



How Fraud Management AI Technology Helps Financial Institutions Confront COVID-19 Challenges

COVID-19, Fraud, and the Financial Services Industry

There is no doubt that COVID-19 has forever changed the way businesses are run. This is especially true for the financial services industry as the move towards digital banking trends and solutions is accelerated by pandemic. The rapid shift to online transactions has resulted in problems for both **card issuers** and account holders. One of the biggest threats has been the increase of “fraudster” activity. The combination of three challenging situations are to blame:

- Quickly assembled remote workflows
- Normalized fear and stigma around public environments
- A volatile economic environment

ACI Worldwide noted that in March 2020, there had been 445 million digital attacks detected globally since the start of the calendar year, and the rate of attacks is showing no signs of slowing down. Here is a better look into what’s happening::

- The Arkrose Labs network revealed that fraud attacks detected in the first quarter of 2020 were the highest ever recorded
- 26.5% of all transactions during March, 2020 were flagged by participating financial institutions as fraudulent or abusive attempts (ACI Worldwide)

Quavo’s Fraud Management AI

Quavo’s Automated Reasonable Investigation Agent, ARIA™, is a one-of-a-kind fraud management AI that automates decisioning to accelerate back office investigation times, all while lowering overall processing costs. ARIA performs the entire investigation on her own. She uses dozens of investigation factors to return cases consistently, pulling all case information into one place for easy access.

With social distancing and limited capacity orders in place, conducting all investigations within the 90-day period mandated by Regulations E and Z is harder than ever. ARIA returns decisions immediately and will sort any and all documentation relevant to the decision upon interaction. ARIA provides teams with:

- ✓ Consistent Decisions – Humans do not make consistent decisions, but ARIA does. Auditors and compliance pressures demand this for all investigations.
- ✓ Instant Feedback – Many issuers can take days, or even months, to get to an investigation. ARIA will do that same work in a matter of seconds. All while staying completely Reg E and Z compliant.
- ✓ Better Decisions – Leverage the best investigation tool based on the most information to ALL disputes, not just the high dollar ones.
- ✓ Significantly Reduced Costs – ARIA costs a fraction of staffing a back office investigations team.
- ✓ Customization - With dozens of factors and more being built for ARIA every day, you can decide how ARIA runs an investigation.



COVID-19 has derailed industries around the world, but that doesn’t mean that your business must sacrifice its bottom line. ARIA gives you the power to leverage automation in the back office on your terms, so your team can increase efficiency while maintaining core business functions. Reach out to our experts at experts@quavo.com to learn more about leveraging AI for fraud management.