Ibotta Saves Money for Shoppers (and Christmas for Its Employees!)

With a fast-growing user base for its mobile shopping app, Ibotta needed to scale a data-verification process with accuracy and speed during the busiest retail season of the year.

BUILDING A BETTER WAY TO COUPON

Ibotta is a cash-back rewards app that large consumer brands use to showcase popular products. Customers can select those products, buy them at one of hundreds of retail partners available in the app, and earn rebates by taking a photo of their receipt and submitting it through the app. Launched in 2012, Ibotta has nearly 22 million downloads, and is one of the most frequently used shopping apps in the United States.

The challenge is matching the items on a receipt with the items that a shopper selected in the app. For the best user experience, the process needs to be fast. And to maximize value for retail consumers and Ibotta's partner brands, the process must be accurate.

The company's proprietary optical character recognition (OCR) system matches the vast majority of receipts automatically. But some receipts require human expertise for verification. Crowdsourced workers resolve a portion of those receipts. For the rest - which still amount to thousands of receipts a day - Ibotta relies on one last line of defense: a group of human moderators dedicated to resolving the hardest cases.

In 2015, that last line consisted of Ibotta employees and local freelance workers. The solution wasn't ideal. "It's challenging work," says Zev Barsky, Ibotta's Vice President of Operations. "It can be repetitive, incredibly detail-oriented, and it can get very expensive. The majority of our receipts are done automatically, but the number that go to this final moderation step are still substantial."

GOALS

- Match receipt image data with shoppers' in-app selections.
- Improve accuracy and processing time.
- Establish elasticity to manage seasonal volume spikes.

APPROACH

- Combine Ibotta's tools with CloudFactory's technology.
- Create a unified workspace and streamline communication.
- Use a tech-and-human stack to verify rebate requests fast, with high accuracy.
- Track worker engagement to meet aggressive performance goals.

RESULT

- **15%** higher accuracy
- **50%** decrease in processing time

"The CloudFactory team flexed up, and we sailed through our busiest time of the year without breaking a sweat."

-Zev Barsky
VP of Operations, Ibotta

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During the 2014 and 2015 holiday shopping seasons, the number of receipts requiring moderation swelled as users flocked to the app. "There were days in the company's history," says Barsky, "where literally everybody, up to the CEO, had to hop into the moderation queue and check receipts just so we could get those rebates into customers' hands."

AGGRESSIVE GOALS FOR FAST GROWTH

When keeping up with the increasing workload became too much to handle, Barsky set out to find a better solution. "I looked at a number of different outsourcing vendors, including some in Colorado that claimed to offer a high level of accuracy," says Barsky. "I also explored the potential for doing this overseas, researching vendors all over the world that provide the kind of data-management support we needed."

The new vendor needed to meet or exceed current performance benchmarks immediately, and then achieve 10 to 15 percent better accuracy and nearly 50 percent more efficiency, as measured in processing time. "We set some really aggressive goals up front." says Barsky. "We ended up weeding out a number of vendors because they weren't up to the challenge."

CloudFactory emerged as the leading contender, combining its professionally managed workforce with technology that provides a unified workspace for teams, dedicated messaging channels, collaboration tools, and worker engagement tracking. "They came in with a really clean and well-described set of ideas around performance management, scaling, and elasticity to move volume up and down based on our needs as a high-growth company," says Barsky.

MEASUREABLE QUALITY & PERFORMANCE

Ibotta ran a pilot program to test CloudFactory's capabilities using existing baselines and performance metrics and, says Barsky, "the team performed beautifully." From there, Ibotta began to transition its final-stage moderation over to CloudFactory.

CloudFactory can monitor worker engagement and gather metrics on productivity. As workers gain more Ibotta experience, they get closer to achieving their target goals. "The time that it took CloudFactory workers to get up to speed on the work became shorter and shorter," says Barsky.

Today, CloudFactory provides Ibotta with the technology and people to handle more than 12,000 hours of work per month, allowing Ibotta to focus on its users, improving its product and growing its business. For the 2016 holiday season, Ibotta was prepared. "The CloudFactory team flexed up and we sailed through our busiest time of the year without breaking a sweat."
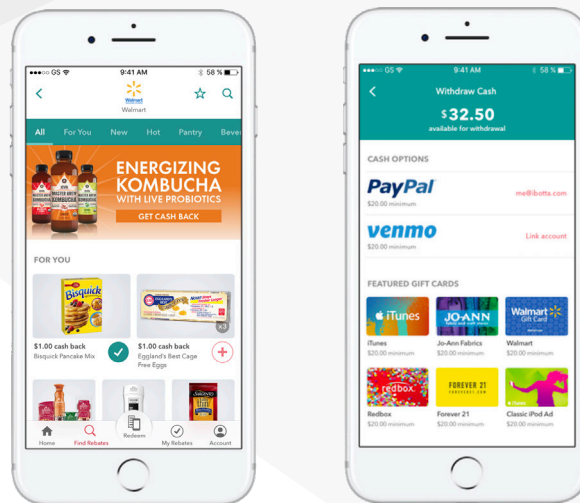
A GLOBAL TEAM WITH BRAND SAVVY

Barsky and his team were impressed with how well the CloudFactory team adjusted to the nuances of the work and its context in American culture. "There were multiple occasions when CloudFactory's team had better brand awareness than I did," says Barsky.

Ibotta's CloudFactory team has expanded to include workers in both Nepal and Kenya. "It feels good to provide work where it is needed, and we get high-quality execution while we're making a difference in developing nations," says Barsky. "I've appreciated the direction they're taking their business in terms of resiliency and ability to scale, and we'll have a nice long relationship with CloudFactory going forward."

Since partnering with CloudFactory, Barsky and his team have added use cases, expanding the work that the Cloud-Factory team does for Ibotta. With CloudFactory's combination of people and technology, Ibotta's future looks merry and bright.