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).

INTEGRATING THESE CAPABILITIES:
Confirms a customer has been targeted in an authorized transfer scam.

49% are upgrading behavioral biometrics.

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

CUSTOMER EXPERIENCE (CX) TOPS PRIORITIES
FIs must unwind a target’s trust in a scammer firmly, quickly, and gently.

95% say improving CX is a top goal for their organization.
90% say providing more confident outreach is a top goal for their organization.
73% 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.

73% want more proactive protection of customers.
72% expect reduced monetary losses due to scams.
65% seek improved Net Promoter ScoresSM.
55% want lower costs of internal labor associated with scam protection.

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.

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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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