

British Retail and Commercial Bank

This customer is a large banking and financial services provider serving individuals and businesses worldwide.



The Organisation

This bank serves large numbers of customers worldwide, with a third using its digital services, including online banking. In the late 2000s, the British bank started to become the target of sophisticated fraudsters. With a £20 million per year spend on anti- and post- fraud activities, the bank wanted to move to a much more proactive approach to solving this challenge.

The Challenges

A change of business model for the bank saw fraudsters take advantage with increased focus on attacks. Exacerbating the situation, the bank was already spending £20 million a year counteracting increasingly sophisticated fraudulent activity.

The bank's ineffective incumbent fraud management solution relied on a two-factor authentication approach to protect customers; this consisted of a card and a reader, or step-up authentication. The bank wanted to move away from this solution towards a phone-based service that enabled customers to verify who they are during a phone call, and which did not keep customers on the call for more than one minute. Therefore, any solution implemented had to be quick for customers to use, and enable the internal team to deploy an almost undetectable verification experience.

During the same timeframe, many banks were starting to use one-time passcode (OTP) forms of authentication in the form of SMS to authenticate users. Although SMS-based OTPs are a solution to ensuring that the second factor of authentication is both highly convenient (since it is automated, quick, and delivered directly to the customer's registered mobile device) and low cost for a bank (and free of charge for the user), some sophisticated fraudulent attacks can still intercept the codes. Users would be at risk of SIM Swap fraud, for example, which involves the criminal duplication of SIM cards without the knowledge of the user.

Logically, a new solution had to be more secure than the bank's incumbent technology, and manage service demands and scale according to spec. It also had to be more cost effective when it comes to cost-per-call to resolve incidences of suspected and genuine fraud, and seamless for customers to use. The technology also had to be compliant with the EU's Directive

on Payment Services (PSD), and enable the bank to facilitate the trend to faster payments. Moreover, the chosen approach needed to adhere to guidance set out by the Financial Conduct Authority (FCA) and banking ombudsman about what it deemed as a secure/verified payment.

The Solution

Aspect Verify is a trust platform and a cloud-based service for fraud prevention and detection that maintains a great customer experience. It is a collection of automated engagement solutions for proactive monitoring, identification, prevention, and notification of fraudulent transactions, including SIM Swap, and diverted calls and SMS. Notification options target both the organisation and the customer, and include system-level alerts as well as phone calls (landline or mobile), SMS, and email. Aspect Verify enables the bank to manage the on-going communication with the customer.

It also supports a seamless, automated two-way dialogue with the customer once suspected fraud has been detected. In this way the bank is better positioned to mitigate the risk factors while enhancing their relationship with customers.

Delivered in the cloud, there is no infrastructure for the customer to manage, no software to install, and it is easily scalable; Aspect is also responsible for the infrastructure and the security and the software updates.



The Benefits

Since installing and using Aspect Verify, the bank has been able to achieve its core objectives, which were:

- To move from a loss management anti-fraud model, to prevention management
- To increase the number of prevention calls, while reducing overheads on losses – this is because it costs more to service a fraudulent activity than it does to prevent it
- To make it easier and quicker to verify passwords on digital services by ensuring straight-through-processing – customers can log into online services straight after being verified on a landline call

The bank has halved the rate and cost of fraud to £10 million annually, and made a 25 Full Time Equivalent (FTE) labour saving, enabling it to deploy staff resources elsewhere in the business.

The implementation has also meant that the bank can have a more informative, relevant and helpful discussion with a customer when a fraud incident occurs. Feedback from the contact centre agents indicates that customers

are more likely to react to checks with understanding, and are appreciative of the checks that the bank is carrying out on their behalf. As a consequence of the implementation, complaints and fraudulent activity decreased and Net Promoter scores improved.

In the future, the bank intends to use Verify to enhance the internet banking registration process as well as mobile app registration – further enhancing the customer experience across digital banking.

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About Aspect

Aspect is on a mission to simplify and improve customer engagement. Our enterprise software is used by millions of agents every year and supports billions of consumer interactions around the world. Our best-of-breed contact centre and workforce optimisation applications help companies keep agents engaged while providing exceptional customer service experiences. Our flexible, highly scalable solutions for self-service and live interaction management and workforce optimisation are available on-premises or in any hosted, private or public cloud environment. For more information, visit www.aspect.com/uk. Follow Aspect on Twitter at [@Aspect_Europe](https://twitter.com/Aspect_Europe). Read our blogs at <http://blogs.aspect.com/uk>.

