Payments Transformation

Key Transformational Drivers

- 80% Expected increase of global cashless payment volumes from 2020 to 2025
- 68% Payments executives believe they may lose prospective clients if technology transformation is not prioritized
- US$8.4 9Tn Expected value of global digital payments industry in 2022
- $60Mn Total expense of financial firms to comply with AML, KYC and CDD

Pain Points in Focus in the Payments Industry

**Onboarding**
Customers who are onboarded to payments platforms are involved in multiple lines of business with varying levels of risk, creating a paradox. Screening drives the risk rating, however, the risk rating determines the level of screening required. Dynamic onboarding solutions are the need of the hour.

**Monitoring**
Traditional monitoring measures are proving inadequate due to growing business complexities. As a result, companies are vulnerable to heavy losses, bad publicity, and, in some instances, bankruptcy. Real-time and accurate monitoring systems are crucial to mitigate risk.

**Payment Fraud**
Payment frauds such as identity theft, CNP fraud, and friendly fraud have affected customers causing millions of dollars worth of loss. Real-time and predictive fraud detection capabilities are essential to safeguard transactions & customers.

**Threats**
Major threats posing high risks for payments platforms include social engineering, malware, ATO, denial of service, botnets, etc. Consistent & constant threat detection and management are absolutely critical for financial services organizations.
How can we help

Client Onboarding and Risk Scoring
Conduct historic screening of a new client across millions of data items to feed into their risk score.

Real-time Monitoring
Screen millions of clients across billions of data items in real-time to identify sanctions, politically exposed accounts, and adverse media.

Threat Investigations
Connect the dots via an all-source investigations tool for exploring screening results.

AI-driven Anti Money Laundering
Verify applicant identity, maintain verification records, and flag in real-time when a person appears on any suspected criminal list.

Anomaly Detection
Deploy self-learning ML models trained to recognize well-known fraud patterns as well as adapt to new, unknown fraud techniques.

Quantiphi’s Success Story in Enabling Real-time Fraud Analytics for Payments Provider

Fraud Detection Platform
Client is a leading digital payments as a service provider offering businesses a faster, easier, and more reliable way to move money. Quantiphi helped them set up fraud detection platform for transactions at Point of Sale.

Business Impact

- Built a platform for real-time fraud flagging and benchmarking
- The platform had API Endpoints for fetching risk scores and explainability for flagged transactions
- Rule engine and API Endpoints were integrated with the current pipeline
- The solution is further being enhanced with multi-tenancy for rule suites, UI-based case management, case analytics and dashboarding

Challenges:
- Need of real-time Fraud Detection at Point of Sale
- Modeling outcome explainability of true positives
- Minimizing customer dissatisfaction (false positives) and undetected threats (false negatives)