

The Three Stages Of Authorized Transfer Scams

And How Financial Institutions (FIs) Are Addressing Them

FIS WANT INTEGRATED VICTIM-COACHING CAPABILITIES

Confident mitigation begins with unambiguous detection.

WITHIN THE NEXT 24 MONTHS:

63%

of respondents are upgrading concurrent detection of consumer activity on multiple channels (e.g., a simultaneous phone call and mobile app session).

49%

are upgrading behavioral biometrics.



Confirms a customer has been targeted in an authorized transfer scam.



Fuels a more assertive attempt at dissuading the scam target (i.e., mitigation).

INTEGRATING THESE CAPABILITIES:

TO DETERMINE TRANSFER RISK, FIS NEED TO UNDERSTAND THE PARTIES INVOLVED

After detecting coaching, FIs must assess the identities and accounts of the payor and payee.

Payor identity verification helps distinguish scams from account takeovers, optimizing the response.

70% report challenges with detecting payor risk and **78%** are currently or planning an upgrade.

Payee identity verification helps assess the legitimacy of a transfer's beneficiary.

59% report challenges in detecting payee risk and **70%** are currently upgrading or planning an upgrade.

CUSTOMER EXPERIENCE (CX) TOPS PRIORITIES

FIs must unwind a target's trust in a scammer firmly, quickly, and gently.



say improving CX is a top goal for their organization.



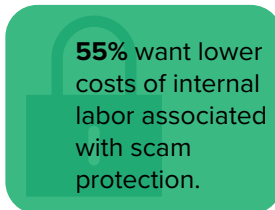
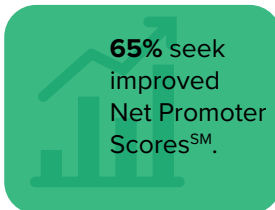
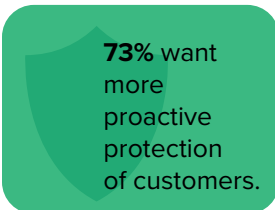
say providing more confident outreach is a top goal for their organization.



expect upgrades to authorized transfer scam detection and mitigation solutions to improve CX.

MULTILAYERED SUCCESS CRITERIA

Current and planned upgrades must improve CX while reducing fraud losses and labor costs.



Base: 413 US-based financial services decision-makers at the director level or higher with responsibility for fraud risk and mitigation strategies

Source: A study conducted by Forrester Consulting on behalf of LexisNexis® Risk Solutions, January 2024

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