

The retail business case for ID checking

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Welcome

Becky Weafer

Retail Authenticate Specialist



The Agenda:

- The impact of fraud on the retail industry
- The challenges
- Understanding and overcoming these challenges
- Fraud management
- 'Straight through processing'
- Increasing customer acquisition
- Combating unnecessary expenses
- Age Verification
- Assisting compliance
- Beaverbrooks case study



**UK e - retailers losing
£400,000 a year in
fraud**

**1.6% of orders proved
to be fraudulent**

Source: Cybersource

**In 2009 card-not-present fraud
cost the UK retail industry
£266.4m**



Source: UK Cards Association

Retail Fraud – The challenges



Understanding and overcoming the challenges

- Entire security, fraud and risk management perspective



- Keeping abreast of all changes in Security and Fraud landscapes



- No 'one size fits all' – multilayered approach



Fraud Management Solutions for Retail

- **Industry & Card scheme Initiatives**

- 3D Secure
- CSC
- Chip & Pin
- PCI and PA DSS

- **Fraud Prevention**

- Real-time and velocity checks
- Geolocation checks
- Device fingerprinting
- IP ID

- **Electronic Age and Identity checks**

- **Business Processes**

- People
- Responses from fraud service providers
- Charge backs



Chip and PIN



EIDV: Achieving 'Straight through processing'

- Approve an identity at a confirmed address in seconds
- Positively identify customers with no further requirement additional security checks
- Reduce waiting times and increase customer check out rates
- Reduce the requirement for manual intervention
- Compatible with your existing risk based approach



EIDV: Increasing customer acquisition

- Provide a more efficient customer service
- Reduce customer 'drop off' rates during online purchasing.
- Increase customer acquisition capacity, whether via the web, call centre or in branches
- Created more flexibility for your customers
- Positive customer experience = viral marketing



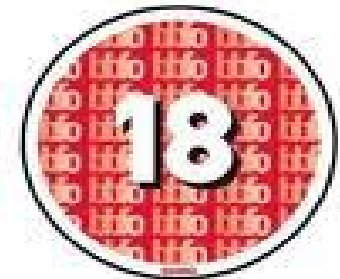
EIDV: Combat unnecessary expenses

- Identify developed identities, impersonation or other high risk conditions
- Reduce card-not-present fraud and charge-backs
- Remove the subjective nature of verbal customer security checks
- Remove the time and expense of delayed orders and manual fraud prevention
- Support peak order times



Prove Your Customers Age

- Immediately identify under age customers, unusual activity, or suspected identity fraud, at the point of purchase
- Identity verification is performed in seconds and is easy to incorporate



Case study: Beaverbrook's



- Fraud Rings were targeting the online store
- Existing electronic process wasn't stopping suspicious transactions
- Order Fraud / Chargebacks
- Manual anti-fraud process delayed 'clean' orders

Case study: Beaverbrooks



“We were impressed by the volume of data that Authenticate uses to prove identity and highlight fraudulent transactions.

Since using the product, we have seen a noticeable reduction in time spent on fraud and as such, our ordering process is much slicker.”

Kyle Heywood, Beaverbrooks Jewellers

EIDV: Solution for Retail

- Prevent Fraud – Multi Layered approach
- Confirm identity
- Improve Customer Experience
- Reduce Time and Cost
- Increase sales
- Verify Customers Age Instantly
- Protect your brand
- Multiple country coverage

Thank you

Contact details:

Becky Weafer

Retail Authenticate Specialist

Becky.weafer@gas.com



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