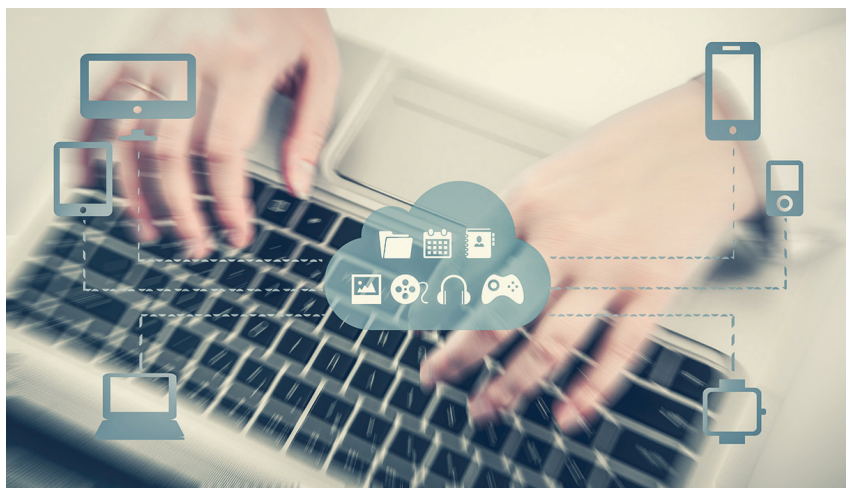


# Real-time, Cross-channel Transaction Monitoring and Fraud Management for India's Top 5 Bank



## CONTEXT

Increased sophistication in the banking system has simultaneously increased sophistication in banking frauds. Banks today face a growing risk of fraud incidents via phishing and identity theft, ATM frauds, payment card fraud, cross channel frauds, malware & Trojan attacks and SIM swap. Online fraud alone has cost the global economy much more than initial estimates of USD 100 bn. Banks and regulators are continuously working on combat banking fraud to protect institutions and customers from falling prey to fraud.

## BUSINESS REQUIREMENTS

### Real-time transaction monitoring and fraud management

The bank wanted to move to an enterprise wide real-time fraud management system to monitor and prevent suspicious customer and employee transactions. Their existing system was a traditional silo based fraud management system that utilized batch/end of day processing to generate MIS reports for suspicious fraud patterns.

### Ability to monitor cross-channel transactions with Finacle Core Banking as pivot

There was a felt need for monitoring all suspicious financial and non-financial transactions across branch and alternate channels integrated with Finacle Core Banking and CDCI Channel Integrator.

### Ability to detect and manage employee and third party frauds

The client was looking to implement a fraud management system to detect both employee frauds including teller initiated frauds like suspicious inquiries, unusual TOD grants, password sharing, misuse of authority and third party frauds like identity theft and account take-over, mule account frauds, SIM swap frauds and card compromise.

### Ability to deploy new fraud scenarios as and when required

The client wanted to enable its business users to quickly configure, test and deploy new fraud schemes as and when required without the need of any programming skills or IT assistance.

## CLIENT SNAPSHOT

### India's Top 5 Private Bank

**Asset size:** USD 78 bn

**Customers:** 30 mn

**Accounts:** 55 mn

**Employees:** 50,000

**Branches:** 3000

**Products & Services:** Retail banking, Corporate Banking, Investment Banking, Credit Cards and Brokerage Services to corporate and retail customers via multiple delivery channels and specialized subsidiaries

## SOLUTION

### Clari5 Enterprise Fraud Management

## SOLUTION HIGHLIGHTS

- Clari5 Enterprise Fraud Management.
- Built-in adaptors for Finacle core banking and pre-packaged scenarios.
- Hybrid fraud detection models featuring channel and product specific pre-packaged scenarios, behavior profiling and predictive risk scoring with proven high fraud detection rate and low false positives.
- Monitoring financial and non-financial transactions across Core Banking, Online Banking, Debit Card channels in real-time.
- Processing of over 50,00,000 transactions/day with high real-time throughput of over 250 transactions/second using low cost commodity Intel based hardware.
- Advanced Case Management helped accelerate investigation and close cases with unified customer view and efficient auto case routing feature.
- No impact on performance of the source Finacle Core Banking and utilized less than 1% of CPU resource.
- The client went live in a record 4.5 months and Clari5 continues to be used to monitor core banking transactions via Finacle integration, channel transactions including Internet banking, ATM, POS and E-Commerce through Finacle CDCI integration, credit and advances monitoring and remittances.

- Go-live in record 4.5 months, with built-in adaptors for Finacle core banking and pre-packaged scenarios
- Processing of over 50,00,000 transactions/day with high real-time throughput
- ROI - >100% in a year
- Increased customer confidence and minimal reputational loss

## BUSINESS IMPACT

### Better fraud detection capability

In the first month of go-live, the bank was able to detect more fraudulent cases than what they could in the previous year.

### ROI

100% ROI within 1 year of going live.

### Secure Reputation

Clari5 enabled bank to proactively combat cross channel, cross product frauds across the enterprise in real-time with increased customer confidence and minimal reputational loss

### Regulator Compliance


Bank was able to comply with regulator mandate for mitigating Electronic Payment frauds and Payment Card frauds within extremely short time frames.


### Scalability

Bank has expanded its fraud investigation unit to 25 members team that works 24\*7 and help bank's fraud loss exposure to a minimum.

CustomerXPs is an enterprise software product company offering Enterprise Financial Crime Management (EFCM), Anti-money Laundering (AML) and Customer Experience Management (CEM) products for Tier-1 global banks. CustomerXPs is revolutionizing Fraud Management and Customer Experience Management in Fortune 500 banks by harnessing the power of extreme real-time, cross-channel intelligence. Voted 'Best Fraud Detection Product 2016' by OpRisk / Risk.net, CustomerXPs' flagship product Clari5's differentiated approach deploys a well-synchronized, context-aware 'central nervous system' in banks with the ability to stop fraudulent transactions with real-time, actionable insights. It monitors suspicious activities in real-time, and takes the right decision at the right time as opposed to end-of-day reporting and analysis. Designed precisely to meet the fraud detection, investigation, prevention, monitoring compliance and audit needs, Clari5 is a highly-scalable enterprise fraud and compliance solution with a capability suited to enterprise-wide deployment for global financial institutions. It uses advanced statistical and analytical techniques to identify patterns of unusual and suspicious behaviours hidden deep within a bank's data and provides a single view of customers across the entire portfolio of products and brands.



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