

Your chargeback ratio, explained.

How to work it out, why roughly 1% is the line to watch, and what moves it.



- 01 Work it out p.02
- 02 Why roughly 1% p.03
- 03 The exact lines p.04
- 04 What counts p.05
- 05 Over the line, and back p.06



Built from the Verdikx chargeback ratio guide.
verdikx.com/use-cases/chargeback-ratio-monitoring

■ 01 · WORK IT OUT

Disputes ÷ transactions.

Count the disputes opened in a period. Divide by the transactions in the same period.

EXAMPLE

$$\frac{14 \text{ DISPUTES}}{2,000 \text{ ORDERS}} = 0.7\%$$

VISA (VAMP)

(Fraud reports + disputes) ÷ settled card-not-present transactions, in the same calendar month.

MASTERCARD

Chargebacks this month ÷ Mastercard transactions last month.

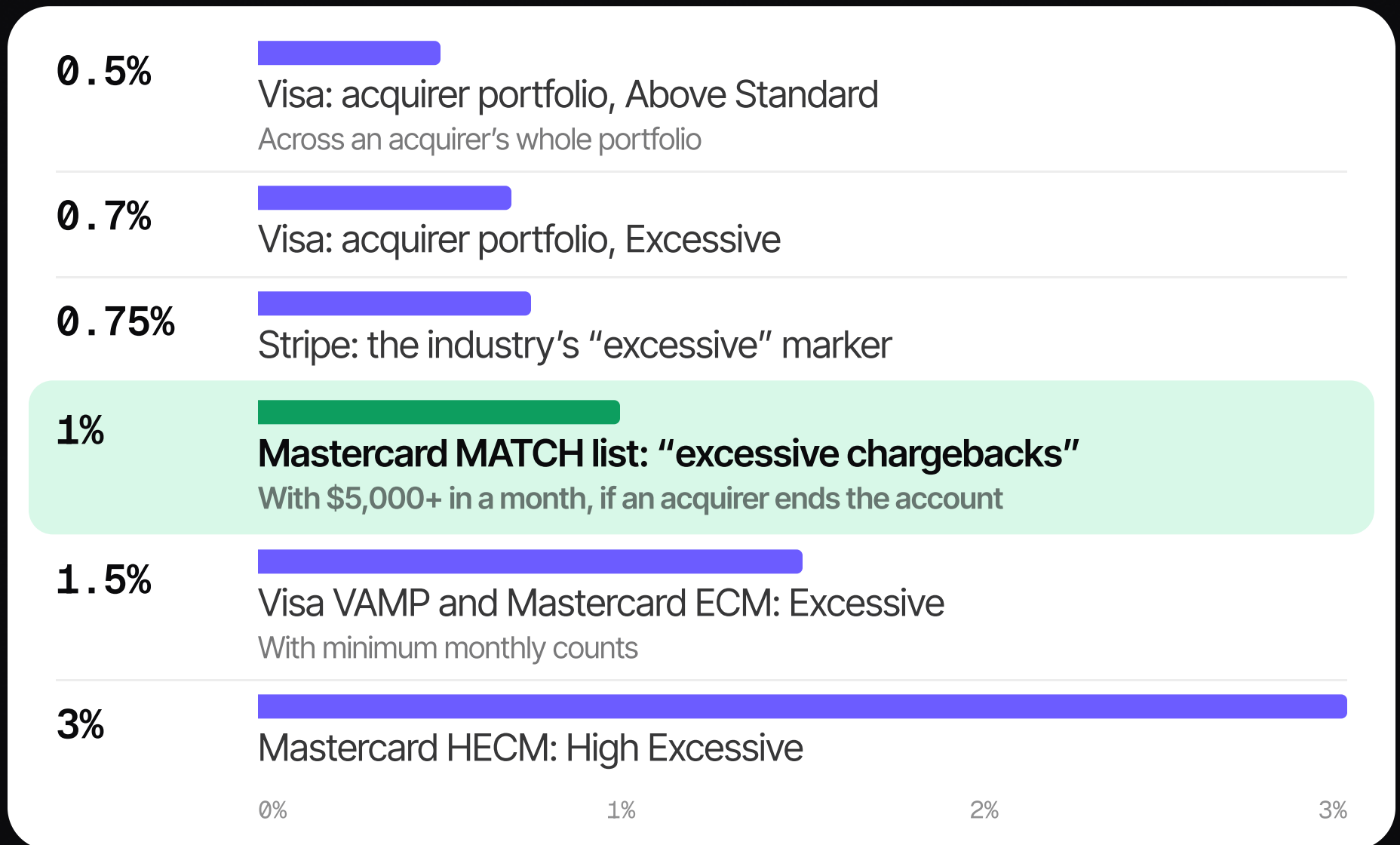


Source: Verdikx chargeback ratio guide (citing Visa's VAMP fact sheet and Stripe Docs).

■ 02 · THE LINE TO WATCH

Why **roughly** 1%?

Processors and card networks start flagging stores at roughly 1% of orders disputed. No single number: the published lines sit around it.



ACQUIRERS CAN ACT WELL BELOW THE NETWORK LINES.

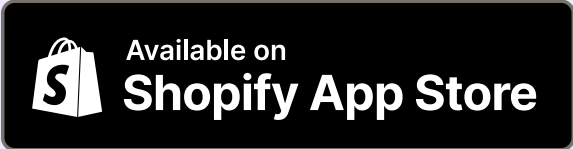
Available on
Shopify App Store

Sources, as cited on verdikx.com: Visa VAMP fact sheet (2025), Stripe Docs, Shopify Help Center. Checked 5 Oct 2026.

The published lines.

PROGRAM	RATIO	AND EACH MONTH
Visa VAMP, Excessive merchant US, Canada, EU, Asia Pacific (from 1 Apr 2026); Latin America and Caribbean	1.5%	1,500+ fraud reports and disputes
Visa VAMP, Excessive merchant Central Europe, Middle East and Africa	2.2%	150+, and USD 75,000+
Mastercard ECM Excessive Chargeback Merchant	1.5–2.99%	100 to 299 chargebacks
Mastercard HECM High Excessive Chargeback Merchant	3%+	300+ chargebacks
Mastercard MATCH list “Excessive chargebacks” reason, if an acquirer ends the account	Over 1%	of sales, and \$5,000+

Both the ratio and the count must be met. Programs change, and acquirers can set stricter limits: check with yours.



Sources, as cited on verdikx.com: Visa VAMP fact sheet (2025), Stripe Docs, Shopify Help Center. Checked 5 Oct 2026.

■ 04 · WHAT COUNTS

What counts. What doesn't.

COUNTS

- ✓ Disputes you win. Networks count disputes received, not outcomes.
- ✓ Early fraud warnings, in Visa's VAMP, even if you refund (Stripe).
- ✓ The same order twice, if it's both a fraud report and a dispute (Stripe).

DOESN'T COUNT

- ✗ Refunds you issue.
- ✗ Inquiries that never move funds.

Refunding before a dispute avoids the dispute and its fee, so a fraud-reported order counts once instead of twice.

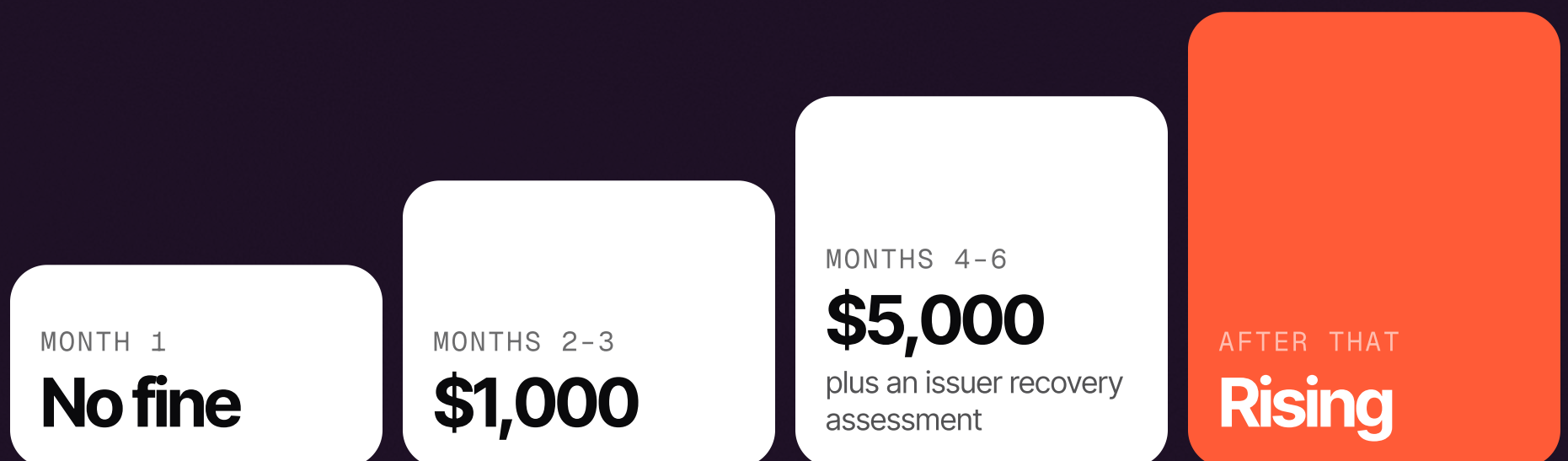


Source: Verdikx chargeback ratio guide (citing Stripe Docs and Visa's VAMP fact sheet).

■ 05 · OVER THE LINE

What happens over the line.

MASTERCARD ECM FINES, PER STRIPE AND SHOPIFY



- ✓ Visa requires risk-mitigation steps above the line. Stripe says Visa charges fees there; Visa doesn't publish the amounts.
- ✓ Mastercard: out after 3 months in a row below the line.
- ✓ Persistent problems can end in termination and a MATCH or VMSS listing, which stays for 5 years.

 Available on
Shopify App Store

Source: Verdikx chargeback ratio guide (citing Visa's VAMP fact sheet, Stripe Docs and Shopify Help Center).

How to bring it down.

01

Fix the top reason codes first

Find the codes behind most of your disputes and fix those causes.

02

Screen orders before fulfillment

Hold the risky ones before they ship.

03

Make the charge recognizable

A clear store name on card statements, easy refunds, renewal reminders.

04

Use Compelling Evidence 3.0

For Visa fraud claims from returning customers.

05

Track it weekly, per processor

Not just at month end.

REPLY EVIDENCE

for the evidence checklist, by reason code



Available on

Shopify App Store

Source: Verdikx chargeback ratio guide, “How to bring your ratio down”.

Verdikx checks it **every day.**

It works out your 30-day dispute-to-order ratio, store-wide and per processor, and alerts you as it reaches 0.65%, 1% and 1.5%. An early warning, not the network's official figure.

● WATCH 0.65%

● CLOSE 1%

● OVER 1.5%

Verdikx is AI chargeback protection for ecom. Its AI drafts your dispute responses from your store's records, and you review them before they're sent.

Try it free for 7 days.

RATIO ALERTS: EVERY PLAN. BANKS DECIDE DISPUTES.



Available on
Shopify App Store