

SAS® Results: Fraud Insights

Fast track to detecting and preventing fraud



For many organizations, fraud is so commonplace that it's become a growing threat to profit and loss, as well as reputation. In executives surveyed worldwide, 82 percent experienced fraud in 2016 (up from 75 percent in 2015).¹ But the truth is you don't have to accept fraud as an unfortunate cost of doing business.

To detect fraudulent activity, transactional monitoring systems can work well for certain types of fraud. Innovative organizations even develop business rules for detecting fraud, but these methods only identify simple and previously identified fraud schemes. Most fraud services in use today are reactive and only detect fraud after the fact, once the money is unrecoverable.

To find the fraud that hasn't been discovered, you need a different approach to analyze behavior across multiple lines of business or organizational units. In doing so, you can identify individuals and entities committing undiscovered fraud.

SAS can help you address both opportunistic and organized fraud within your organization by taking a unique, hybrid approach to detecting and preventing fraud throughout your processes, spanning multiple lines of business.

¹ Global Fraud & Risk Report 2016/17, Kroll

Challenges

- **Siloed business units.** Disparate legacy solutions in different departments make it almost impossible to share critical information and spot suspicious activity.
- **Staff limitations.** There aren't enough analysts and investigators to detect and investigate all suspicious activity.
- **Changing tactics.** Fraudsters actively test rules and thresholds, and they constantly change elements of their identities. Analysis needs to evolve to detect these changing patterns.
- **Restricted view.** Current approaches rarely produce a view beyond a single individual, so it's hard to spot the high-risk relationships and get a complete picture of individuals and related entities.
- **Inability to analyze full potential of data.** Up to 75 percent of data is in unstructured text in comments and notes, and since most systems aren't set up to analyze such data, fraudulent activity indicators in this format can easily be overlooked.
- **Too many false positives.** Over-reliance on red flags and business rules generates a large number of false positives, which can take up too much of an investigator's valuable time.

What Is SAS® Results: Fraud Insights?

SAS Results: Fraud Insights is a service offering that helps you maximize the impact of your analytics efforts. There is no software license or infrastructure involved; you provide us with the appropriate data and your business questions, and we deliver the results.

Together we work to understand the challenge you'd like to address. Your organization provides application, claims, demographic or transaction data, and SAS takes care of transforming data, creating analytic models and developing rules. We also manage your rules and analytic models using industry best practice methodologies. Our experts apply the optimal analytics techniques to your data, including: business rules, anomaly detection, predictive modeling, text mining, database searches, exception reporting and network link analysis.

We can also provide regular alert management reports and social network analysis insight. This enables you to prioritize and target potentially fraudulent activity with a structured focus and detect emerging organized crime networks.

Benefits

- **Detect more fraudulent activity.** Our consultants apply analytics to all your relevant data, use customized anomaly detection and spot hidden crime rings.
- **Prevent as well as detect.** Through predictive modeling and anomaly detection, we help you find the fraud before revenue is lost.
- **Gain a consolidated view of fraud risk.** Identify fraud by combining data from different lines of business or departments to spot trends from a richer view of individual and social network activity.
- **Improve your competitive position or balance sheet.** Generate fewer false positives and increase your productivity in chasing down fraud. Satisfy regulatory and rating agency requirements through an enhanced fraud management model.

Deliverables

As the leader in analytics, SAS provides a comprehensive fraud detection system along with the human side of analytics – the expertise needed to analyze and deliver dependable results. With this service, the actual deliverables will vary dependent on the requirements, but can include:

- Rules and models for you to deploy within your decision systems.
- Scored lists of individuals and transactions.
- Business process recommendations based on individual and transaction profiling.
- Reports and presentations outlining both the analysis process and the insight gained.

Pricing and Deployment

This service can be priced as either an annual, quarterly or monthly fee, calculated according to the breadth of service you require. There's no need to account for technical infrastructure costs or engage with test, development or back-up environments.

The price of these services is dependent on factors such as:

- The volume, variety, format and quality of the data that is required to carry out the analysis.
- The complexity of the business problem being solved, including the type of analysis and algorithms that are required to solve the problem.

- The format of the deliverables that will be passed back to you. This may include reports, analytic models, model score-code and model documentation.
- The frequency of the analysis; options may include a single piece of analysis or a daily, weekly, monthly or quarterly refresh.

The SAS Difference

Only SAS provides better fraud prevention and detection and greater operational efficiency through:

- Our hybrid approach that combines rules, anomaly detection, predictive models and network analytics.
- Text analytics for analyzing unstructured data like claims notes, service logs, police reports, medical records, etc.
- Social network analysis to uncover organized fraud rings that might otherwise take years to identify.
- The flexibility to configure the system to meet your specific needs, as well as update models and adapt the system to address changes in fraud trends.
- A team of highly qualified analytical experts with fraud detection experience and expertise across a number of different industries.

SAS® Results as a Service

All organizations face challenges and are presented with opportunities. This requires answers to critical questions. SAS Results allows your organization to meet these challenges and take advantage of the right opportunities by making the best possible decisions from your wealth of data.

We combine the expertise of SAS services with our award-winning software to help you develop more powerful analytical insights. There is no software license or infrastructure to buy. You provide the data and business problem; SAS delivers the results.

- **Obtain expert help.** We go beyond the technology and provide access to our skilled and industry-specific experts, who know how to get the most from SAS Analytics products for your specific business challenges.
- **Quickly implement key projects.** Blending IT with domain expertise, we deliver the answers you need to focus on your priorities for rapid ROI.
- **Deployment options.** SAS Results provides multiple delivery alternatives through cloud-based or on-premises configurations.
- **Transfer knowledge in-house.** As your business needs evolve, SAS can provide customized support to implement SAS Analytics within your organization.

To contact your local SAS office, please visit: sas.com/offices

