

An aerial photograph of a city street intersection at dusk. The image shows a grid of streets with cars and buildings. A semi-transparent rectangular box is overlaid in the center, containing the title and author's name. The text is white, providing high contrast against the darker background.

Building Trust

The intersection of Fraud Prevention and Customer Experience

Giovanni Castellanos

Plus Ti



Juniper Research predicted
\$206 billion in online fraud
losses for 2021-2025.

The customer journey is being transformed quickly from a transactional process that was solely focused on shopping and purchasing to one that is built on rich, meaningful connections.





Fraud Prevention a High-Stakes Customer Experience Battleground





70 %

reported having felt
anxious, stressed,
displeased, or
frustrated when they
were warned about
potential fraud.

Source: survey by McKinsey



Increasing customer retention rates by as little as 5% can result in profit increases ranging from 25% to 95% across various industries.

Source: Harvard Business Review



A man with dark hair, wearing a light blue checkered shirt, is seated at a desk. He is holding a red pencil in his right hand and looking towards a laptop screen on the left. The background is a bright, modern office space with a white bookshelf filled with books, a potted plant, and a lamp. A wooden staircase is visible in the background on the right. The overall atmosphere is professional and focused.

Understanding the customer journey

Paul WainePAUL'S JOURNEY

Paul needs a new banking provider

Paul surfs through the web to learn about different providers

Paul compares the different conditions and opts for one of them.

Paul downloads the app and subscribes.

Paul gets a notification when his salary lands on the new bank account.

Paul does his first real-time money transfer and is excited about the feature.











Paul tracks his monthly spendings and exports the statistics for the records.

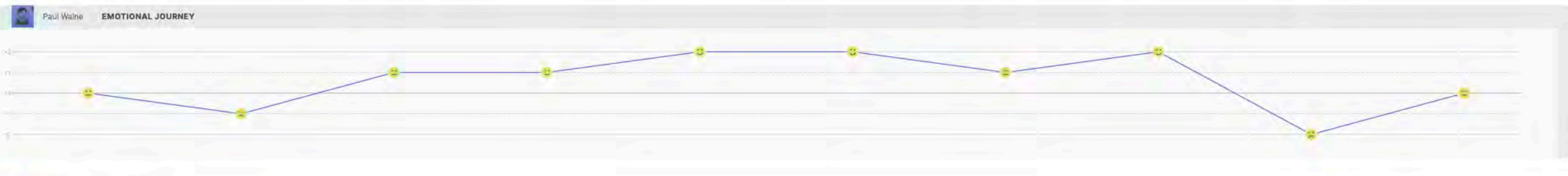
Paul has been using the new banking provider for 3 months and is satisfied; he recommends the bank to a friend.

Paul has a problem with installing an update and contacts customer support.

Paul is unsatisfied about the personal support by the bank and decides to start using a different banking provider.

Paul WainePAUL'S STORYBOARD








Paul WaineCHANNELS OF COMMUNICATION

In-app



Email


Web
















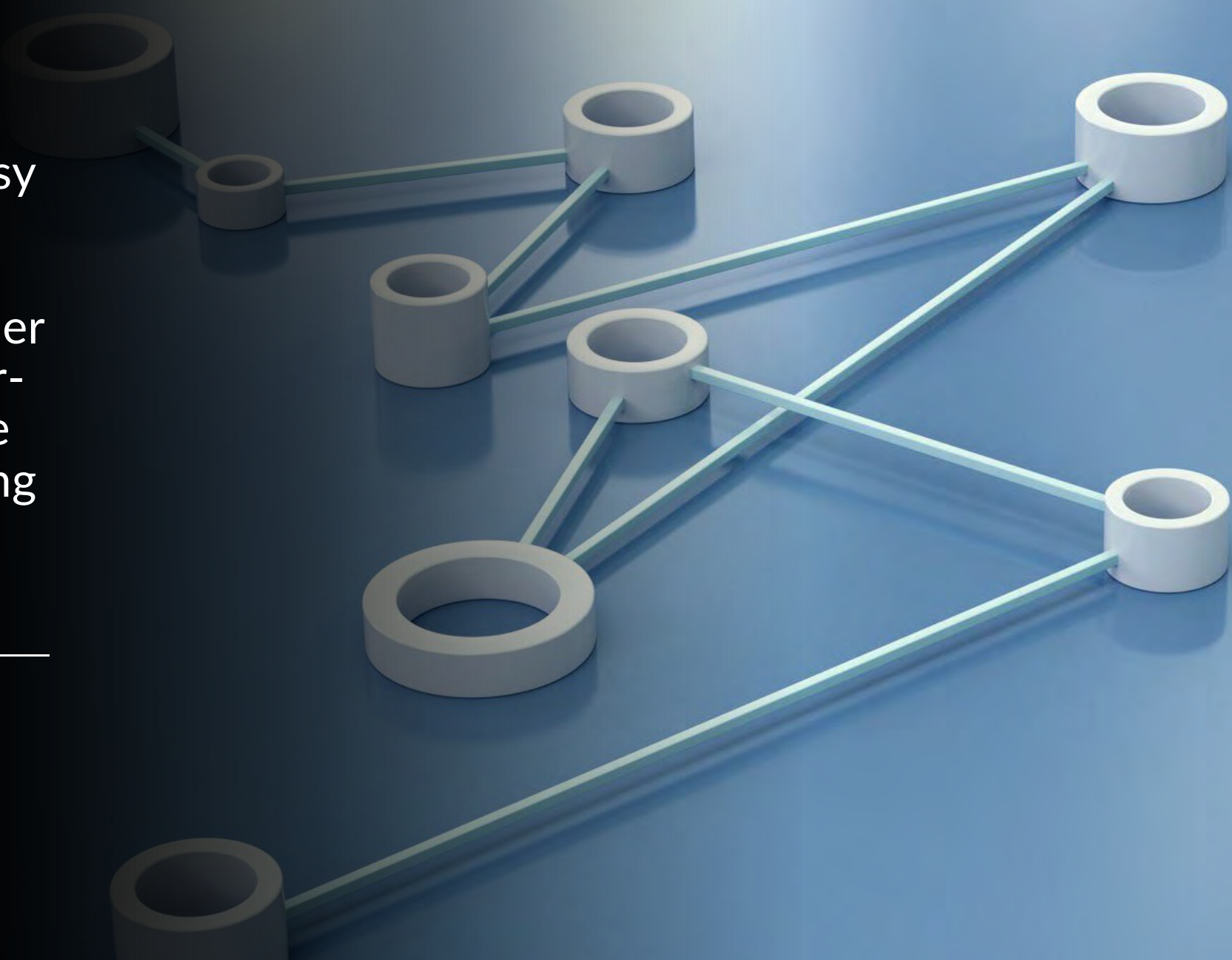












A customer journey that is experience-driven is no easy task. It involves an ecosystem of technologies driven by real-time customer data, as well as a consumer-centered view of the entire business, from the operating model and supply chain to content and marketing.



(30%)

of consumers say that if a transaction is mistakenly declined despite having sufficient funds in their account, it would significantly influence their likelihood to stop shopping with a preferred brand or retailer.

*VoCUL: Connected
Customer, Loyalty &
Retention 2020 survey*



FORBES > MONEY > FINTECH

Customer Experience Impact Tops Losses As Retailers' Number One Fraud Concern

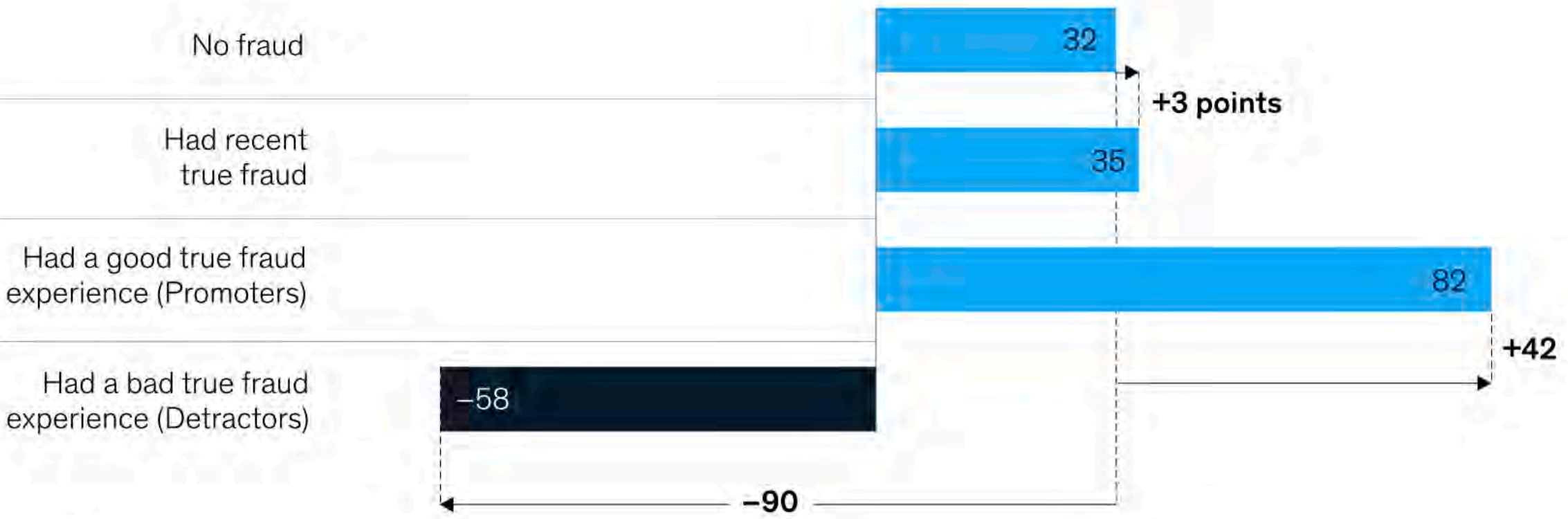
Jordan McKee Contributor 

I cover digital transformation in payments and financial services

Follow

When companies respond well to fraud events, customers report higher levels of satisfaction.

Average customer satisfaction score for different customer groups, illustrative



Unauthorised fraudulent transactions (i.e. card/digital)

37%

Victim initiated fraudulent transactions (i.e. scams)

31%

Unauthorised transfer/
removal of data

26%

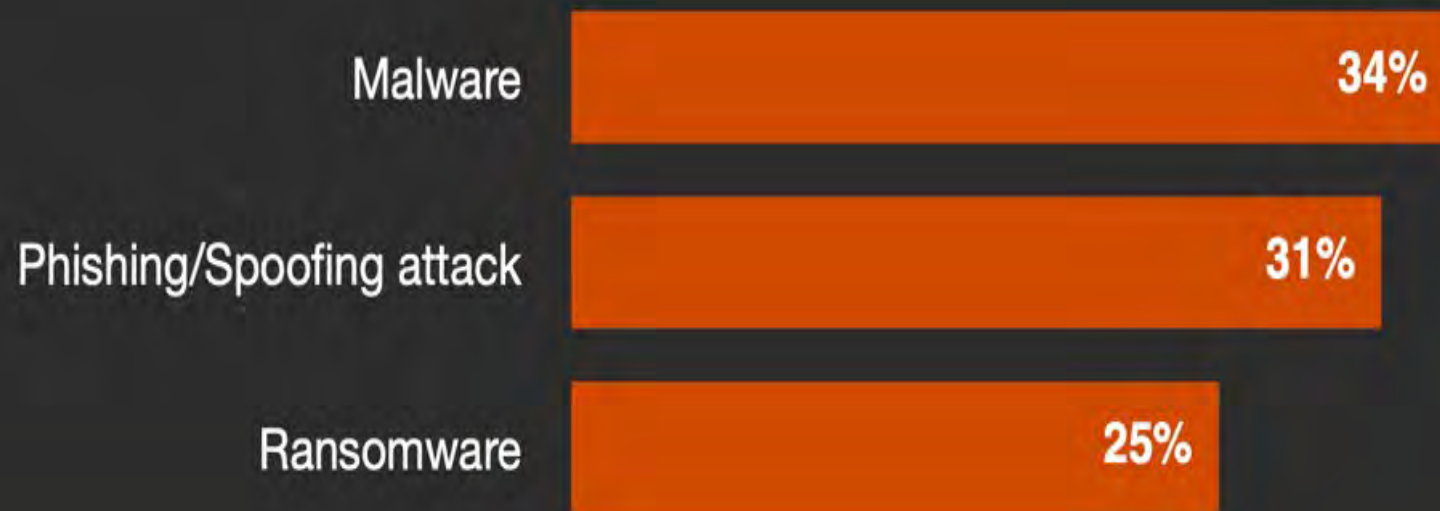
Transaction laundering

25%

NET: Fraudulent transfers to/from platform

76%

Of those experiencing fraud on their **Financial platforms**, this is most likely to be carried out by fraudulent transfers to/from a platform (**83%**).



NET: Fraudulent activity on the platform

60%

Of those experiencing fraud on their **Enterprise platforms**, this is most likely to be carried out by fraudulent activity on the platform (71%).



Most common threats in fraud

- Identity theft
- Account takeover
- Phishing



01

Prevent fraud

02

Improve the
customer
experience

03

Reduce
losses

04

Improve
business
efficiency

Fraud teams mission



AI

Machine
learning

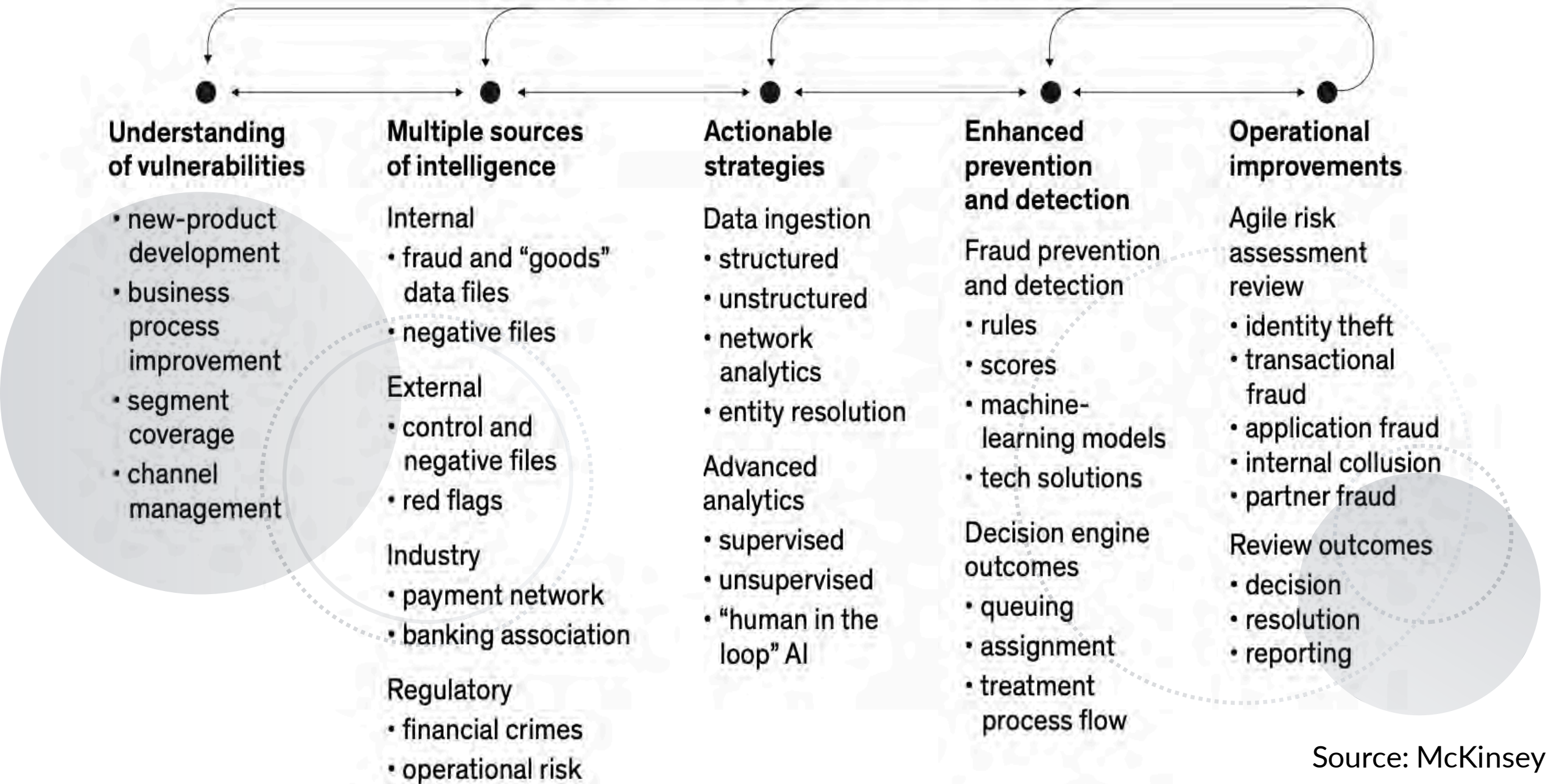
Behavioral
analytics

High-
quality data

**Priorities for
2023**

Effectiveness tracking and feedback

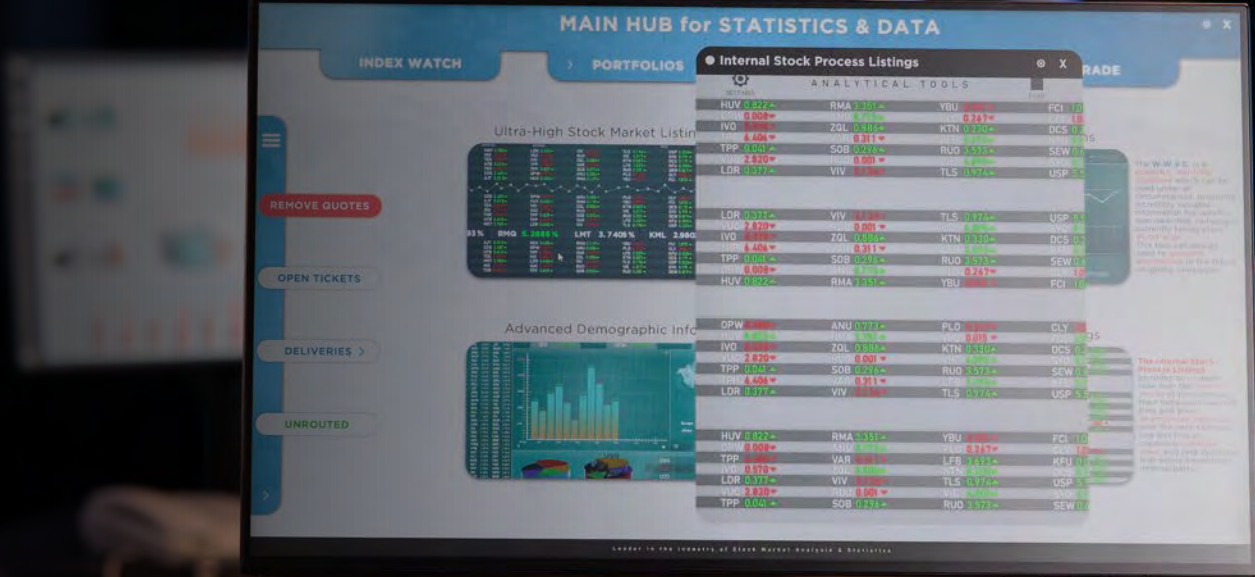
Attack levels, strategies, operational effectiveness



Risk Assessment and Analysis




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Proactive Fraud Prevention Measures





Strong Authentication and Identity Verification





Collaboration and Industry Partnerships





Regular Training and Staff Awareness

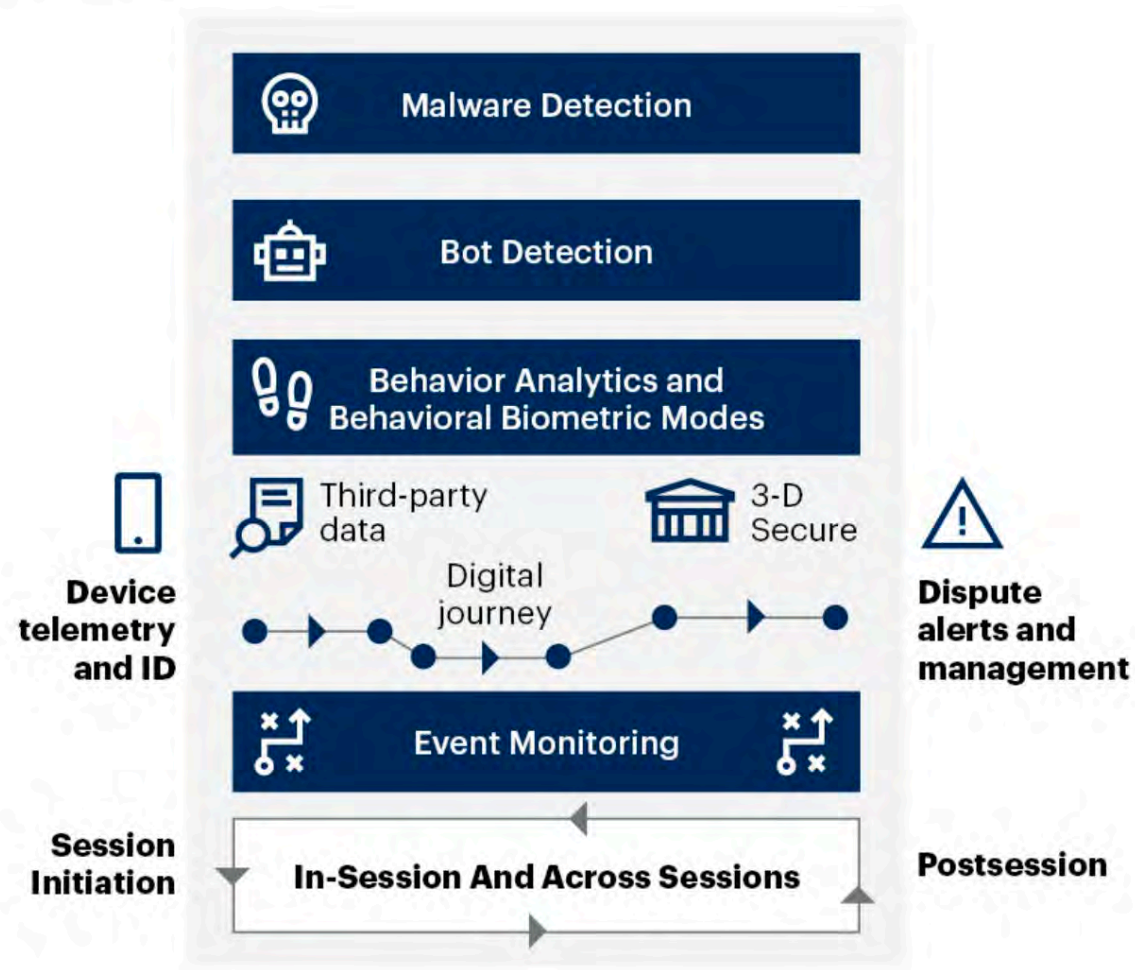


Continuous Improvement and Adaptability

A photograph of a multi-tiered waterfall in a dense, green forest. The water flows over several levels of rock, creating a series of small cascades. The surrounding trees are lush and green, and the overall scene is serene and natural. An orange rectangular bar is located in the top left corner of the image.

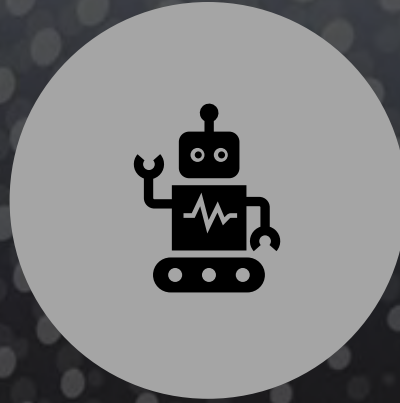
Multi layered approach

Example of the Capabilities Required for an End-to-End Fraud Management Strategy in Digital Commerce






**ALTERNATIVE DATA
SOURCES**



**MACHINE-LEARNING
MODELS**



**ADVANCED
MODELING**



Acquiring a new customer can cost anywhere from 5 to 25 times more than retaining an existing customer

Source: Frederick Reichheld of Bain & Company

Building Trust and Confidence

Effective fraud prevention measures build trust and confidence in financial institutions.

A large, light green downward-pointing arrow indicating a flow from the first box to the second.

You can not buy Trust you have to earn it that directly impacts customer loyalty and retention.

A large, light green downward-pointing arrow indicating a flow from the second box to the third.

Customers are more likely to engage in additional services and refer others when they feel secure and protected from fraud.



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