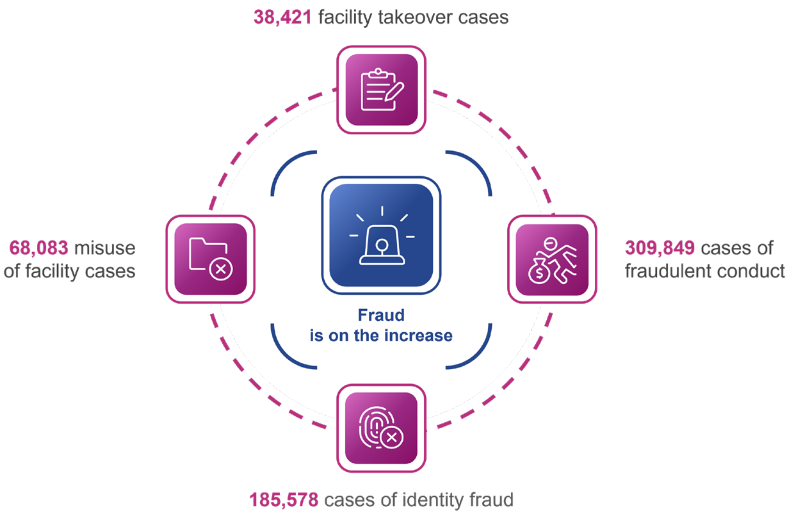
Assessing the risk of fraud on your open accounts

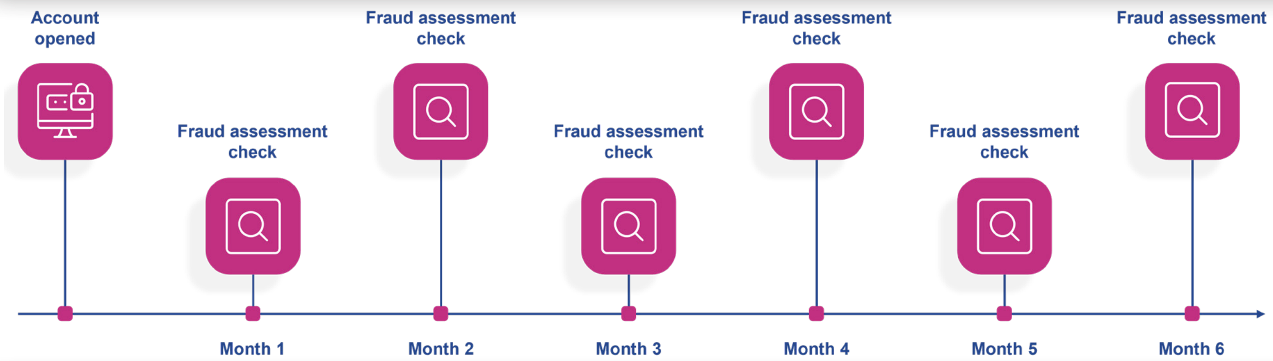
experian

Responding to the new normal

Rapid changes to millions of people's personal circumstances, and the overall economic impact of the COVID-19 pandemic, have resulted in an increase in the volume and type of fraudulent activity, making it difficult for organisations to assess the fraud risk associated with their customer accounts.



The Experian defence



Monthly* assessment checks of your active accounts protects you and your legitimate customers

* Also available as a one-off check

Account opening is not the only time fraud can happen. We think that for every **1000** customers, **12** could be a fraud risk requiring investigation.

Undetected fraud, committed through existing customer accounts, is a **real threat** to you and your customers

Fraudsters will always find a way to exploit your business

- Account/facility takeover
- Misuse of facilities
- Sleeper fraud
- Undetected application fraud
- Impersonation fraud
- Bust out fraud
- Impersonation of the deceased

Fraudulent activity may be missed during the acquisition process

Fraud checks are only as effective as the information available at the time

Fraudulent behaviour may have been missed as it was not deemed to be significant enough

After acquisition new information may be uncovered that would have influenced the original decision

The account holder's circumstances may change over time resulting in a change to the integrity of the account

The Experian fraud assessment process

1 Customer records are checked (in batch)

2 Key information from the customer record is matched against the data sources

3 A score is created, based on the potential for fraudulent activity

4 You can now focus investigations on higher scoring accounts

Experian's Fraud Assessment for Open Accounts monitors the on-going fraud risk of your existing customers. Every month (or as a one-off check), using the very latest available information, our solution screens customer records against a wide range of unique data sources to identify suspicious information and activity requiring investigation

Data sources

- Modelled data sources
- Reference data
- Application data
- Negative data
- Member services

Protect your business with monthly fraud assessment checks

Highlight suspicious cases

Identify sleeper fraud and close accounts before they have the chance to max out the account

Prevent fraudulent and uncollectable accounts from entering into the collections process

Minimise the time and cost associated with open account fraud

Identify recent changes in circumstances, which may indicate an increased likelihood to commit fraud

Reduce the chance of fines from regulatory bodies for failure to reduce fraud

Find customers who have committed fraud with other organisations, after they have become your customer

Proactively identify account takeover and impersonation before losses occur

Identify fraud networks, showing links between multiple accounts which could indicate fraud

Highlighting suspicious cases will allow you to proactively minimise your risk* - enabling you to identify credit limits that should be reviewed (and in some cases reduced), decide which accounts should have no automated limit increases, where you should stop cross-sell offers, and when you should turn off any auto-accept of additional lending

*Any account actions must comply with requirements relating to data sharing consortia, where that data is used as part of the fraud risk assessment

To learn more about how Experian can help you minimise the risk of active account fraud

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