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📖 **Overview**

Payment Fraud Manager

Real-Time Fraud Detection and Prevention
Using Predictive Scoring From Machine
Learning and Custom Rules

@ the speed of life®

As the financial services industry rapidly expands across an increasing number of channels and payment rails, fraud threats also increase. Effective, real-time fraud detection and prevention across multiple payment rails is essential to managing risk and enhancing the customer experience.

In response to rising demand from consumers and businesses, money is moving faster than ever domestically and internationally. Fast money movement is often combined with real-time settlement. This means that every step of the transaction processing life cycle, including fraud detection, must be completed in a fraction of a second. As the speed of payments increases, so does the pace of change in the variety and sophistication of fraud attacks. Financial institutions must be agile enough to respond to these threats at the same rapid pace.

In this dynamic business and risk environment, financial institutions need a solution to help them make timely decisions that significantly improve fraud detection and prevention rates, reduce false positives, optimize efficiency and drive customer satisfaction.

A Comprehensive Solution

Payment Fraud Manager from Fiserv is a real-time, cloud-native fraud detection and prevention solution that leverages predictive scoring from machine learning and custom rules – informed by nearly four decades of Fiserv payment processing and payment risk expertise.

This scalable solution works across a variety of payment rails:

→ ACH (batch, real-time, RDFI and ODFI)

→ Checks (on-us and deposit)

→ Wires (Fedwire and CHIPS)

→ SWIFT

→ RTP® network from The Clearing House (and FedNow, when it becomes available)

Fast Fact

Eighty-four percent of financial institutions experienced account takeovers in 2020, resulting in costs of up to 8.3% of their annual revenue.

Source: "Quantifying the Impact of Credential Stuffing and Account Takeovers in Financial Services," Aberdeen Group, August 2021.

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The Dual Detection Advantage

The ability to consume and analyze data covering transactions across multiple payment rails and to respond effectively to anomalies is critical to managing fraud risk. Payment Fraud Manager monitors and analyzes payment transaction data and reacts in milliseconds to threats.

Behavioral analytics enables a unique layer of protection over traditional techniques by focusing on good activity to create a baseline of what should be allowed. Anomalous deviations from this baseline are used to identify new fraud attacks as they emerge.

A combination of the ability to analyze large data sets in real-time and the application of behavioral analytics enables institutions to make accurate and timely decisions, detecting and preventing fraud and reducing customer friction while continually adapting to the changing behavior of consumers and financial criminals.

Fast Fact

Digital fraud attacks against financial services companies increased 109% in the U.S. in the first four months of 2021, compared to the same period in 2020.

Source: "Rate of Suspected Financial Services Digital Fraud Attempts Rise Nearly 150% Worldwide as Digital Transactions Increase," TransUnion, June 2021.
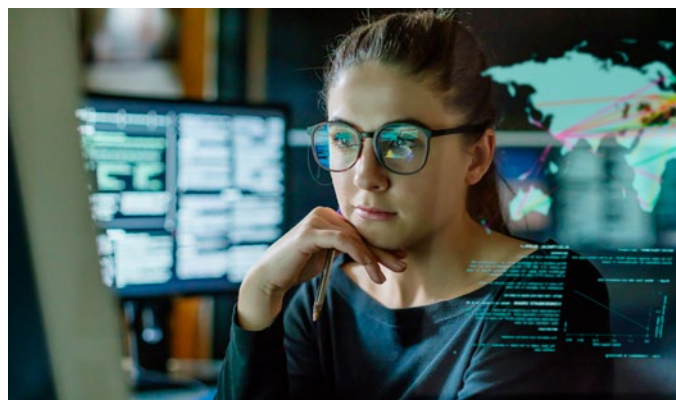
How It Works

Fiserv leverages data across numerous payment types to build models that are then deployed to protect financial institutions and their customers in real-time. Models adapt to detect fraud as new transactions and attack vectors are encountered over time. The entire solution is built upon standardized REST APIs that enable easy integration.

Key Components Include:

Analytics Engine and Machine Learning – Utilizing behavioral analytics technology, Payment Fraud Manager leverages unique machine-learning capabilities and Fiserv models for adaptive detection.

Sandbox – This feature enables users to configure new rules and thresholds with a Champion/Challenger model environment, and then test the impact of these changes against production data.

User Interface – The user environment offers easy, intuitive access to investigative tools, incident management and behavioral analytics.

Exhaustive Reporting – This solution provides comprehensive reporting to meet your business needs – from out-of-the-box reports to integration with business intelligence tools.

Robust Platform – Payment Fraud Manager offers a scalable, high-availability, low-latency platform monitoring of thousands of transactions per second.

Developer Portal – This tool provides resources that enable rapid integration.

Fast Fact

Identity fraud losses reached a total of $56 billion in 2020.

Source: "2021 Identity Fraud Study," Javelin Strategy and Research, March 2021.

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Key Features

→ Ability to monitor fraud across multiple payment rails

→ Available as a point solution or holistic solution to monitor fraudulent activity across multiple types of customer activity

→ Configurable rules and machine learning with native behavioral analytics

→ Intuitive user interface/user experience

→ Developer portal for rapid integration

→ Scalable to handle increasing volumes and react in milliseconds

→ Extensive business intelligence reporting capabilities

→ Anytime, anywhere capability through default SaaS, supporting high availability

Fast Fact

Seventy-four percent of organizations were targets of payment scams in 2020; payment methods most affected by fraud activity continue to be checks (66%) and wire transfers (39%).

Source: "2021 AFP Payments Fraud and Control Survey," Association for Financial Professionals, 2021.

A Strong Foundation

As a global leader in fintech, Fiserv helps people and businesses move money and information every minute of every day. Our solutions connect financial institutions, corporations, merchants and consumers to one another – millions of times a day, reliably and securely.

We serve thousands of organizations in more than 100 countries, so consumers and businesses can move money when and where they need it in a safe and secure way. When you partner with Fiserv, our rich data insights, solution set, global scale and investment capacity provide you with unparalleled opportunities for growth and success.

Key Benefits:

→ Effectively detect fraud in real-time across multiple payment rails

→ Reduce false positives to increase efficiency and drive a better customer experience

→ Respond in milliseconds to rapidly evolving fraud risks

→ Scale to meet increasing transaction volumes

→ Manage fraud risk in a manner tailored to financial institution's risk appetite

→ Benefit from the payments risk insight accrued by Fiserv over nearly four decades

→ Test and validate results of strategies, models and rules before live implementation to optimize results

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Connect With Us

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Fiserv is driving innovation in Payments,
Processing Services, Risk & Compliance,
Customer & Channel Management and
Insights & Optimization. Our solutions
help clients deliver financial services at
the speed of life to enhance the way
people live and work today.

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