

The 5 Most Common Chargeback Challenges

Today's merchants have plenty of things to worry about but chargeback management doesn't have to be one of them. Take a look at the top five chargeback challenges facing merchants today. Do these challenges look familiar? If so, you are not alone. You don't have to let chargeback management sink your business goals. Create a plan, stay informed and protect your bottom line against chargeback loss.

Not enough staff/resources

Only **30%** of chargeback costs go to actual chargebacks. Labor costs constitute about **32%** of net chargeback expenses. **49%** of surveyed merchants indicate "lack of sufficient resources" as a major reason for their disputes failing.



Merchants struggle with identifying winnable chargebacks

Merchants only dispute about **43%** of chargebacks. While no factor dominates, merchants identify the transaction value and the availability of supporting evidence as the two most important factors in deciding whether or not to dispute a chargeback.



Tracking down all the necessary paperwork

Of all the tasks associated with managing chargebacks, perhaps the most arduous is the time merchants spend identifying which documents they will need to build a proper case, then tracking them down.



Fees and hidden costs

Chargeback and representation fees, contribute to **27%** and **12%** of expenses, respectively. These fees can be charged by issuers, acquirers, and networks at varying stages of the chargeback process. Since these fees are levied at the time of receipt and when you respond, it is critical to do everything possible to minimize them. Selecting only chargebacks that are potentially winnable due to the cost, effort and time needed to gather the necessary documents will help minimize fees.

Chargebacks to dispute:	Chargebacks not to dispute:
12345696	A944965
990877767	L98437244
990877777	409578749509
45454565365	977779
5909509994	

Dealing with fraud

One of the most common pain points for merchants is managing fraud arising either from deliberate attacks by identity thieves, or from legitimate customers fraudulently demanding refunds, known as "friendly fraud."



Among merchants using chargeback management systems, **73%** see increases in labor efficiency and **84%** see increases in dispute win rates. Improvements in win rates are especially dramatic, as over a third of users were able to increase their win rate between **67%** and **100%**. Create a plan, stay informed, and protect your bottom line against chargeback loss by partnering with Accertify.