



BBVA BANCOMER LEADS ANTIFRAUD TECHNOLOGY WITH SAS®

Industry

Financial Services

Business Issue

The BBVA Bancomer Financial Group needed a way to detect suspicious credit/debit card activity with greater ease and precision.

Solution

SAS® Fraud Detection and Prevention for Financial Services. A data mining model was developed that allowed the best criteria for effective discrimination between customer purchases and fraudulent purchases to be defined.

Benefits

The precision index in identifying fraudulent transactions was increased, which means a 40 percent improvement in customer service, in addition to decreasing losses by 30 percent.

With more than 10 million cardholders and an average of nearly 300,000 daily transactions made using its several bank cards, BBVA Bancomer Financial Group is constantly challenged to improve the customer's purchasing experience. One of the questions the financial institution must answer is: How can optimum card service be guaranteed to the customer while simultaneously increasing controls to further reduce losses due to fraud?

Bancomer executives answered the question by improving the depth of card use analyses and by analyzing fraudulent use to identify patterns of behavior. These analyses helped bank leaders define operational models and create effective authorization and fraud detection strategies.

Staying ahead of the threat

Bank fraud is changing every day. Thieves are using more sophisticated methods and cutting-edge technologies to carry out fraudulent transactions. As a result, financial institutions around the world are developing valuable strategies to reduce fraud and to diminish the negative business impact of a practice that is becoming more and more complex and common worldwide.

BBVA Bancomer Financial Group chose SAS as part of its fraud detection and prevention strategy. Made up of nearly 25,000 employees and more than 10 million customers, the multinational financial service group member adopted the SAS Fraud Detection and Prevention solution. Simultaneously, the institution developed more efficient operational and security methodologies and models that allow it

to stay one step ahead of perpetrators. The end-to-end knowledge structure has been designed to create fraud intelligence consistently and reliably in a long-term sustainable way.

This solution monitors suspicious transactions and analyzes transaction data to identify new patterns and refine fraud alert engines, so bank leaders can efficiently handle cases of potential fraud.

SAS meets requirements

Before adopting SAS for fraud detection, the institution evaluated the benefits and performance of the solution and compared it to others on the market. A team consisting of operations, systems, audit and risk departments was established to select and evaluate the solution.



According to José Gastón Huerta Gutiérrez, Director of Fraud Prevention for the BBVA Bancomer Group, an important factor influencing the team's choice was the critical handling of confidentiality within its fraud containment activities and processes. This meant the team was also looking for a provider that was solvent in all respects. Because SAS has enjoyed a business relationship with BBVA Bancomer for more than 15 years, SAS easily met this.

SAS benefits the institution and its customers

Using the SAS Fraud Detection and Prevention for Financial Services solu-

With SAS, “the impacts on customer service when customers use their card have been significantly reduced.”

José Gastón Huerta Gutiérrez

Director of Fraud Prevention
BBVA Bancomer

tion as part of a package of key improvements, BBVA Bancomer has achieved significant results.

“The impacts on customer service when customers use their card have been significantly reduced,” says Huerta. “Likewise, our dedicated staff can now perform other types of analyses and take advantage of their experience and abilities to develop new knowledge, something they were not prepared to do before.”

Regarding fraud detection, Huerta says SAS has provided significant advantages. “SAS developed a data mining model that allowed the best criteria for effective discrimination between customer purchases and fraudulent purchases to be defined,” he explains.

In addition to reducing possible losses, the project will also reduce operating costs for

combating fraud and will create a more flexible platform that will allow BBVA Bancomer to respond more quickly to new threats.

The most important thing “is to provide the customer with top service and security,” explains Huerta. “We at BBVA Bancomer are confident we have achieved this and that we can now offer, without hesitation, the best fraud protection guarantee of any card.”

Overall, BBVA Bancomer has increased the precision index for identifying fraudulent transactions and improved customer service. These results are reflected in a 40 percent improvement in customer service from customers using cards for purchases. When combined with other measures implemented, the institution has simultaneously reduced its losses by more than 30 percent.



THE
POWER
TO KNOW®

SAS INSTITUTE INC. WORLD HEADQUARTERS 919 677 8000 WWW.SAS.COM

U.S. & CANADA SALES 800 727 0025 SAS INTERNATIONAL +49 6221 416-0

SAS and all other SAS Institute Inc. product or service names are registered trademarks or trademarks of SAS Institute Inc. in the USA and other countries. ® indicates USA registration. Other brand and product names are trademarks of their respective companies. Copyright © 2006, SAS Institute Inc. All rights reserved. 102715_412852.1006