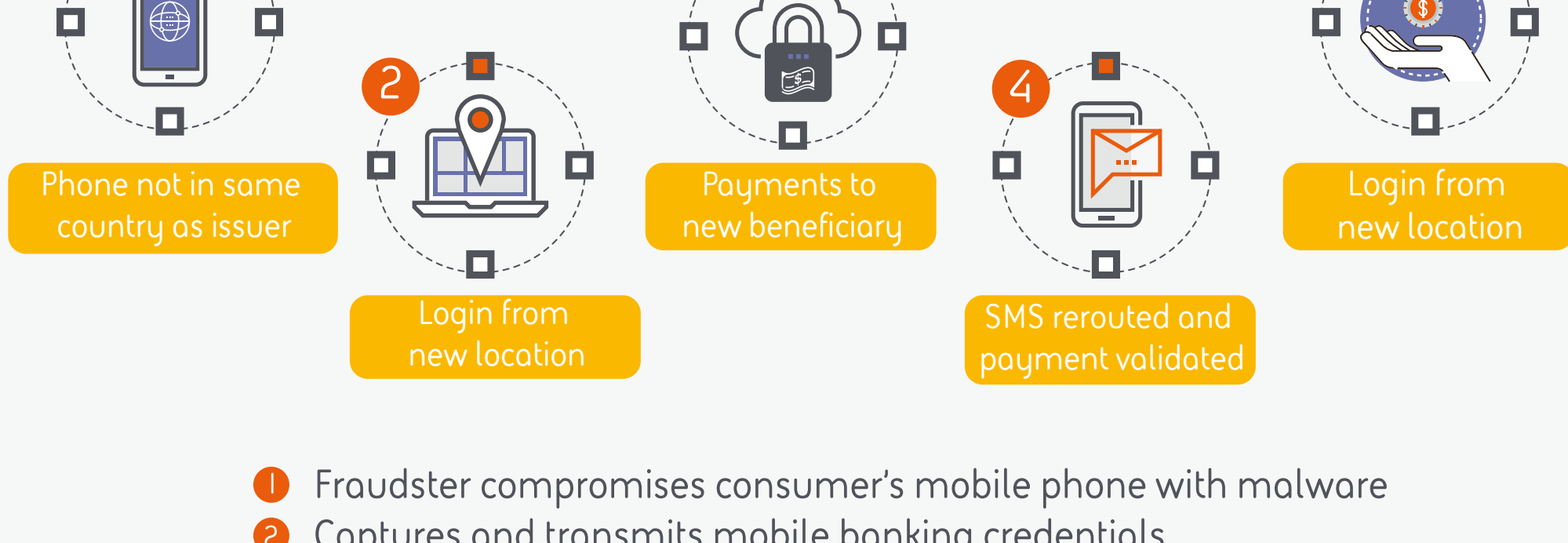


# Multi-channel Retail Banking Fraud



## Payment Fraud Scheme 1: Mobile Malware

### Mobile Malware

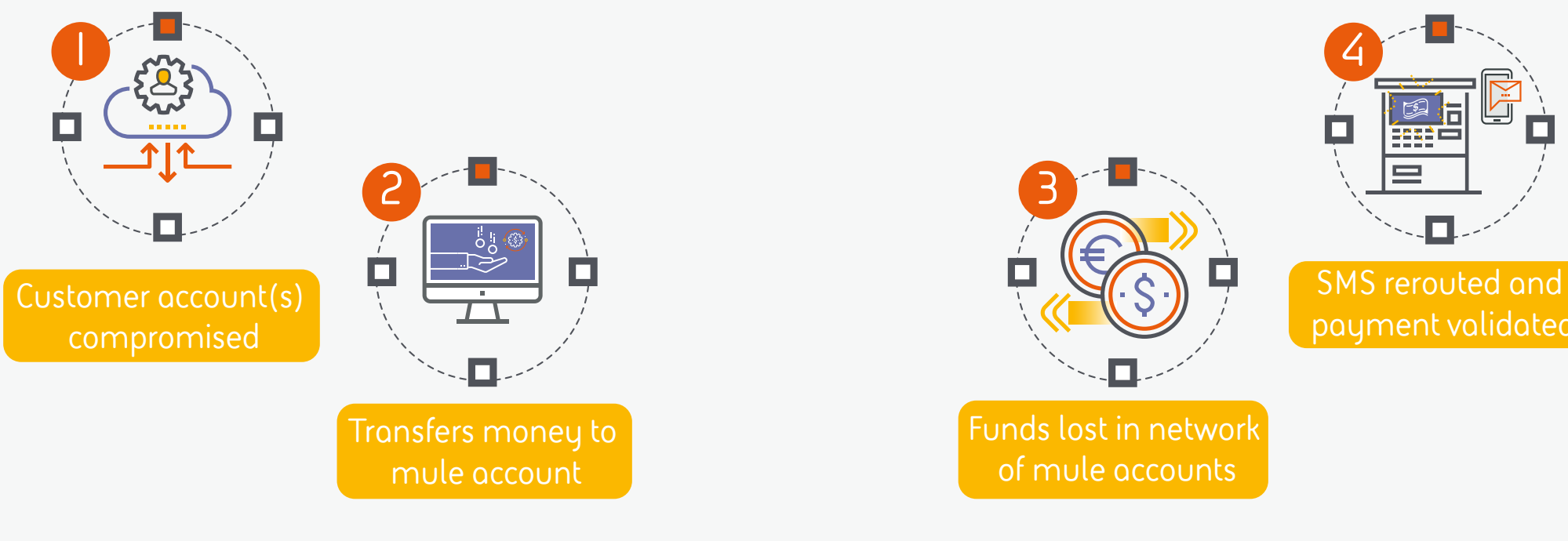


- 1 Fraudster compromises consumer's mobile phone with malware
- 2 Captures and transmits mobile banking credentials
- 3 Logs in to consumer account and submits payment
- 4 Intercepts out-of-band confirmation (SMS is rerouted to fraudster's phone)
- 5 Validates payment with intercepted confirmation number

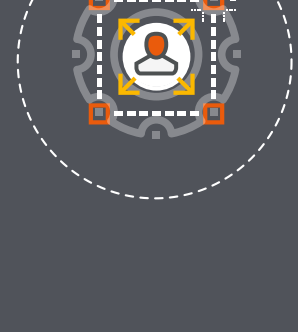


## Payment Fraud Scheme 2: Compromised Credentials

### Compromised Credentials

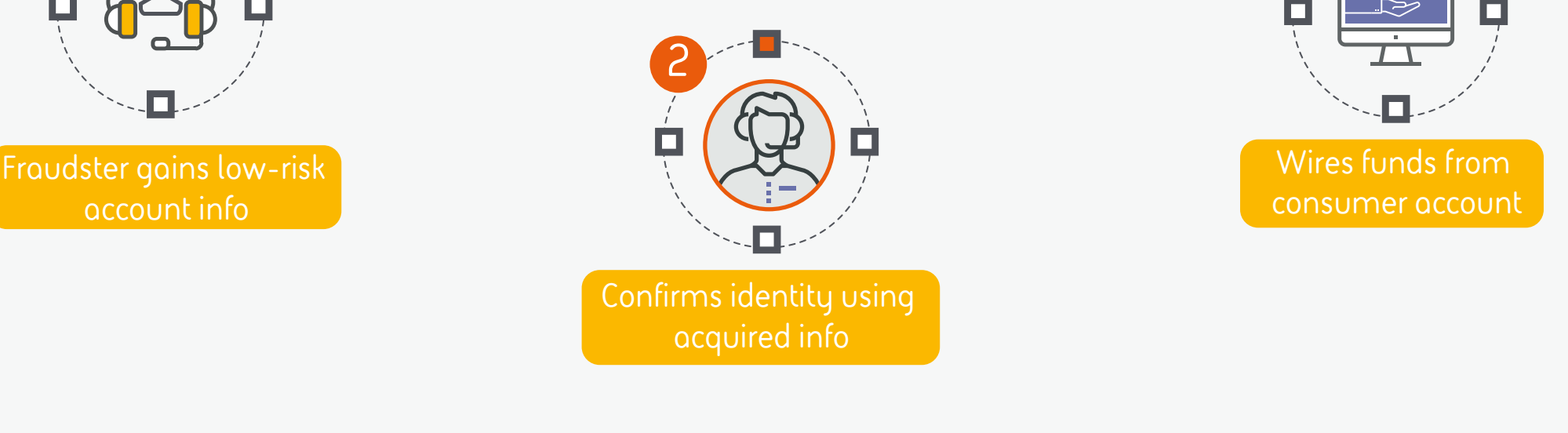


- 1 Fraudster compromises multiple customer accounts through social engineering or via a data breach
- 2 Transfers money via online banking channel to mule account
- 3 Money trail is lost as funds go through network of mule accounts
- 4 Fraudster launders money and/or harvests cash at ATM, branch or money service bureau



## Payment Fraud Scheme 3: Engineering the Call Center

### Engineering the Call Center



- 1 Fraudster asks call center to check target account balance or other unauthenticated account info
- 2 Calls back using newly acquired account information to confirm identity, reset credentials, or change account information
- 3 Logs in to consumer account via online banking and transfers funds to fraudulent account

## How do financial institutions deal with multi-channel fraud?



### Solution A: Point Solution per Channel



#### Single Channel Detection

Useful but not capable of detecting cross-channel attacks.



### Solution B: Digital Channel Detection



#### Adding Session Level Detection

Session info and non-financial data increases the ability to replicate actual behavior, but solely focused on digital channels.



### Solution C: Comprehensive Detection



#### Profiling Across All Channels

Detection across all channels can detect and prevent fraudulent transactions in real time. Incorporating channel activity and non-financial information enriches customer profiles, leading to greater accuracy. This is the only solution that consistently enables detection of multi-channel attacks.