

Get a complete and revealing view
of identity to reduce fraud losses





Fraud risk is rising rapidly

Identity fraud presents a significant challenge for today's financial services and lending firms. As the number of fraud attacks increase, so do the costs, according to the *LexisNexis® Risk Solutions 2020 True Cost of Fraud™ Study*.¹ The trends noted in the study all point to reasons for concern:

- Fraudsters are targeting a broader set of financial services and lending firms.
- Fraud attempts have spiked year-over-year across all financial services and lending segments.
- Financial services firms saw a 42% increase in successful monthly fraud attempts while lending firms saw an increase of 38%.
- The true cost of fraud losses is \$3.78 per lost dollar, up from \$3.35 in 2019.

What's become painfully clear is that criminals are getting smarter, and new technologies make it easier for them to circumvent current risk management processes. Without a comprehensive view of identity at the point of application, your company is more vulnerable to fraud than you think.

The need for better fraud risk detection

Identity verification and authentication solutions that were effective in the past are now inadequate at spotting anomalies in customer activity and detecting fraudulent identities. While you may be tempted to impose more stringent security measures, any processes that slow authentication or make it more onerous for customers cause friction.

Finding the right balance between preventing fraud and delivering a positive customer experience—particularly as criminals continue to step up their game—requires increasingly sophisticated tools.

LexisNexis® Fraud Intelligence is a non-FCRA solution that helps organizations mitigate new account fraud risk by recognizing fraudulent applications. It offers unique insights into identity event and application activity.



Powered by the industry's leading authority in identity, LexisNexis® Fraud Intelligence delivers unparalleled fraud detection capabilities and can fit seamlessly into your existing workflows and risk strategies.

Here's how it works

Leveraging the most wide-reaching consumer data in the market and advanced linking technology from LexisNexis Risk Solutions, Fraud Intelligence analyzes hundreds of unique identity characteristics, identity events and real-time consumer application activity. It detects any inconsistencies and fraud patterns to provide a more complete view of identity.

By pulling data from a leading collective of networks for consumer intelligence, it offers unprecedented, predictive insight into risk. This holistic approach to verify if an identity exists provides the following results:

- **Fraud Three-Digit Risk Score** – Ranging from 001 to 998, this score predicts the likelihood an application will result in fraud if the account is opened. The higher the score, the greater the risk.
- **Warning Codes** – A set of insightful fraud risk codes, they pinpoint the specific fraud risk so that investigators can review applications more efficiently.

These predictive tools reduce unnecessary delays in approvals for legitimate new-account customers and allow your investigative efforts to focus on those fraud events that are most costly to your enterprise. Perhaps most importantly, when armed with the fraud score and warning codes, you can more safely grow your business.

Shared intelligence improves fraud prevention

LexisNexis Fraud Intelligence brings a new dimension to traditional fraud detection tools by offering unique insights into identity event and consumer application activity. Better intelligence from a cross-vertical perspective can strengthen your existing fraud prevention tools and investigative processes.

Three industry-specific flagships are available for Fraud Intelligence. Each one delivers a significant improvement in fraud capture over leading fraud solutions used alone. You get actionable insights based on up-to-date and potentially critical risk activity intelligence.



Fraud Intelligence Bankcard Score
37% FDR Improvement²



Fraud Intelligence Retail Score
42% FDR improvement³



Fraud Intelligence Wireless Score
39% FDR improvement⁴

Fraud Intelligence can also be customized to your organization's individual fraud prevention needs.

A layered approach works best

Fraud Intelligence can be used in conjunction with your existing workflows and risk strategies and help you defend against a wider range of attacks.

By incorporating Fraud Intelligence into your existing risk strategies, you can help achieve the following objectives:

- Limit losses by blocking fraudulent applications
- Streamline account opening
- Minimize customer friction
- Reduce false positives
- Defend against emerging fraud threats
- Avoid reputational risk
- Enable safe growth

Combating fraud without friction

The annual impact of global fraud already exceeds \$1 trillion.³ The fraud risk threat facing financial services and lending firms continues to grow and shows no signs of losing momentum. It's a never-ending cat-and-mouse game in which professional fraudsters and organized fraud rings relentlessly search for vulnerabilities and try new techniques to outsmart systems.

Adding more sophisticated fraud prevention solutions, particularly those that leverage identity event and consumer application activity insights like Fraud Intelligence, can help your business:

- Stay ahead of fraud
- Limit losses
- Grow safely

For more information, call 408.200.5755 or visit
risk.lexisnexis.com/products/lexisnexis-fraud-intelligence



About LexisNexis® Risk Solutions

LexisNexis Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX (LSE: REL/NYSE: RELX), a global provider of information-based analytics and decision tools for professional and business customers. For more information, please visit www.risk.lexisnexis.com and www.relx.com.

Our financial services solutions assist organizations with preventing financial crime, achieving regulatory compliance, mitigating business risk, improving operational efficiencies and enhancing profitability.

¹ <https://risk.lexisnexis.com/insights-resources/research/true-cost-of-fraud-study-financial-services-and-lending-edition>

²⁻⁴ LexisNexis® Risk Solutions analysis of the fraud captured at the riskiest 3%, compared to existing scores

⁵ <https://risk.lexisnexis.com/fraud-impact-files/index.html>

Fraud Intelligence provided by LexisNexis is not provided by "consumer reporting agencies" as that term is defined in the Fair Credit Reporting Act (15 U.S.C. § 1681, et seq.) (FCRA) and does not constitute a "consumer report" as that term is defined in the FCRA. Fraud Intelligence may not be used in whole or in part as a factor in determining eligibility for credit, insurance, or employment or for any other eligibility purpose that would qualify it as a consumer report under the FCRA. Due to the nature and origin of public record information, the public records and commercially available data sources used in reports may contain errors. Source data is sometimes reported or entered inaccurately, processed poorly or incorrectly, and is generally not free from defect. This product or service aggregates and reports data, as provided by the public records and commercially available data sources, and is not the source of the data, nor is it a comprehensive compilation of the data. Before relying on any data, it should be independently verified. LexisNexis, LexisNexis® Risk Solutions 2020 True Cost of Fraud™ Study and the Knowledge Burst logo are registered trademarks of RELX Inc. Other products and services may be trademarks or registered trademarks of their respective companies.