



# KNOW YOUR RISK. ALWAYS.

# How to trust your fraud prevention data to maximise conversions.

## WEBINAR:

**Total Duration: 60 minutes**

## Introduction: 5 minutes

## Presentation: 40 minutes

Question / Answer: 15 minutes



**4Stop.com | sales@4Stop.com**



# **4S** Our presenters.



**PAUL MCMANUS**

Vice President Merchant and Payments



**CHRISTIAN WHEELER**

Vice President Merchant Underwriting



**BRIAN DALY**

Head of Product Implementation and Innovation

# AGENDA

A guide to increasing risk data confidence to secure online engagements quicker, improve retention and profitability, while obtaining future-proofed risk mitigation.



## The Power of One API

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Why data orchestration hubs have become the leader in risk mitigation innovation to support our ever-changing online regulatory landscape.



## Cut the Complexity

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How to reduce the cost, time, friction and complexity in on boarding and compliance adherence - obtaining agility and future-proofed solutions.



## Multi-Level Verification

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Easily mitigate false positives, account takeovers, friendly fraud, chargebacks and the benefits aggregated risk scoring brings to trusting data.

# The Power of One API

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Why data orchestration hubs have become the leader in risk mitigation innovation to support our ever-changing online regulatory landscape.





# Online payment landscape.

Significant opportunity for eCommerce merchants and PSPs.



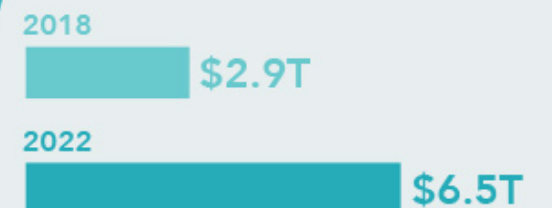
NON-CASH TRANSACTIONS  
**2.3X GROWTH in 6 years**



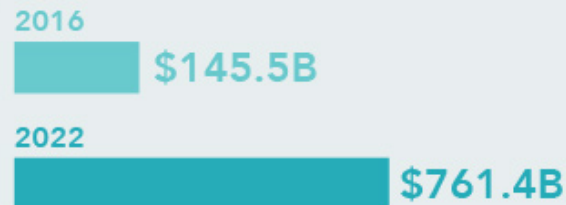
EWALLETS  
**5.4X GROWTH in 5 years**



RETAIL COMMERCE  
**2.3X GROWTH in 4 years**



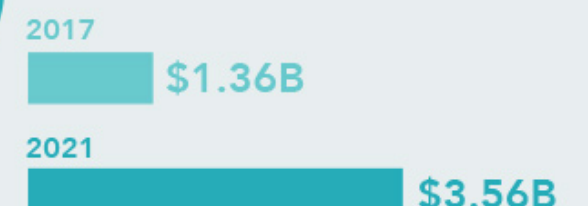
IGAMING / GAMBLING  
**5.2X GROWTH in 6 years**



CRYPTOCURRENCY  
**17.1X GROWTH in 4 years**



MCOMMERCE  
**2.6X GROWTH in 4 years**



## GLOBAL COVID-19 IMPACT | January - October 2020.

### Online Sales Value

Global online sales went up 71% year-over-year for the second quarter.

### Shoppers

36% of consumers shop online weekly since the rise of COVID, up from 28% pre-pandemic

### EU Online Sales

60% of consumers will continue shopping online at same level after outbreak.

### Gambling

Sudden Rise in Revenues with some regional reports stating a 67% Increase.





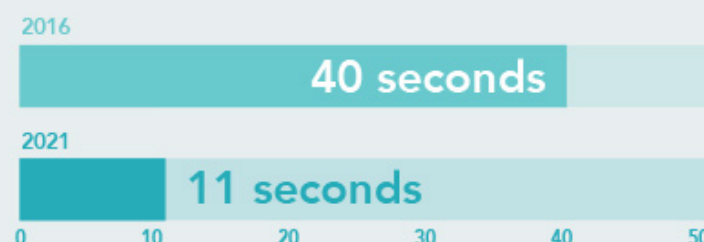
# Cybercrime and security.

From 2018 to 2023 \$130 Billion will be lost to online fraud.

**CYBERCRIME COSTS EXPECTED TO GROW TO \$6 TRILLION BY 2021.**



**BY 2021 BUSINESSES WILL FALL VICTIM TO CYBERCRIME EVERY 11 SECONDS.**



**73%**

RANSOMWARE



**57%**

LOSS OF  
CUSTOMER DATA



**39%**

EMAIL ACCOUNT  
COMPROMISE



**36%**

COMPLIANCE  
FINDINGS/FINES

**\$1.4 Billion**

US Lost to fraud in 2018.

**423 Million**

Scammers receiving fraudulent funds.

**13 Million**

Average cost of cybercrime for an organization in 2018.

**\$5.1 Billion**

Total losses due to identity theft and account take over in 2019.



**COVID-19 IMPACT**

January - October 2020



**UK FRAUD**

National Fraud & Cyber Security Centre stated a 400% increase in March.



**USA FRAUD**

22% said they've been targeted by Covid-19 related digital fraud.



US consumers have lost a reported US\$13.4 million to COVID-19 related digital fraud.



**Attacks**

Global phishing attacks accounted for 80%.

# The Power of ONE API.

The World is Digital.  
The Future is Orchestration Hubs.

Businesses need to manage regulation requirements, anti-fraud, and on-boarding in a consolidated manner with ease and agility for future-proofed sustainability, regardless of our global and online evolutions.





# Orchestration Hubs.

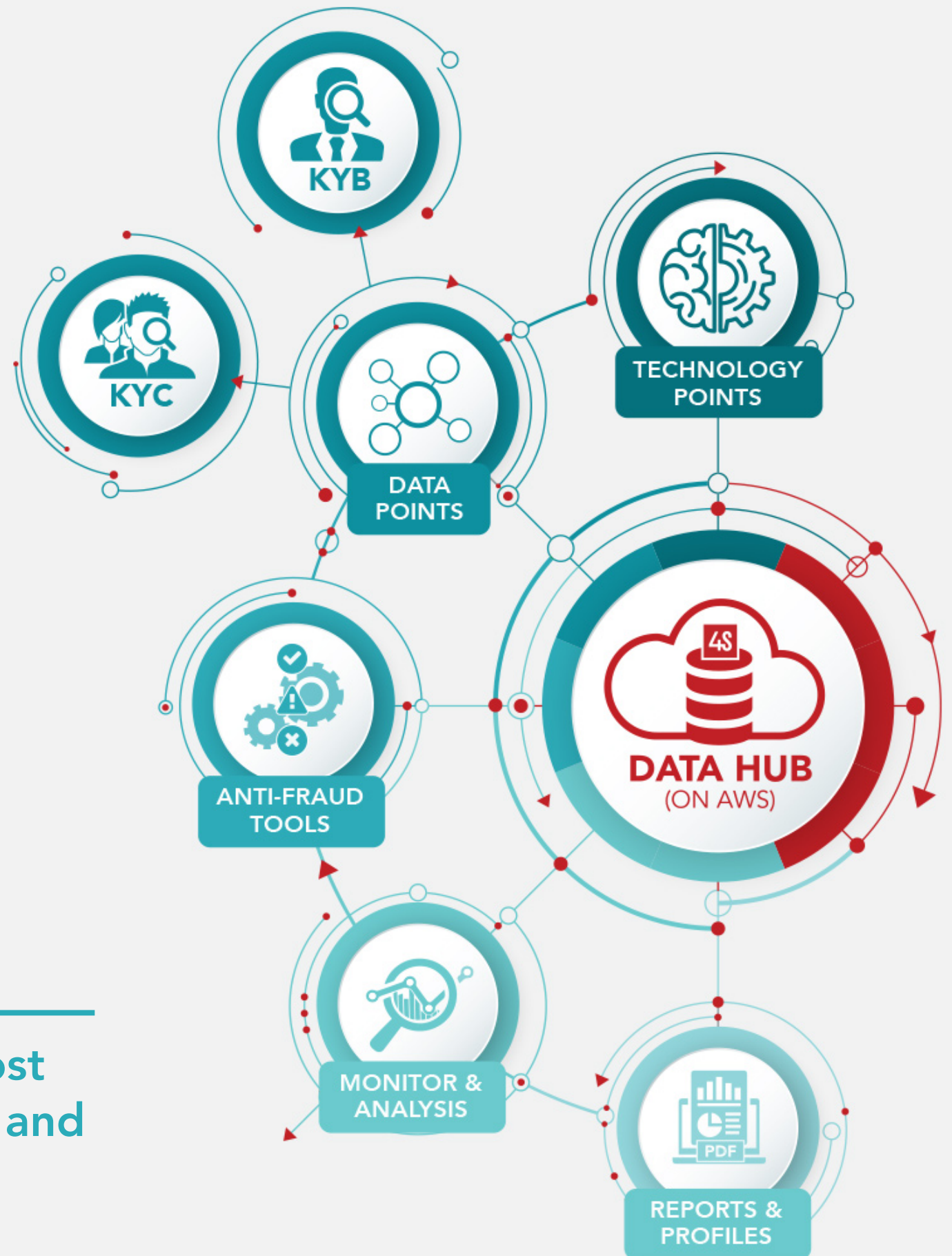
## What are they?

Unlike a service that just aggregates data, Orchestration Hubs is the automated configuration, aggregation, coordination, and management of:

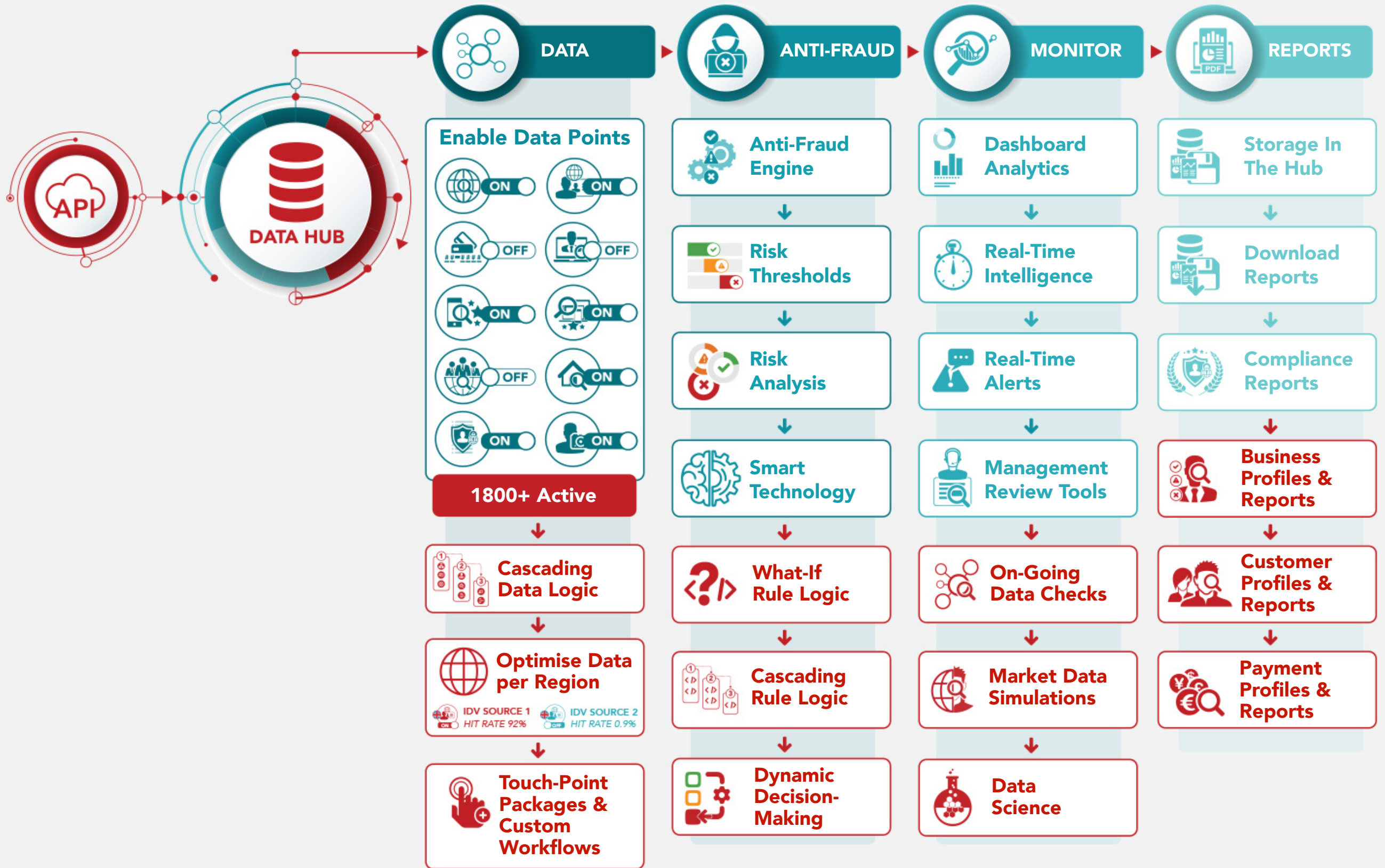
- Technology end-points
- Data points
- Anti-Fraud Tools
- Monitoring & Risk Analysis
- Reporting & Profiles

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Giving one view of risk with the utmost agility, automation and reduced data and operational costs possible.



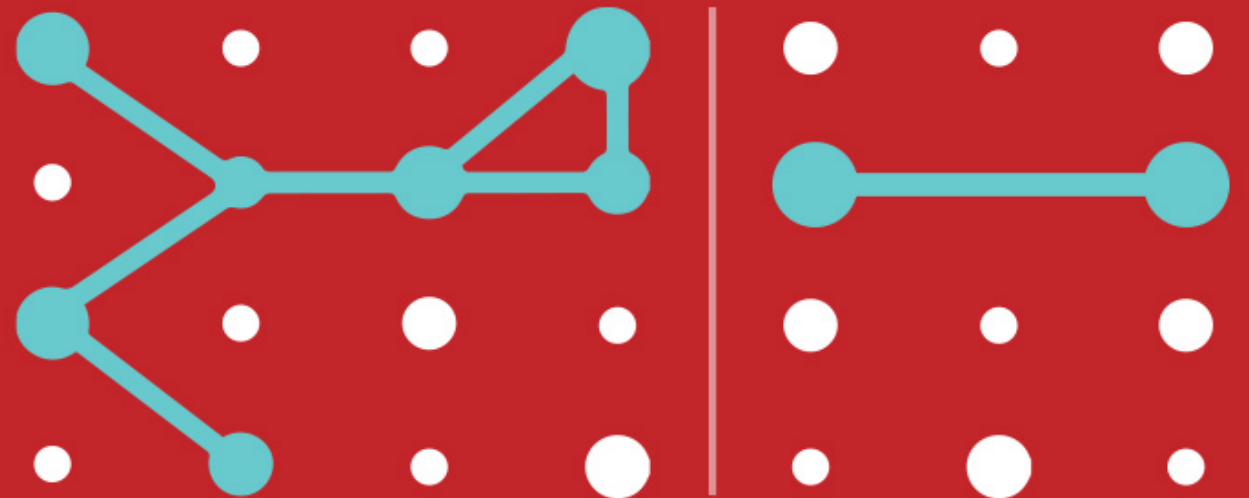




# Cut The Complexity

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How to reduce the cost, time, friction and complexity in onboarding and compliance adherence - obtaining agility and future-proofed solutions.





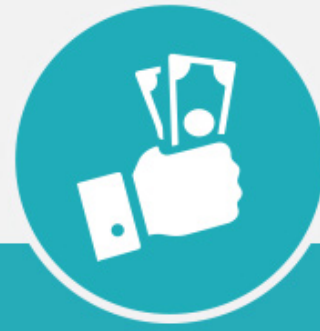
# 3 reasons why businesses need data hubs.

When you access to thousands of data services that you can activate in real-time from a single API integration with a centralised view of risk you...



## REDUCE RESOURCES

- IT Department
- Operations
- Data Management
- Manual Risk Analysis



## REDUCE COSTS

- Data Call Fees
- Multiple Contracts
- Integration Costs
- Non-Compliant Fines



## IMPROVE TIME

- Market Entry
- Onboarding
- Reaction to Fraud
- Manage Compliance

# Improve processes.

Fully customise risk mitigation with ease, obtain the best data output and confidently enter any market quickly.

## Pre-Screening Solutions

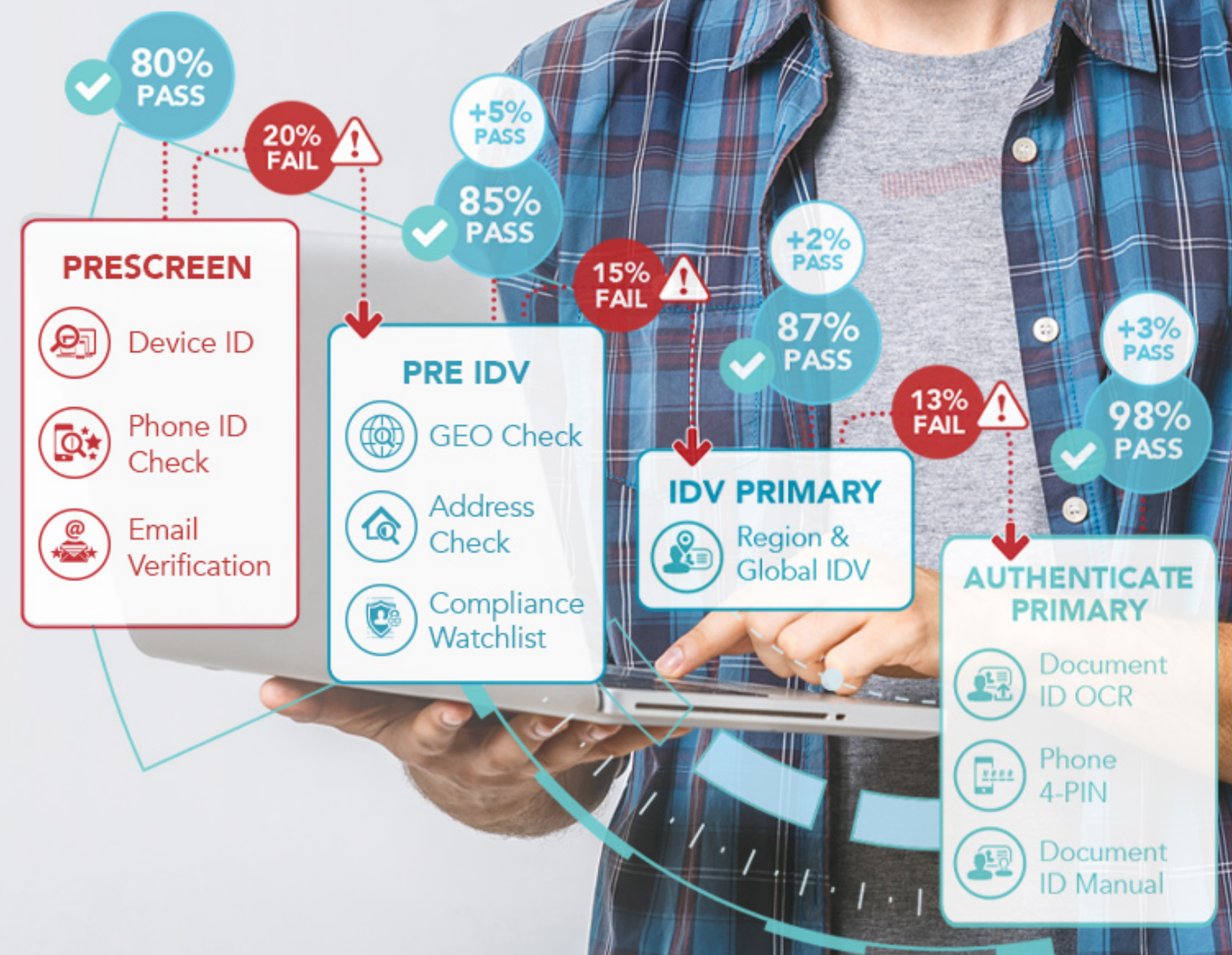
Configure customised KYB or KYC first touch verifications to quickly identify posed risk at the lowest cost investment possible.

## Premium Country Coverage

Many orchestration hubs integrate an array of data providers to support one method of data verification. Ensuring the best country coverage is obtained globally and per localised region.

## Cascading Verification Logic

The best data performance and verifications at onboarding and transactions are obtained. If one data verification fails another data source will automatically trigger.







## Reduces friction.

From internal business developments and risk mitigation processes through to the business and consumer onboarding.

- Enable On-Demand Data Points
- Automated Verifications
- Cascading 'What-if' Rule Logic
- Dynamic Decision-making
- Real-time Monitoring on ALL Touchpoints
- Automated Compliance
- A.I. or Machine Learning Tech.
- Data Science Application

# Automated end-to-end KYB.

Maximise business onboarding and effortlessly maintain relationships with automated workflows and verifications.



## BUSINESS IDENTITY INFORMATION

Identified Business Name  
Legal Status  
Ultimate Parent  
Immediate Parent

Address Identified  
Overall Business Risk  
UBO's / Directors Identified  
Persons of Significant Control

Registration Details  
Financial Strength Indicators  
Shareholder Intel  
Adverse Media (*add on*)



### COMPLIANCE

- ✓ Compliance Screening
- ✓ Compliance Monitoring
- ✓ Registry Documents
- ✓ Articles of Association
- ✓ Document Filing



### CREDIT

- ✓ Credit Reports & Scoring
- ✓ Financial Statements
- ✓ Detect UBO's / Directors
- ✓ Business Intel
- ✓ Share Capital Structure
- ✓ Global Group Structure



### WEB ANALYSIS

- ✓ Historical Website Data
- ✓ Detect Money Laundry
- ✓ Location Detection
- ✓ Compliance Adherence
- ✓ View Deceptive Traffic

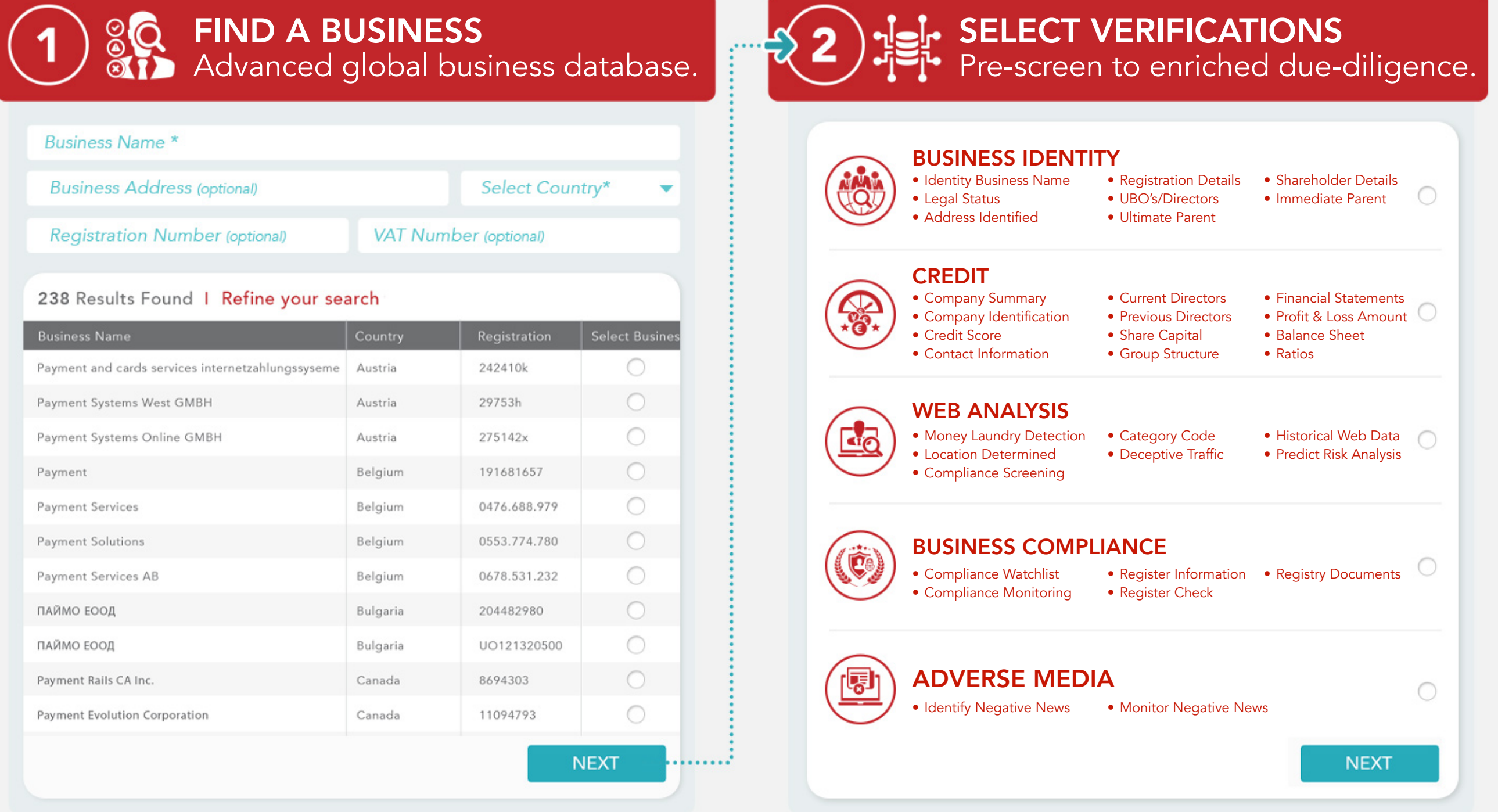


### UBO'S VERIFIED

- ✓ Compliance Watchlist
- ✓ Document ID + KYC
- ✓ Risk Analysis
- ✓ UBO Profiling
- ✓ Adverse Media
- ✓ Reverse UBO Lookup



# Underwrite with risk analysis in just 2 steps.



3



## BUSINESS CASE FILE

All underwriting verification results and documentations in one location.

**SmartShop Ltd.**  
Country: United Kingdom | Registration #12129589

CASE FILE # 03918 | ALERTS 11 | MONITOR | DEADLINE Feb 16 | STATUS In Review

PROGRESS: Started on 01/14/2020 | Active for 9 Days

Verifications - last ran on 01/14/2020

RISK SCORE: 71.29

SUMMARY VERIFICATIONS UBO'S PRINCIPLES DOCUMENTS REPORTS HISTORY

**COMPANY IDENTIFICATION DETAILS:**

Legal Name: Smartshop Limited	Legal Form: Not Available	Duns Number: #172649365	Business Nature: 64999
Previous Name: Not Available	Org. Identifier: #12291057	Incorporation Date: 10/31/2018	Business Status: Active
Business Name: Not Available	Registration: #12129589	No of Employees: 56	Industry: Financial intermediation not elsewhere classified.
Trading Name: Not Available	VAT Number: Not Available	Activity Code: 541611	

**CONTACTS:**

71-75 Shelton Street  
Covent Garden  
London WC2H 9JQ  
England

PUBLISHED: 0 | HIDDEN: 0

Contact: Not Entered  
Email 1: Not Entered  
Email 2: Not Entered  
Email 3: Not Entered  
Phone: Not Entered

**WEBSITES** 1 of 3

https://www.smartshop.com  
Ran on 01/14/2020

RISK SCORE 68.52 | ALERTS 12

Web Analysis: Report Complete  
Risk Mitigation: 8 Comments  
AML Alerts: 4 Alerts  
Deceptive Traffic: No  
Affiliate Link: No  
Content Violations: No  
Monitoring: On

**UBO'S**

TOTAL 5 | VERIFIED 3 | HIGH-RISK 2 | ALERTS 3

AVERAGE RISK SCORE: 75.32  
Obtained from KYB & KYC

NAME	SHARES	CO	RISK	MONITOR
James Johnson	43%	UK	97.24	ON
SmartPay United	32%	UK	RUN	ON
Sarah Wright	31%	UK	86.52	ON
Brad Peterson	27%	FR	72.19	ON
Josh Carmenship	11%	US	RUN	ON

**PRINCIPLES**

TOTAL 26 | VERIFIED 10 | HIGH-RISK 4 | ALERTS 6

AVERAGE RISK SCORE: 62.51  
Obtained from KYC

Active Directors: 6  
Significant Control Persons: 2  
Shareholders: 18

**GROUP STRUCTURE**

ULTIMATE PARENT  
**SmartPay United**  
United Kingdom | Shareholding = 31%

PARENT COMPANIES: 3  
AFFILIATE COMPANIES: 9

**SHAREHOLDING**

HIGHEST 43% James Johnson  
LOWEST 2% BrightSide Techno...

BUSINESS SHAREHOLDINGS: 13  
PEOPLE SHAREHOLDINGS: 23

**CREDIT RATING**

CREDIT LIMIT 7K GBP  
PROFIT / LOSSES 0 GBP  
STATEMENTS 4

**DOCUMENTS**

AVAILABLE 12 | MY DOCUMENTS 1

Register Check  
Articles of Association  
Articles of Association

CASE FILE # 03918 | ALERTS 11 | MONITOR | DEADLINE Feb 16 | STATUS In Review

RISK SCORE: 71.29

SUMMARY VERIFICATIONS UBO'S PRINCIPLES DOCUMENTS REPORTS HISTORY

**Web Analysis WARNING**

**Credit (Global) RUN NOW**

**Adverse Media RUN NOW**

ALERTS: 5

RISK MITIGATION 8 Comments

AFFILIATE No

RISK SCORE: 68.52

LinkedIn, Xing, Facebook, Twitter, etc.). The Entity has been incorporated very recently (below one year). site compliance requirements are missing which could lead to an increase of chargebacks.

ance have been identified and need to be reviewed and updated. One (or multiple) of the researched on-cooperative jurisdictions classified by the Financial Action Task Force (FATF). Details about these ions have been detected for one or multiple addresses. This relates to either to the detection of other arch or the detection of complaints or fraud warnings for the address. The website screening has detect- adult, gambling, dating, pharmaceuticals, etc. and is based on the basis of the domain name only. The d website(s) is(are) considered as having no measurable visitors and therefore being inactive. This needs ally for credit/debit card payments). Moderate risk content websites (e. g. nutraceuticals, dating, etc.) are has been calculated (0 % - 50 % EtPR). The merchant location determination should be part of the a, 2016). If the merchant location is questionable, e. g. due to the provision or sale of in-tangible goods illed verification can be conducted by the Web Shield Service Team (eLoc) to identify the Principal Place een conducted with a low research data level (usually only including basic information such as the Entity



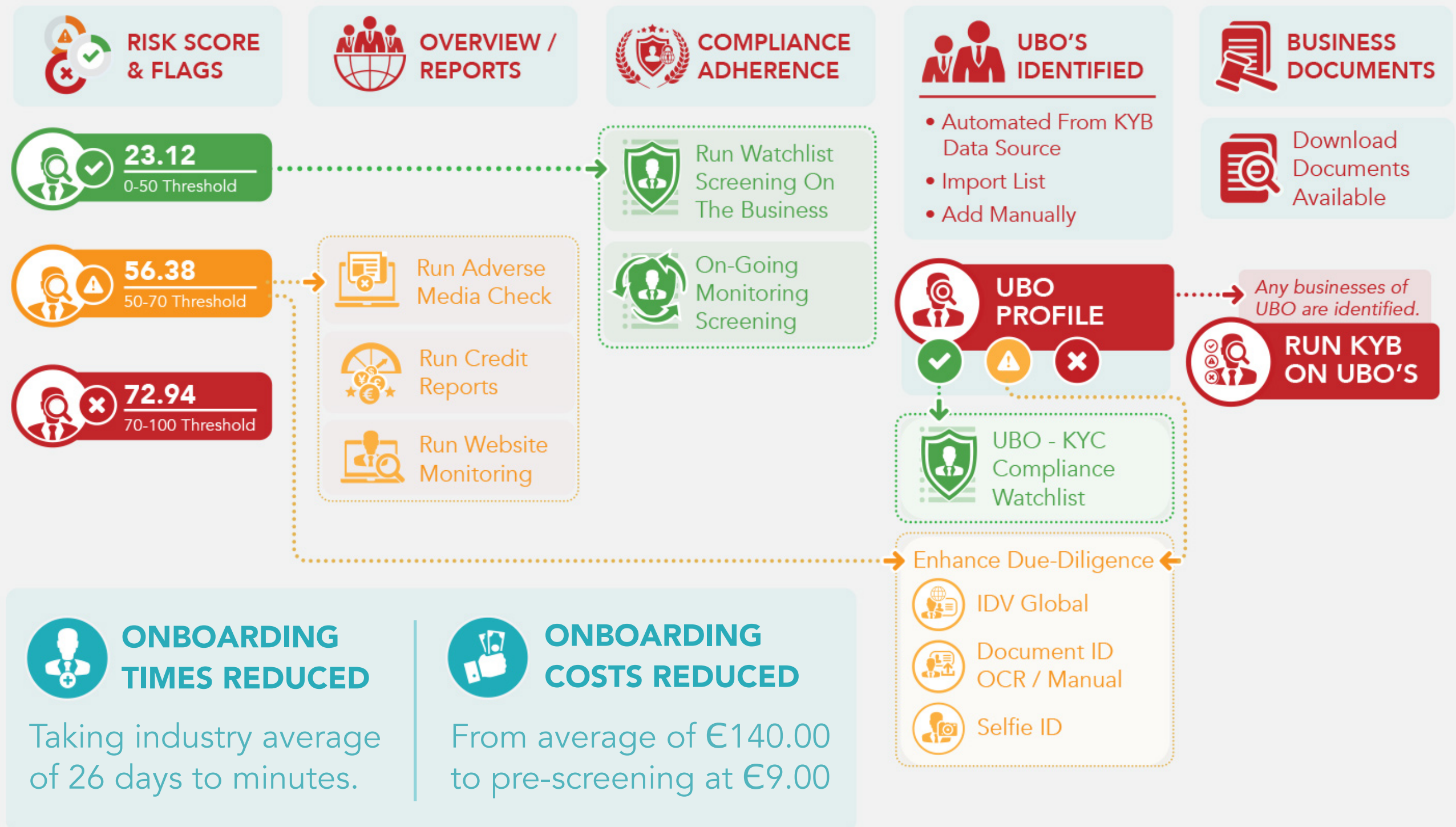
PDF Reports



Easily Share Internally



# Enhanced due-diligence made easy.





# Customised on-demand KYC.

Data orchestration hub offering the worlds leading KYC verifications from a single end-point.



## SET MERCHANTS

For one or multiple.



## ACTIVATE KYC

Simple. One-click. Real-time.







## CONFIGURE KYC TOUCHPOINTS

100% compliance and data verification agility at every customer touchpoint.



### CUSTOMER ACCOUNTS TOUCHPOINTS



PRE-  
SCREEN



ONBOARD  
ACCOUNT



ACCOUNT  
EDITS



PAYMENT  
DEPOSITS



PAYMENT  
WITHDRAW



SEND  
PAYMENTS



### CUSTOMER PAYMENT TOUCHPOINTS



## SET COUNTRIES ACTIVE KYC

CONFIGURE KYC TO ENSURE THE  
BEST DATA OUTPUT POSSIBLE.



**IDV GLOBAL 4**

Addressable Population = 92%



**IDV GLOBAL**

Addressable Population = 0.9%



**EUROPE**

ONBOARD  
KYC = 17

PAYMENT  
KYC = 10



**NORTH AMERICA**

ONBOARD  
KYC = 14

PAYMENT  
KYC = 8



**SOUTH AMERICA**

ONBOARD  
KYC = 11

PAYMENT  
KYC = 8



**AFRICA**

ONBOARD  
KYC = 8

PAYMENT  
KYC = 5



**ASIA**

ONBOARD  
KYC = 15

PAYMENT  
KYC = 10



# Enrich customer profiling.

The complete picture from verifications, behaviours, rules, risk and payments in one location.



**KYC INTEGRATIONS ELIMINATED**




**ONBOARD AS LOW AS €0.24**





**ENTER NEW MARKET QUICKLY**





**QUANTIFY DECISIONS WITH DATA SCIENCE**


**John Smith**  
Username: IDVBRCPF10 | Created on 07/02/2020


 BLACKLIST OFF


 LINKED 4


 ALERTS 11


 NOTES 2

 MONITOR

 FRAUD REVIEW Undefined

 **ONBOARDED**  
Customer For: 7 Days  
Merchant: BETA  
Requested By: API

 **VERIFICATIONS**  
Enabled: 12 | Performed: 10 | [View Details](#)

 **PAYMENTS**  
Total Transactions: 6 | [View Details](#)  
Failed: 4 | Warning: 2 | Pass: 0  
Avg. Amount: 550.00

**RISK SCORE: 71.29**  
CONFIDENCE - 98.21%  
[VIEW DETAILS](#)

SUMMARY

VERIFICATIONS

RULES


REGISTRATION

PAYMENTS

BEHAVIOUR

REPORTS

HISTORY

 **CUSTOMER DETAILS:**

First Name: John

Last Name: Smith

Gender: Male

Nationality: N/A

Address: 10 Downing Street

City/State: London

Country: United Kingdom

Postal: SW1A 2AA

DOB: 03/16/1974

Email: john.smith\_14@gmail.com

Phone: +44 7911 123456


IP Address: 185.86.151.11

IP History: 4 Address

Device Alias: N/A

Associations: 4

Found On: No External Networks

 **DATA SOURCE PERFORMANCE**

GLOBAL IDV

VERIFICATIONS 7

TOUCHPOINT

REJECTED: 1 | WARNING: 0 | PASSED: 1


Line chart showing performance over 7 days

RISK SCORE REJECTED 100%

RULES TRIGGERED 4/12

NOTIFIED ALERTS 2

Total calls to date - 6,872 | Used in KYC - 92.5%

 **IDENTITY DOCUMENTS** [VIEW](#)

TOTAL 7

VERIFIED 6

TOUCHPOINT

ALERTS 1

REJECTED: 1 | WARNING: 0 | PASSED: 1

TYPE	METHOD	DATE	RISK
Driver's License	OCR	07/02/20	97.24
Selfie Capture	Biometrics	07/02/20	12.56
Selfie Capture	Biometrics	07/03/20	09.72
Selfie Capture	Biometrics	07/05/20	06.33
Selfie Capture	Biometrics	07/06/20	11.45
Selfie Capture	Biometrics	07/07/20	14.91
Utility Bill	Manual	07/07/20	N/A

 **MONITORING**

ALERTS | HIGH RISK 24

EVIDENCES 1

EXCEPTIONS 0

LINKED ASSOCIATIONS

TOTAL	RISK LEVEL	ALERTS
4	MEDIUM	2

COMPLIANCE WATCHLIST

RESULTS	RISK LEVEL	ALERTS
4	UNKNOWN	0

ADVERSE MEDIA

RESULTS	RISK LEVEL	ALERTS
4	UNKNOWN	0

 **PAYMENTS** [VIEW](#)

TOTAL 6

REJECTED 4

WARNING 4

PASSED 0

TIER	LIMIT /WK	LIMIT /MTH
N/A	\$250.00	\$1,000.00

TRANSACTION AVERAGES

TOTAL /WK	TOTAL /MTH	AVG. AMOUNT
6	6	\$200.00

MOST RECENT PAYMENTS

DATE	TYPE	AMOUNT	SCORE
07/02/2020	Credit Card	\$250	92.14
07/03/2020	Credit Card	\$250	89.35
07/06/2020	Credit Card	\$250	94.67
07/06/2020	ACH	\$250	96.41
07/07/2020	Credit Card	\$250	91.60

 **PAYMENT METHODS** [VIEW](#)

ENABLED 3

USED 1

Credit Card Enabled: YES Active

Registered = 2 | Alerts = 6 | Blacklist = 0

Usage Against All Methods = 100%

Processed To Date - 0% = \$0.00

Transactions - 100% = 6

 **KBA VERIFICATIONS** [VIEW](#)

TOTAL 7

VERIFIED 2

TOUCHPOINT

ALERTS 1

REJECTED: 1 | WARNING: 0 | PASSED: 1

QUESTION / ANSWERS	VERIFIED	REVIEW
Q: What is the city/town you grew up in? A: London	ON	Passed
Q: What was the name of your first pet growing up? A: Snowball	OFF	Undefined

 **MANUAL VERIFY** [VIEW](#)

IN QUEUE 6

VERIFIED 2

DOCUMENT IDENTITY

TYPE	VERIFIED	REVIEW
Utility Bill Sent on 07/07/20	OFF	Undefined

ADDRESS CHECK

TYPE	VERIFIED	REVIEW
10 Downing Street, London, UK, SW1A 2AA	OFF	Undefined



# Multi-Level Verifications

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Mitigating false positives, account takeovers, friendly fraud, chargebacks and the benefits aggregated risk scoring methodologies have towards trusting data to maximise onboarding.

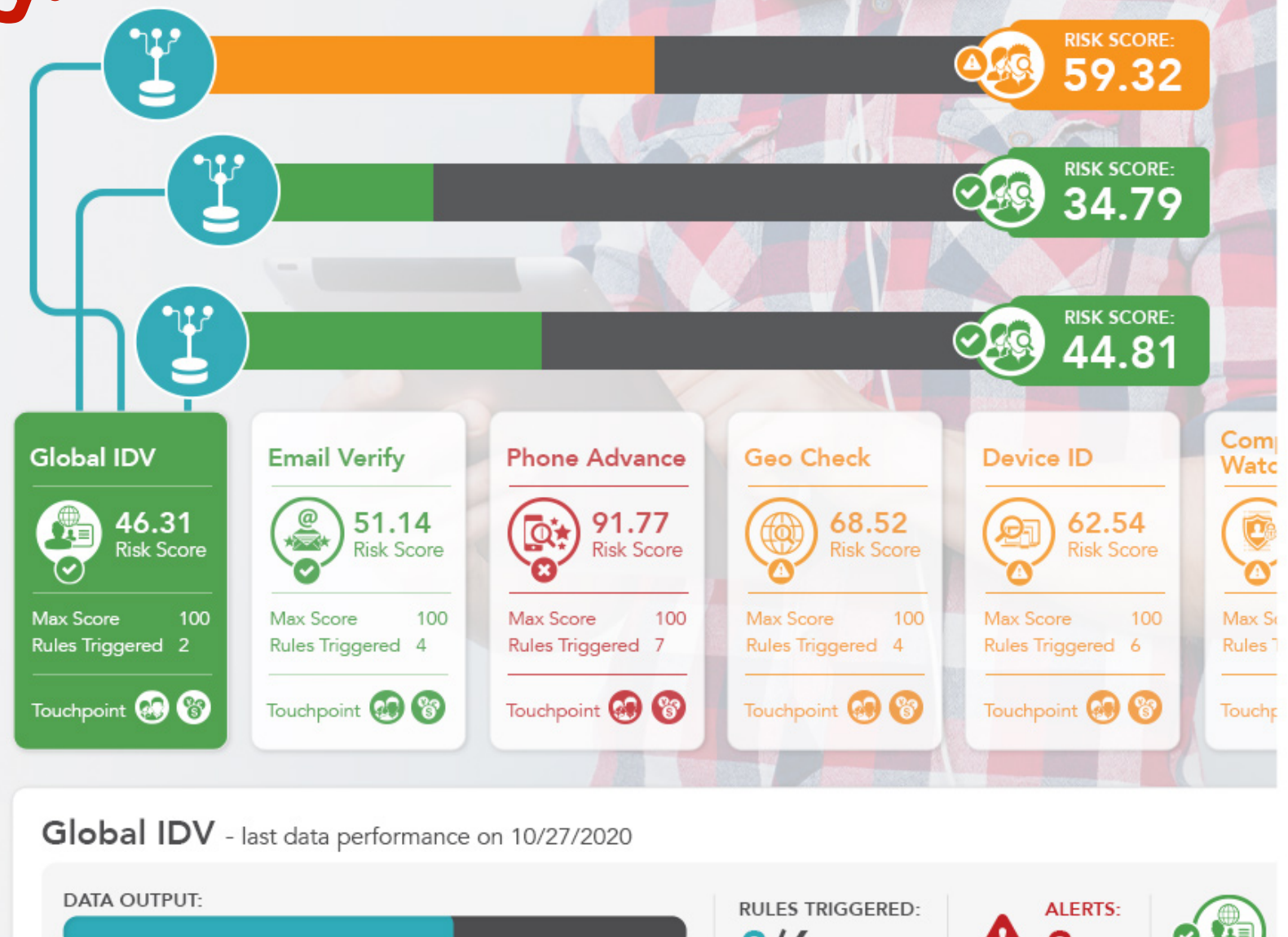


# Harmonised data for a 3-tier risk score methodology.

When you activate an array of data providers in one verification method you also obtain their aggregate risk methodology scores.

Along with the overarching harmonised score.

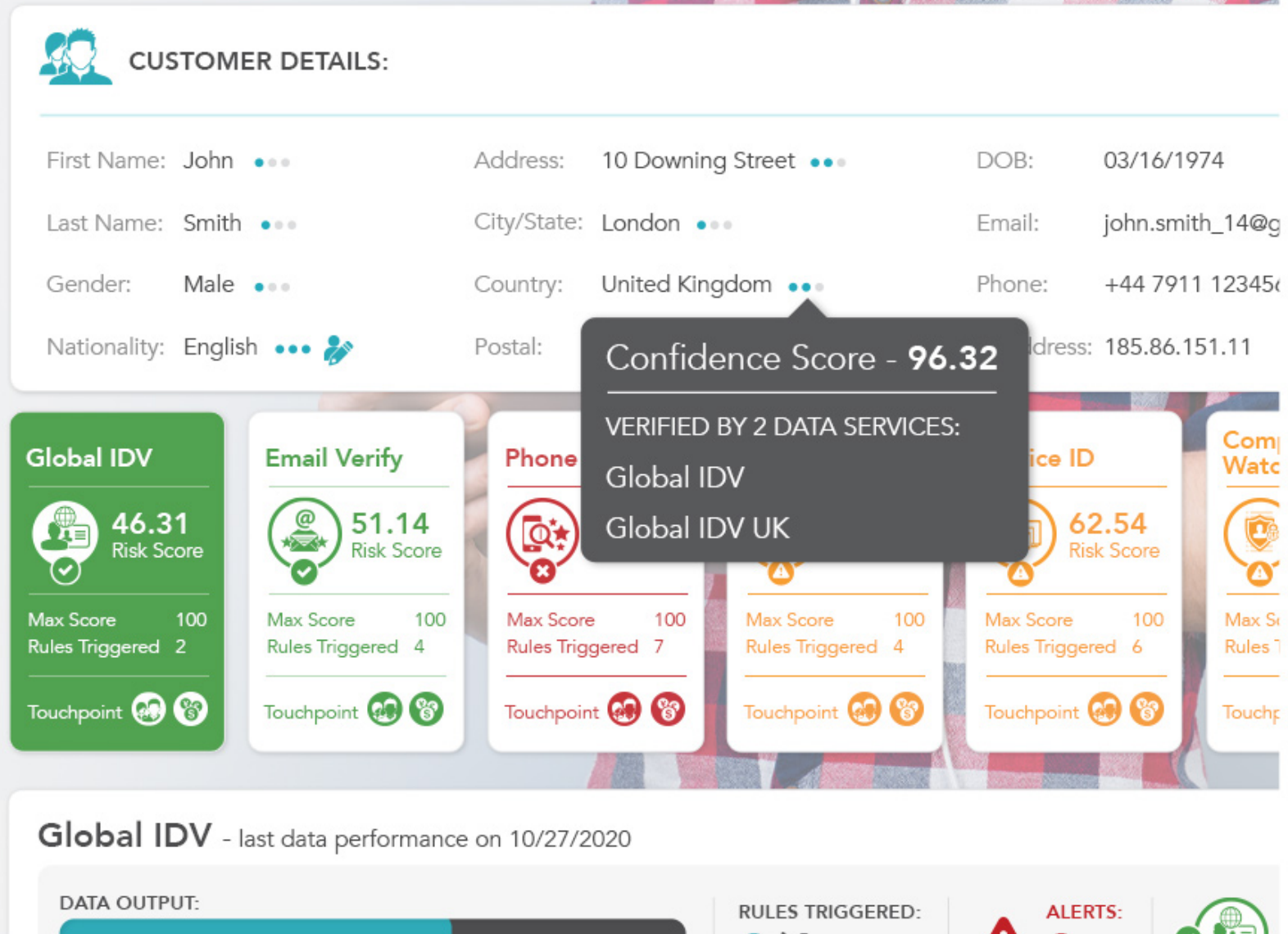
Allowing you to obtain risk score confidence.





# Combined with detailed data confidence score.

The more times a segment of data from a business or customer has been verified across multiple data providers activated, you obtain a confidence score that is the results of cross analysis on the collected data.



# Delivering trust to optimise risk decisions and reaction times.

- Trust your risk scores in your queues faster.
- Improve reaction times to fraud at registration and/or payments level.
- Easily flag customers behaviour that is outside of their normal patterns .

## Payment History

PAYMENT KYC:

9/12



✖ = 1

⚠ = 2

✓ = 8

⊖ = 2

RULES TRIGGERED

4/9

FRAUD STATUS  
Undefined

On Hold

In Review

Wait Approval

Needs Action

Escalated

Approved

Declined

ALL PAYMENT HISTORY

RULES OUTPUT

ALL PAYMENT HISTORY

Sort By:

#	TXN ID	SCORE	RULES	RECOMMEND	STATUS	AMOUNT
1	1341172	43.21	11 dynamic / 26 Static	Approved	Processed	\$250.00
2			11 dynamic / 26 Static	Approved	Processed	\$500.00
3			11 dynamic / 26 Static	Rejected	Declined	\$675.00
4			11 dynamic / 26 Static	Warning	Declined	\$125.00
5			11 dynamic / 26 Static	Approved	Processed	\$50.00
6			11 dynamic / 26 Static	Approved	Processed	\$280.00
7			11 dynamic / 26 Static	Approved	Processed	\$250.00

Confidence Score - 91.57

VERIFIED BY 9 DATA SERVICES:

Device ID Advanced

Geo Check

Facial Biometrics

Email Verification



# Improve your onboarding and acceptance rates with automation to accelerate your business.

All while you...

- Decrease False-Positives
- Mitigate Account Take-Overs
- Decrease Friendly Fraud
- Reduced Chargeback Impact



					CUSTOMER	USERNUMBER	COUNTRY	FS AGE
1341166	21.73				John Ford Doe	4563826	U.S.	61454
1341167	23.32	\$320.00	eWallet	10/20/2020 10:04	Adam Smith	8372629	U.S.	61452
1341168	38.76	\$100.00	Credit Card	10/20/2020 10:05	Passinata Doe	9382713	Brazil	61416
1341169	85.32	\$250.00	Credit Card	10/20/2020 10:05	Paul Franco	8274298	France	61416
1341170	10.23	\$50.00	eCheck	10/20/2020 10:32	Sam Johnson	3387139	U.S.	61414

# Premium fraud defence obtained.

The only way to truly verify a business or person is through access to good data. When you confidently can verify them not only do you obtain world leading fraud defence but many benefits to drive efficient operations and profitability.



**Proven Chargeback  
Impact Reduction**

Businesses that have utilized automated and multi-faceted anti-fraud technology have experienced a **66.6% reduction in chargebacks** in the first two months.



**Improved Approval  
Authorisation Rates**

Businesses that have combined enhanced KYC digital profiling with smart anti-fraud technology through an orchestration hub have experienced an average of **81.5% approval authorisations**.



# Enriched data to accelerate.

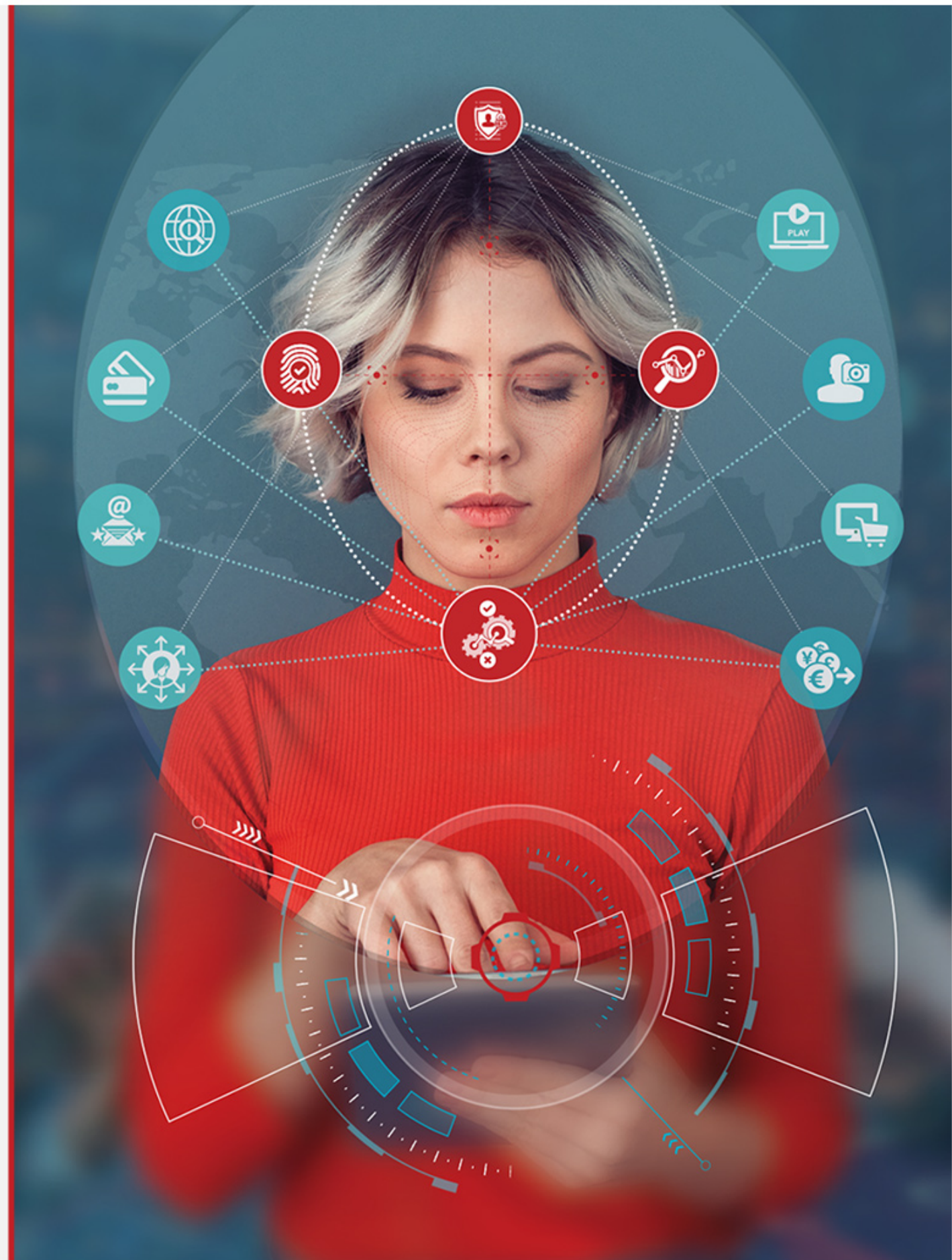
Access to an array of data services you can generate thousands of data responses and make quantifiable decisions to grow your business.

## USE DATA OBTAINED FROM KYC TO:

- Run data simulations
- Create full market profiles
- Optimise rule configurations
- Optimise automated actions

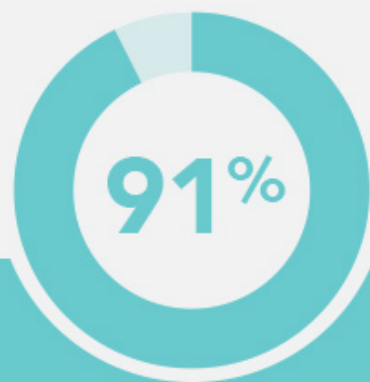
## BENEFITS:

- Enter new markets quickly with risk mitigated
- Ensure the best fraud defence is active



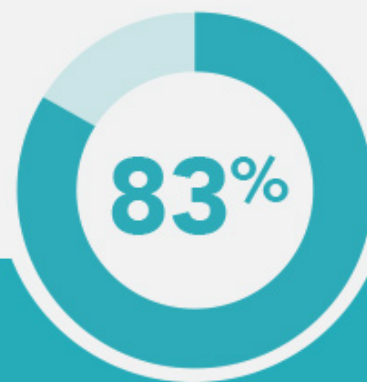
# Leverage data for revenue retention.

The more you can verify on a business or customer the richer the profiling becomes. Allowing you to use that business intelligence to tailor their experiences to increase retention, penetration and life-time value.



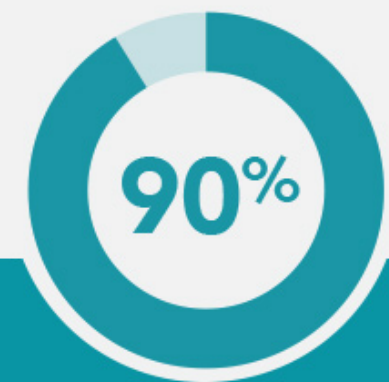
## PERSONALISATION

91% of consumers say they are more likely to spend with brands that provide offers that are relevant to them.



## DATA SHARE

83% of consumers are willing to share their data to create a more personal experience.



## BEHAVIORAL DATA

90% of consumers are willing to share personal behavioural data with companies for a cheaper and easier experience.





# How to trust your fraud prevention data to maximize conversions.

# Q&A...

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