

A Top 5 UK Bank Prevents Account Opening Fraud and Saves £800,000 in First Three Months

Problem

A top 5 UK bank launched a new digital offering for select checking account applicants to receive immediate approval for additional products. Consequently, cybercriminals were exploiting this promotion and conducting various follow-on crimes.

Solution

The bank was seeking a solution that would prevent cybercriminals from successfully navigating the application journey to cash out on promotional offerings. By deploying BioCatch Account Opening Protection, the bank was able to more effectively detect and decline fraudulent applications while continuing to offer additional products and services to genuine customers.

Preventing Account Application Fraud and Money Laundering

A top 5 UK bank launched a new promotional offering with the goal of attracting new customers. As part of the digital checking account opening process, customers whose salaries met a certain threshold were offered the opportunity to be automatically approved for a credit card and overdraft protection in a single application.

Consequently, this offering also attracted cybercriminals who were opening fraudulent accounts to later launder money and spend credit.

The bank sought a solution that would help them satisfy both business and risk objectives: safely acquire more customers while stopping cybercriminals at the account opening stage.

Results

£800K

IN ESTIMATED SAVINGS IN JUST
THREE MONTHS AFTER IMPLEMENTING AN
AUTO-DECLINE PROCESS

Thousands

OF HIGH-RISK APPLICATIONS FLAGGED
FOLLOWING INITIAL DEPLOYMENT



Stop Criminals, **Not Customers**

The bank decided to leverage the BioCatch platform to analyze an applicant's fraud risk prior to granting immediate approval. By incorporating BioCatch risk scores and risk indicators into the account opening process, the bank was able to implement an auto-decline process and prevent down-the-line fraud losses.

By using BioCatch high scores, risky applicants were automatically redirected to a screen that requested them to visit a physical bank branch to present their passport for additional authentication. In addition, when these applicants happened to be linked to an existing customer account, the bank sent the customer a "decline letter" informing them that their data may have been compromised.

Further, by leveraging BioCatch medium and low risk scores, the bank allowed credit card and overdraft protection to become available immediately, increasing customer acquisition while ensuring minimal risk.



Realize **Immediate Value**

The bank was able to realize immediate value with BioCatch's advanced fraud detection models. Within just three months, the bank detected thousands of fraudulent applications and notified hundreds of customers of potential identity compromise.

In addition to the bank automating an auto-decline flow based on BioCatch risk scores, they also leveraged BioCatch insights to enhance downstream investigations of associated attacks. For example, when an account opening session was flagged as high risk by BioCatch, the bank would then correlate these insights with other third-party data outputs, such as the user's email address. In this case, the bank could see that this email was used in ten other account opening applications and proactively pinpoint other fraudulent sessions. This added layer of behavioral context at the core of their decisioning helped the bank drive more efficient case resolution.



Generate **ROI**

The bank's auto-decline implementation of behavioral biometrics and fraud scoring stopped fraudsters during the application journey by requiring their presence in a bank branch to complete authentication in person. This solution reduced the cost of fraudulent account openings as well as operational costs tied to case management equating to approximately £800K in savings in just three months.



Discover **Downstream Fraud**

One unintended benefit of implementing BioCatch Account Opening Protection was the bank's realization that downstream fraud was occurring by exploiting mule accounts. The Account Opening fraud team who engaged BioCatch was not thinking about fraud control against mule accounts, as this was traditionally managed by a downstream Anti-Money Laundering team. By declining the opening of these accounts at the application stage, the bank was able to minimize fraud losses down the line and better protect against reputational damage.



Expand **BioCatch Deployments Globally**

Since realizing immediate results after applying BioCatch Account Opening Protection, the bank has decided to expand implementation beyond the UK and deploy across the US, Canada, APAC, and Australia as well. The bank has also applied BioCatch's behavioral biometrics to additional customer flows, including account takeover controls.



BioCatch pioneered behavioral biometrics, which analyzes an online user's physical and cognitive digital behavior to protect users and their data. Today, customers around the globe leverage BioCatch's unique approach and insights to more effectively fight fraud, drive digital transformation and accelerate business growth. With nearly a decade of data, over 50 patents and unparalleled experience analyzing online behavior, BioCatch is the leader in behavioral biometrics. For more information, please visit www.biocatch.com

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