Hi all,

We dug a little deeper into the refunds occurring on Angry Birds and it looks like most all (~93%) of the refunds are being made due to friendly fraud refund requests. In nearly all cases the parent knew their child was playing Angry Birds, but didn’t think the child would be allowed to buy anything without their password or authorization first (Like in iOS). The combination of Angry Birds being an existing title on mobile and being targeted at a younger demo most likely explains the higher refund rate they are seeing. The difficulty with friendly fraud is that we do not have a clear way to identify it at a purchase level because it looks like a good transaction and if we were to build risk models to reduce it, we would most likely block good TPV.

I think we all agree that it is really important for Angry Birds to be a success story so if they are really concerned about the refund rate we can increase our focus on their transactions and our processes around them to try and lower their refund rate.

@Sara, can we schedule some time to chat with them next week? I would also push them again to pull their refund codes via the API so they can better understand this behavior themselves.

Best,
Danny

Hi guys,

Just an update, this looks to all be friendly fraud (unauthorized charges made by a child or adult that is known to the cardholder) and we haven’t seen one case of true fraud. From first glance the the refund rate is low by order count but higher by actual credit amount meaning a handful of high amount orders were refunded. We are digging deeper into the data and should have something to send to Rovio in the next day or two. Just a heads up that we are on the case! @Sara, I’d love to hop on a call with their team in the next two weeks to discuss this and some other payments best practices.

-Danny

Hey Danny-
Looks like Angry Birds is seeing 5-10% in refunds since they launched last week. Can we comment on whether or not that's a high percentage? Also, anything in particular that you see with regard to their refunds that we can help counsel them on?

Sara

From: Sean Ryan <seandryan@fb.com>
Date: Mon, 20 Feb 2012 10:14:35 -0800
To: Gareth Morris <gjm@fb.com>
Cc: Julien Codorniou <julienco@fb.com>, Internal Use <sara@fb.com>
Subject: Re: Insights update and Credits refunds

Julien and Sara, please follow up on this question. Sean

Sent from my iPhone

On Feb 20, 2012, at 10:09 AM, "Gareth Morris" <gjm@fb.com> wrote:

Hi Stefan,

Let me check up to see if that’s a high refund rate.

Have you read the section on Disputes and Chargebacks in our docs? https://developers.facebook.com/docs/credits/disputes/
You should receive an email when a user disputes a transaction, and then you are able to either "settle" or "refund" it.
If a transaction has been refunded by Facebook, you will see an extra field when you GET /ORDER_ID via the Graph - refund_reason_code

You can also query the Graph API with a GET to /APP_ID/payments?status=refunded with your app access token to see all refunded transactions.

I noticed Insights data was out of date today too. It’s normally a couple of days behind, but this seems like a bug. Looking into it on our side.

Gareth

From: Stefan Hauk <stefan.hauk@rovio.com>
Date: Mon, 20 Feb 2012 18:04:25 +0200
To: Rovio Partnership <rovio-partnership@fb.com>
Cc: Gareth Morris <gjm@fb.com>
Subject: Insights update and Credits refunds

Hi,

I have a question about Facebook Credits refunds. We have been seeing refund rates of 5-10% in terms of credits spent so far on Angry Birds. This seems quite high to me, but it might just be normal for games on Facebook. Can you give us an indication of what the average expected refund rate is on the platform? Is there a way to get data about the reason for the refunds?

Also, I noticed that the Insights data have not been updated for Angry Birds (178222352279634) since Tuesday last week, apart from the Credits section. Shouldn't these numbers update the latest 24 hours after
a full day is completed? And which time zone do you use as a cut-off point for the days?

Thanks,

Stefan

~

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