the NFL and NBA to Esports titles such as League of Legends and Counter-Strike.

Challenges

- Low auto-approval rates for next-gen gamers with a lighter credit history
- Lacking fraud decisioning solution for better risk mitigation
- Extensive manual document verification processes requiring a team of 15 full-time staff
- Dropouts in the process due to high friction and wait times

Socure ID+ Solutions

- KYC
- Sigma Identity Fraud
- Sigma Synthetic Fraud
- Predictive DocV

Key Results

- Experienced double-digit increase in auto approvals for new members
- Optimized speed and user experience for signing up new customers
- Increased customer conversion rates with 1 million new members in 10 months
- Grew memberships of next-gen gamers driving tens of millions of dollars in annual LTV growth
- Eliminated operational cost with automated, accurate document verifications without manual review
- Reallocated 15 staff resources to other strategic functions

Gaining Comprehensive Identity Verification that Drives Growth

On a mission to find a new identity verification vendor, PrizePicks evaluated three solutions and selected Socure as the stand-out company for its analytical, data-driven approach that delivered top results on the company's main KPI of increasing auto-approvals. The Socure ID+ platform gives PrizePicks a unified approach for verifying good identities in real time with an end-to-end platform, including Socure KYC, Sigma Identity Fraud, Sigma Synthetic Fraud, and Predictive DocV.

"One of the things that was attractive about Socure was its comprehensiveness. I loved that Socure had integrated capabilities for KYC, fraud, and document verification, which meant we didn't have to piece together disparate vendor solutions to achieve our goals. We were impressed with how slick the offering was and the opportunity to orchestrate our identity verification workflows in a single solution," said Jay.

Optimizing the Member Onboarding Journey

In a highly competitive gaming market, PrizePicks is hyper focused on giving members the best experience from the first touch point all the way through to the game play. At the start of the member journey, Socure takes a data science-driven approach to verify the identity of new PrizePicks members.

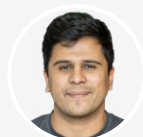
By applying analytics models that track and correlate identity attributes, such as name, email, phone, address, date of birth, SSN, IP, device, velocity, and network intelligence, the Socure platform produces reliable, consistent, and accurate determinations on the legitimacy of an identity and its relative degree of fraud risk.

"Our customers are next-generation sports fans who want a sleek and intuitive experience with our platform. Socure has helped us optimize that experience during account onboarding, which is arguably one of the most crucial touchpoints in making sure potential members don't drop out of the process due to unnecessary friction," said Jay, adding that "it's important we get things right early on to develop trust with the customer, and Socure helps us build our credibility from the start with a fast, frictionless, and accurate identity verification process."

Socure's robust approach has enabled PrizePicks to experience double-digit growth in new member auto-approvals, reduce fraud losses, and drive massive growth in customer lifetime value (LTV). Onboarding for the company's next-gen gaming members has grown significantly, directly



Socure has been a game changer for our overall conversion rates and customer growth because of how efficiently our members can get their identity verified, complete our KYC process, pass the fraud checks, and get on to playing.”



Jay Deuskar
Co-founder and CTO
PrizePicks

contributing to tens of millions of dollars in annual LTV growth. And, as a result of the optimized member onboarding journey, PrizePicks increased customer conversion rates, gaining one million new members in ten months.

Another big win for PrizePicks was its move from a manual to an automated document verification process. Prospective members that fail initial checks are escalated to Socure’s Predictive DocV to digitally verify the authenticity of identity documents, along with selfie analyses to verify that the biometric and the physical identification card photos match.

“Socure enabled us to completely eliminate our manual document verification process and reallocate 100 percent of our 15 team members to other strategic business functions,” explained Jay. “As a result, we experienced huge cost savings and an increase in the efficiency of our internal operations.”

Innovative Data Science Partnership

As a real money skills-based gaming operator, PrizePicks must comply with certain KYC mandates. With Socure, they have gained a frictionless, highly-accurate solution with unmatched coverage in younger demographics. PrizePicks can now demonstrate they have the proper guardrails in place with a continuous KYC and Customer Identification Program (CIP) process that delivers a solid foundation of reliable identification and protection. “Socure has been instrumental in helping us implement procedure and automation for our KYC compliance efforts,” said Jay.

At its core, PrizePicks is an innovative tech analytics company where data science and predictive modeling are entrenched in the company ethos for building and managing the best customer journey. Socure’s market leading identity verification and fraud prevention platform driven by advanced AI and ML technologies makes the vendor partnership a great one for PrizePicks. “Socure’s expertise in data science gives us a strategic partner that helps us run experiments, offer predictive modeling on outcomes, and provide suggestions to improve our KYC process and decisioning,” said Jay. “I think that’s one of Socure’s biggest values compared to others in the space, and our Socure team members are some of the best people I’ve ever worked with.”

Going into Peak Gaming Seasons with Confidence

As Jay points out, “The PrizePicks business is highly seasonal; we’re always thinking ahead of the curve on where the business is going and how to maximize our resources and foster more growth.” As PrizePicks looks to the future, the company has a well-tuned, accurate identity verification process and a strong partner in Socure that’ll readily keep pace and scale with PrizePicks’ innovations.

“As we go into high member acquisition periods like the football season, we’re confident that we’ve got a good partner in Socure helping us to maximize approval rates and business growth that will move new members through the funnel without compromising fraud or the integrity of our ecosystem,” said Jay.



One of the things that was attractive about Socure was its comprehensiveness. I loved that Socure had integrated capabilities for KYC, fraud, and document verification, which meant we didn’t have to piece together disparate vendor solutions to achieve our goals. We were impressed with how slick the offering was and the opportunity to orchestrate our identity verification workflows in a single solution.”

About Socure

Socure is the leading platform for digital identity verification and trust. Its predictive analytics platform applies artificial intelligence and machine learning techniques with trusted online/offline data intelligence from physical government-issued documents as well as email, phone, address, IP, device, velocity, date of birth, SSN, and the broader internet to verify identities in real time. The company has more than 1,800 customers across the financial services, government, gaming, healthcare, telecom, and e-commerce industries, including four of the top five banks, 13 of the top 15 card issuers, the top three MSBs, the top payroll provider, the top credit bureau, the top online gaming operator, the top Buy Now, Pay Later (BNPL) providers, and over 250 of the largest fintechs. Marquee customers include Chime, SoFi, Robinhood, Gusto, Public, Stash, DraftKings, State of California, and Florida’s Homeowner Assistance Fund. Socure customers have become investors in the company including Citi Ventures, Wells Fargo Strategic Capital, Capital One Ventures, MVB Bank, and Synchrony. Additional investors include Accel, T. Rowe Price, Bain Capital Ventures, Tiger Global, Commerce Ventures, Scale Venture Partners, Sorenson, Flint Capital, Two Sigma Ventures, and others.