



SAS® FORUM
RUSSIA 2017

Global insights on payments fraud

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Fraud Analytics Strategy

what are we doing?



Data to Decisions

the vision



Tactical to Strategic

what data do we need?



Overcome data silos



Introduce new data assets



Aggregate to granular data

business approach



Standalone to Embedded



Ubiquitous Detection



Customer centricity

operational focus



Reporting to Discovery



Human to AI

source: Gartner (adapted)

A bottom-up approach

Leveraging analytical tools to drive value

Background

Nationwide wanted to optimise their fraud detection process by:

- Finding more fraud cases
- Reducing false positives
- Improve customer journey

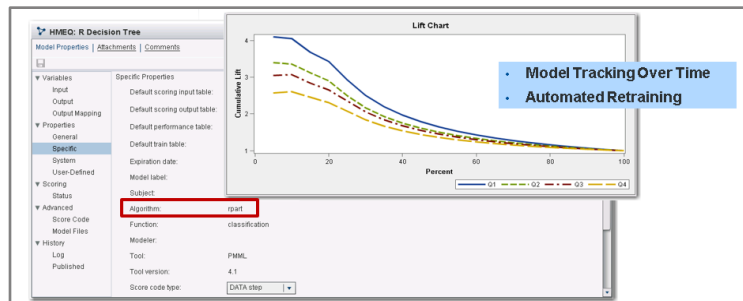
Project Scope

- ❖ Account takeover
- ❖ Money laundering
- ❖ Employee fraud
- ❖ Cheque credit
- ❖ Intercepted cheque-books
- ❖ Protecting vulnerable customers
- ❖ Investment fraud
- ❖ Solicitors (mortgage collusion)
- ❖ Nationwide's regional brands
- ❖ Credit card tactical solutions

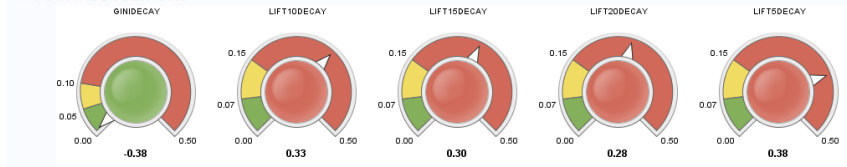
“SAS has contributed towards a 75% reduction in fraud losses, to a quarter of what they were at their peak a couple of years ago. That is a real, bottom-line saving that we are making.”

David Parsons

Senior Manager Fraud Analytics at Nationwide



Model Assessment



An global fraud platform



End to end coverage with 100% real-time processing

Background

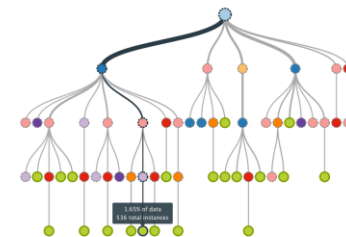
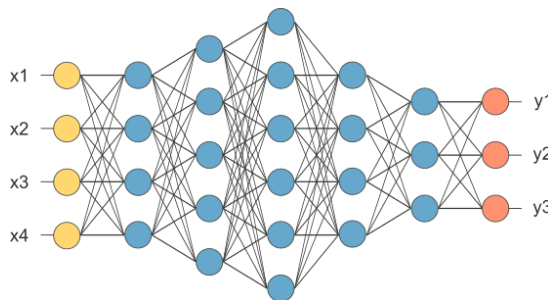
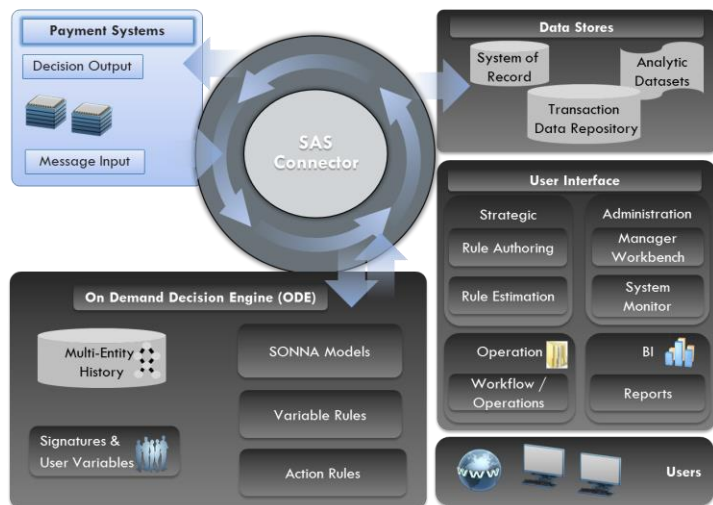
HSBC partnered with SAS to build a robust enterprise fraud platform with analytics at its heart.

Project Scope

- Cards Fraud (CNP)
- POS transactions
- Cross-channel fraud
- Process automation

“SAS is committed to ensuring that we continue to have a leading-edge anti-fraud solution. We are very pleased with the results.”

Derek Wylde
(former) Head of Group Fraud Risk



Enterprise fraud vision

Holistic detection across all channels and fraud types

Background

PKO approached SAS to set up an enterprise fraud platform covering all fraud typologies and which could organically grow

Project Scope

- Application Fraud
- Internal Fraud
- Cards Fraud (CNP)
- Online Fraud
- Cross-channel fraud

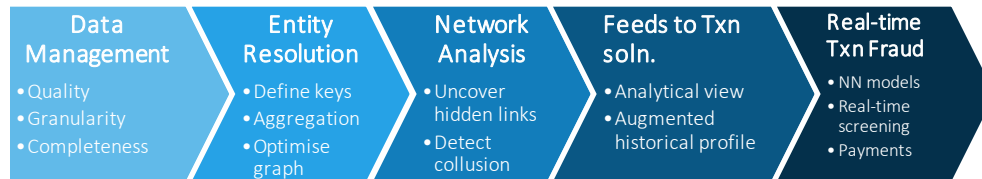
“The fraud detection strategies, obviously implemented initially in areas that are key for **stopping adverse trends**, allowed to **detect and prevent** a huge portion of **attempted frauds** (...) The solutions and tools implemented, including **analytical models**, seem to be ideal for **detecting adverse events** (...)”

Bartosz Baranowski

Security Department Director, PKO Bank Polski



John Smith	13/01/1980	18 Queen Street	JN 12 34 56 A	
John Smith	13/01/1980			
J. Smith	13/01/1980	18 Queen Street		0208 123 45676
John Smythe			JN 12 34 56 A	
Smith	13/01/1980			0208 123 45676



Fraud processing for Aggregators

Fast execution on high transaction volumes



Background

NETS is a payments processor in the Nordics which helps banks mitigate card fraud from their books.

Project Scope

- Cards Fraud (CNP)
- POS transactions
- Social engineering
- Account Takeover attacks

“Since our analysis team began using SAS Fraud Management, we’ve increased our fraud-detection rate by 50 percent and reduced card fraud by 50 to 70 percent for cards under the optional prevention program – all while cutting false positives in half”

Kaspar Kock Kristensen
Senior VP of Fraud and Dispute Services



Industry best practice

Data Management

- Eliminate data silos
- Leverage new data assets
- Embrace Big Data
- Aggregate into rich analytical views

Discovery Analytics

- Shooting in the dark
- Guard against new attacks
- Feedback loop and machine learning
- Reactive to Proactive

Holistic Surveillance

- Fragmented intelligence delivers limited value
- Looking at the bigger picture
- Aggregate alerts in an FCIU

Reporting & Management Information

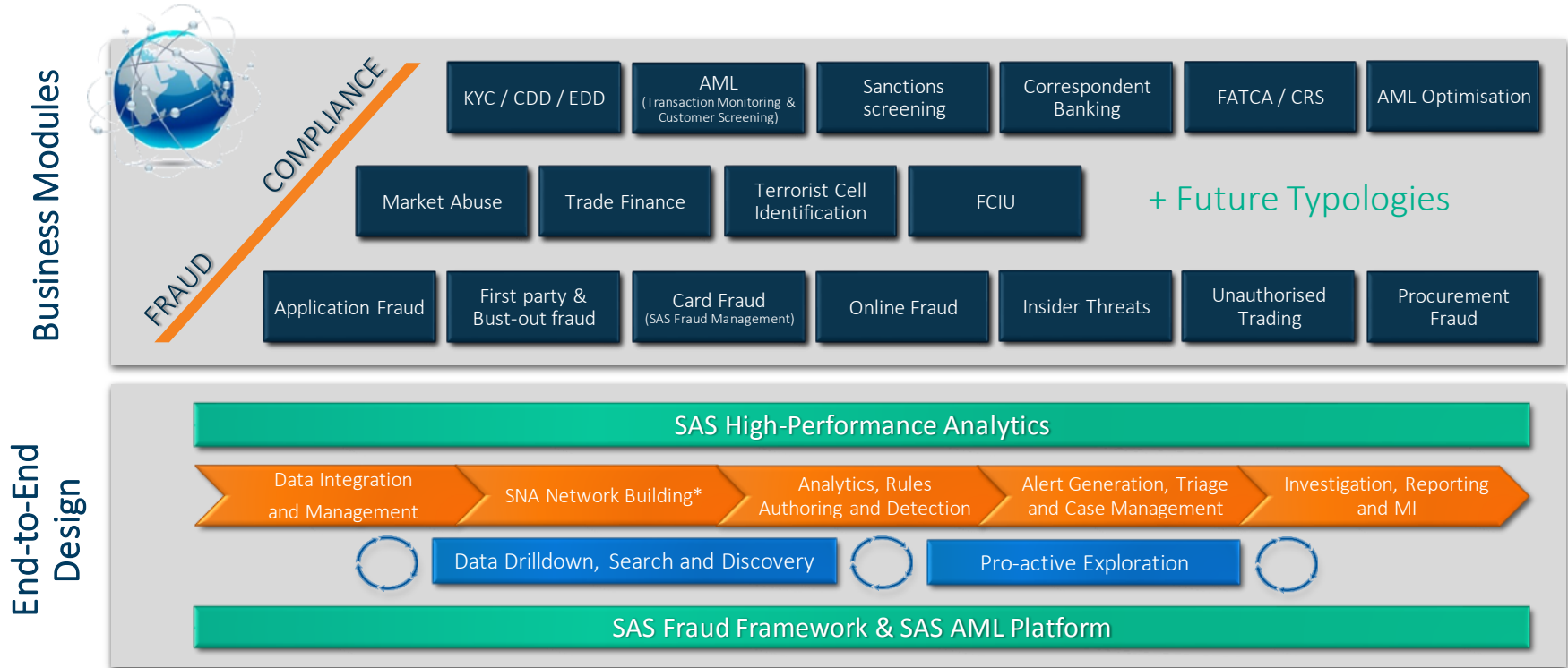
- Static fraud systems deteriorate quickly
- Tune systems based on MI data
- Strategic roadmap for Fin. Crime solutions

Governance for Fraud Risk

- Review and enhance policies
- Educate people: the weakest link
- Empower the customer to help make fraud decisions
- Mitigate internal risks

Modular Enterprise Design

Future-proofing the investment







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Спасибо

Thank You



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