



Balancing User Experience and Fraud

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Consumer Fraud Is Increasingly Common, Complex & Costly

47%

of companies have experienced fraud in the past 24 months

PwC

86%

of consumers have been victims of credit card fraud, identity theft, or a data breach

OpSec Security

\$697B

Sales & Marketing lose \$697B annually due to bots and fake user activity.

Cheq.ai

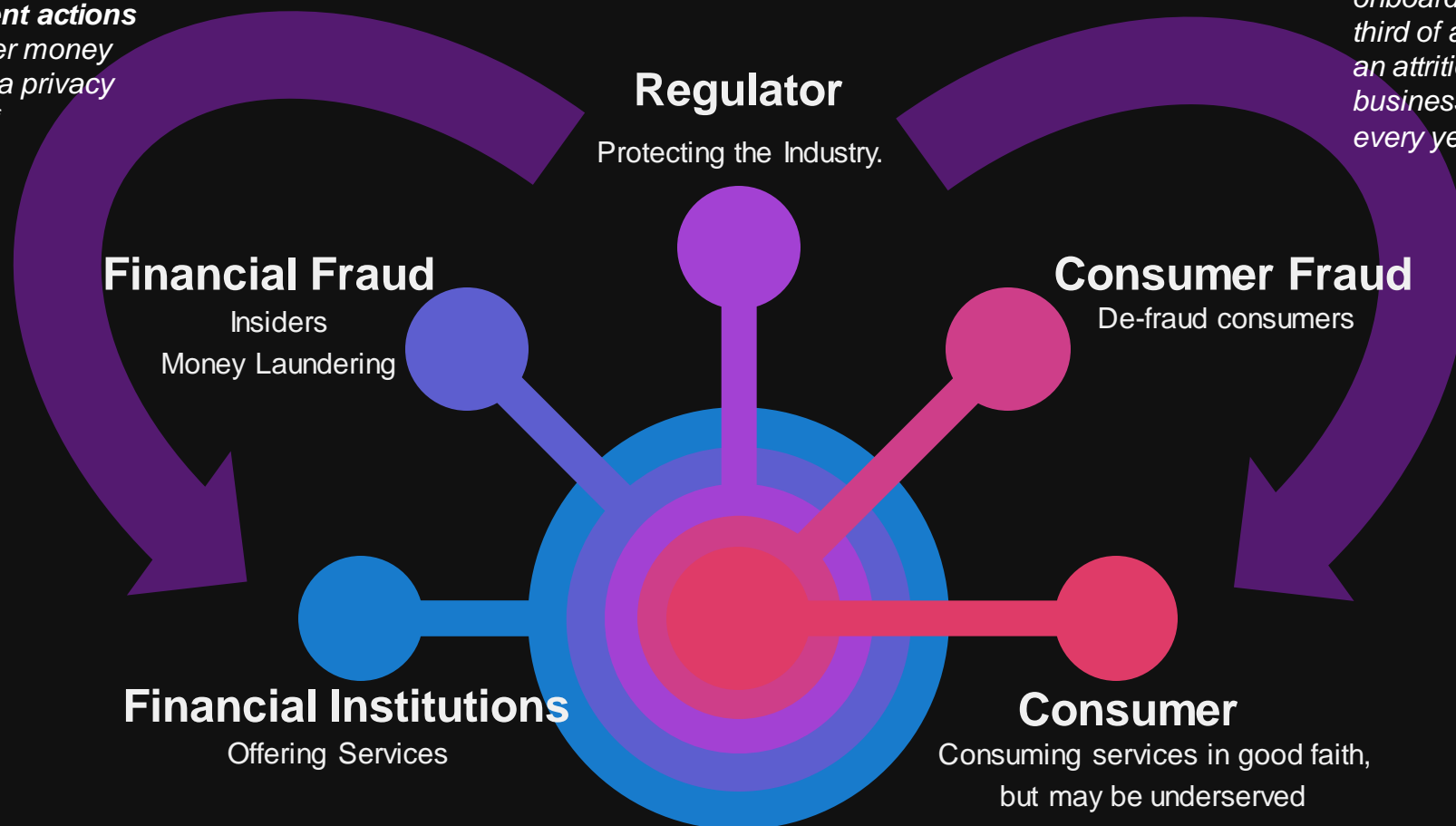
Fraud vs Friction

Ecosystem

Global financial institutions were hit with **enforcement actions** totaling **\$5.4bn** over money laundering and data privacy breaches in 2021.*

Fintechs operate a leaky customer onboarding funnel losing as much as a third of all applicants during onboarding, an attrition rate which is thought to cost businesses £billions in lost revenue every year.

63% of customers applying for online services such as bank accounts quit before completion.
Signicat (2020)



Financial Fraud

Insiders
Money Laundering

Regulator

Protecting the Industry.

Consumer Fraud

De-fraud consumers

Financial Institutions

Offering Services

Consumer

Consuming services in good faith,
but may be underserved

Fighting Fraud Creates Friction

49%

Of consumers are frustrated by long login and sign-up forms.

59%

Of adults expect to spend less than five minutes setting up new accounts

83%

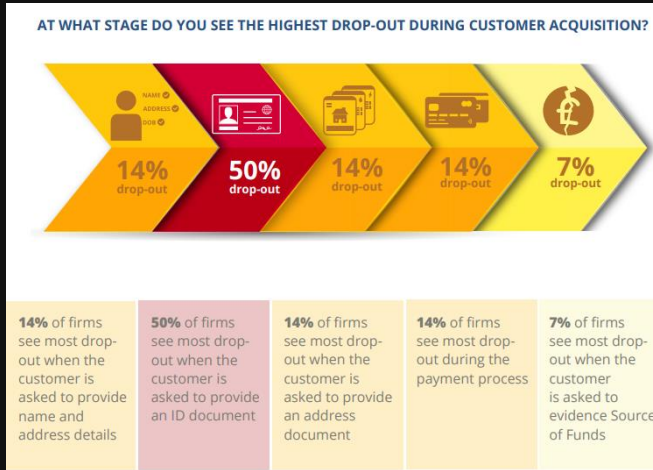
Of potential customers will abandon their shopping cart or registration page due to a complex login process.

Auth0

IBM

The Risk Balance

Balancing risk and customer experience



https://www.hooyu.com/h/wpcontent/uploads/2020/09/PIF_Whitepaper_Fintech_and_Emoney_Benchmarking_report.pdf

Customer
Security

User
Experience

Marketing Journey

PSD2

Onboarding Flow

SCA

Checkout

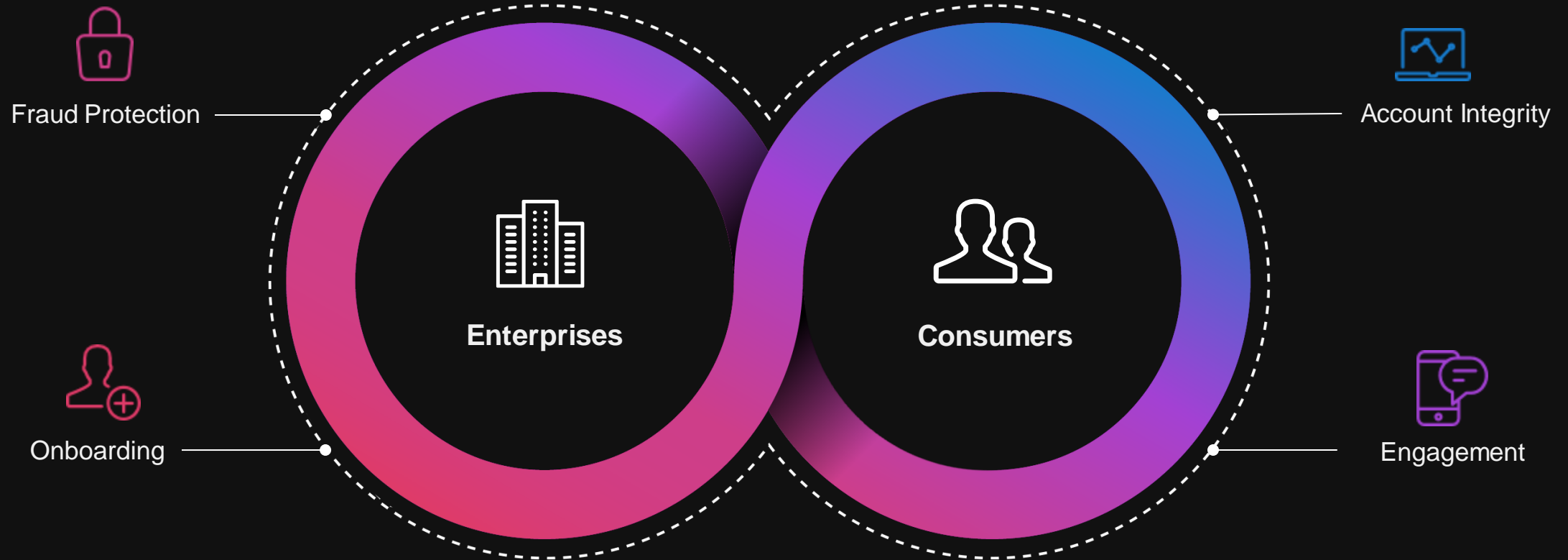
What consumers want:

- ❑ Feel Safe and secure from a trusted brand concerned about online fraud
- ❑ Convenience - time poor
- ❑ Intuitive and helpful, simple, clear and easy with no terminology
- ❑ No signatures or paperwork required
- ❑ Receipts and confirmations for completing stages
- ❑ Minimize data entry and includes the ability to add their partner (joint)
- ❑ Expect to be known by companies they already do business with pre-filling data
- ❑ Emotional engagement / connection / personalized experience – “AHA moment”
- ❑ Speed to make a decision and complete fulfilment is more important than terms.

Reduce onboarding fraud whilst minimizing friction

Continuous Trust

Connecting, Protecting, and Defending Enterprises and their Customers



Digital Onboarding lessons learned

A smooth onboarding experience reveals you likely have an easy-to-use mobile app with features that make their experience better.

Reduce friction

- Enabling autofill fields
- Validate data
- Offer clients the option to scan a photo of their ID

Use the channels that your customers want to use

- Understand the customers' preferences
- Offer the use of social messaging platforms (e.g. WA)

Show Security, make a feature of it

- Justify why you need customer information to stop bad data
- Utilize 2FA for onboarding, moves and changes
- Offer liveness/ Video onboarding

Tone and messaging

- Utilize more friendly copy writing
- Make brand feel friendly and welcoming

Progressive onboarding

Learn from gig economies; ask for only the information that you need as you need it.

The “Aha moment!”

When a customer or user first recognizes the value of your product.





TELESIGN COMPLETES THE AFFIRM TECH STACK

How do you find synergies within your technology stack to provide a customercentric experience?



Diminished
merchant risk

“At Affirm, we have the best algorithms for evaluating financial risk, and TeleSign has the best digital identity data to recognize possible fraud.”

Head of Financial Partnerships



10%+ conversion
increase at checkout

- Affirm’s addition of TeleSign’s world-class data layered with additional providers generates risk assessments that enable legitimate transactions, leading to higher sales conversions.
- In addition, Affirm has been able to automate payment reminders by incorporating TeleSign’s programmable communication capabilities.



Friendly payment
reminders

”Knowing a consumer is who they say they are, is a tremendous value add,” said Affirm’s Head of Financial Partnerships.

