

Going Beyond Stick Rate

Recovered Dollars Reveal True ROI

For many financial institutions, dollars lost in the dispute process represent revenue leakage and missed recovery opportunities. As a dispute manager, your performance is measured not only by efficiency but by the dollars your team recovers. Understanding which metrics truly reflect recovery success, and building strategies around them, can transform disputes from a reactive operational task into a value driver.

Measuring What Matters

Many teams default to tracking stick rate as their primary success metric. This is a mistake. Stick rate tells you how many chargebacks were upheld, but it doesn't tell you what truly matters: how many dollars you recovered. Your focus should be on dollars won. Industry leaders achieve superior recovery results through a combination of high automation rates and strategic filing practices.

The lesson is clear: success comes from the balance of speed, automation, and decision-making, not just processing volume.

The Business Case Beyond Recovery

When your team processes chargebacks efficiently and collaborates effectively with merchants, you're not just recovering funds—you're protecting customer relationships. Streamlined processes mean accountholders aren't stuck in endless follow-up loops or buried in documentation requests.

From a business perspective, recovered dollars serve as a tangible indicator of your team's competence. Every successful chargeback reinforces your institution's reputation as trustworthy and customer-centric in the eyes of accountholders.

Recommendations for Leaders

Revisit Your Chargeback Criteria

Don't limit your recovery potential with overly rigid chargeback criteria. While maintaining compliance with card network rules is essential, setting thresholds too high or creating complex filing requirements can cause your team to miss out on legitimate recovery opportunities. Instead, focus on optimizing the volume of chargebacks submitted by establishing flexible, data-driven guidelines. The goal isn't to minimize filings, but to maximize recoveries, because every unfiled chargeback is money left on the table.

Reassess your minimum filing threshold.

Many financial institutions set their minimum chargeback amount at \$25, meaning only transactions above that value are filed. Regularly review this threshold to ensure you're not excluding recoverable dollars.

Streamline documentation requirements.

Avoid requesting unnecessary forms, such as an unneeded Statement of Fraud, that don't directly support the recovery process. Simplifying documentation helps speed up filings and reduce friction.

Define your investigation timing.

Some institutions file the chargeback first and complete a deeper investigation if the merchant represents. Decide whether your team should investigate before or after filing to balance efficiency and recovery success.

Look Beyond Chargebacks

Systematically monitor merchant activity to capitalize on two major advantages:

First, you can quickly identify when a merchant has already issued a refund, allowing you to close the case faster, record zero losses, and leave the cardholder satisfied.

Second, you'll be able to review merchant representations as soon as they come in, giving your team maximum time to analyze the evidence, take next steps, and respond before deadlines tighten.

Proactive monitoring keeps your operation efficient, compliant, and positioned to recover every possible dollar.

Where Stick Rate Plays a Role

Data is your best tool for improving recovery outcomes. While stick rate is a helpful metric for measuring investigator performance, it shouldn't be viewed in isolation. Use your data to understand how effectively your team files chargebacks, and where there's room to improve. Are certain claim types or merchants seeing lower recovery rates? Do specific investigators consistently outperform others? These insights help you identify training opportunities, refine your filing strategy, and strengthen your team's overall results.

If you need a benchmark, the industry's average chargeback success rate hovers around 62%. With the right approach, your team can aim higher and recover more of the dollars that would otherwise be lost.



Wrap Up

Your role is to ensure that dispute recovery operates as a strategic function, not just a compliance exercise.

By focusing on the right metrics, establishing aggressive but sustainable thresholds, and taking a comprehensive view of recovery opportunities, you position your organization to strengthen both financial outcomes and customer relationships.

The question isn't whether to invest in optimizing dispute recovery, it's whether you can afford not to.