



Best practice fraud protection strategies

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Introduction

Fraud is becoming more complex, with challenges of omnichannel customer engagement, increased regulations and cross-border activity. Through process automation and system integration, a comprehensive strategy to fight fraud can be achieved at a lower cost without sacrificing the customer experience.

Experian's Decisioning Vision 2020 research study revealed that over the next five years, online fraud (**79%**), account takeover (**71%**) and internal fraud (**51%**) are set to be the biggest threats. But with fraud on the rise in-line with customer expectations rising, what will be critical is protecting against fraud without negatively impacting the customer experience (**91%**).

Good fraud prevention must be effective at identifying and preventing fraud, and must do so with no negative impact to customers.



91% think that tackling fraud
can negatively impact the customer
experience if not managed appropriately



Protect against fraud

Key steps to protect against fraud without impacting on the customer experience:



Prevent fraud at point of application

Customers expect a fast and pain-free application process. Lengthy and laborious checks can force them to look elsewhere. To identify fraud at the point of application whilst offering the best possible experience for customers, you will need to review and screen credit requests against multiple data sources. Systems that can identify the devices visiting your site, and use this intelligence to highlight fraud indicators, can be deployed to good effect.



Data sharing

There is clear evidence to show that data sharing offers significant advantage in detecting higher volumes of fraud and in the identification of fraud trends and patterns. By enriching existing data and sharing data across organisations, you will detect more fraud, speed up the customer journey and improve operations by effectively managing resources and reducing manual processes.



Authentication and device reputation for clear customer journeys

By correctly verifying user identity and user devices online, you can promptly and accurately detect internet-based fraud. Through process automation and system integration, a comprehensive anti-fraud strategy can be achieved at a low cost and without compromising the customer experience. In addition, the process of securing agreement by the business and of bringing clear definition and visibility to customer journeys will ensure the alignment of all parts of the organisation. This will help identify and remove or manage the risk of the unintended consequences associated with poor, ineffective and unsecure customer journeys.



Identity checks that enhance the customer experience

ID checks that slow down and interrupt customer journeys are undesirable. Automated, web-based document verification alleviates the need for in-house checking and improves the customer experience. Smooth customer journeys can be created by allowing people to submit document photos taken on a smartphone or digital camera. This, coupled with real-time verification and comparison with additional data sources, forms a robust anti-fraud system, whilst providing the best experience possible. Fast and confident decisions can then be made as to whether a transaction is genuine. Processes like these can help you balance the need to meet regulatory demands such as Anti-Money Laundering (AML) requirements, with the need to facilitate positive customer experiences.



Data optimisation

Data analytics resources are critical to effective fraud risk control. Successful implementation will require access to internal data, the appropriate analytics tools, the development of fraud models and scorecards, and systems that can support automated decisioning.

Find out more today

To find out more about how you can protect against fraud please contact your Account Manager, or email decisioning.vision@experian.com.

Experian encourages organisations to achieve the ultimate customer experience by focusing on five key areas:

- Attain multiple and new sources of data
- Achieve a holistic view of customers
- Provide real-time, consistent and pre-qualified decisions
- Use multi-channel automation across all customer touch points
- Embrace advanced analytics across the entire organisation

Organisations can read the full EMEA research report and also use Experian's interactive tool to find out if they are ready for 2020, by visiting www.decisioningvision.com. Join in the conversation on Twitter [#dv2020](https://twitter.com/dv2020).

