

How Permanent TSB's anti-fraud strategy better aligns them to PSD2 and to protect against payment fraud

The payments landscape is undergoing several transformations across the globe. Consumers are increasingly embracing and adopting advances in technology. While real-time payments allow customers to instantly move money between accounts, the same can be done by criminals and the potential for data abuse and misuse is likely to rise.

Regulations fueling change

Many governments have issued regulations to guard against fraud and to protect consumer data. PSD2, the Revised Payment Services Directive, is part of a wider legislation which has a whole range of implications for banks, payment providers, third party providers and consumers. PSD2 applies to any transaction in which the transmitting and receiving bank are within the EU or EEA. Payment providers and banks are legally required to enforce PSD2 requiring them to offer enhanced customer protection, extending to customers greater control over the handling and exchange of information and payments.

PSD2 requires all payment service providers in the EU to report payment fraud to national competent authorities (NCAs), and for NCAs then to provide the European Banking Authority (EBA) and the European Central Bank (ECB) with statistical data on fraud relating to different means of payment.

The challenge

pre
ARIC

Effective fraud detection and management is a critical component of providing an exemplary customer experience. Permanent TSB considers itself to be one of Ireland's leading financial services organizations.

With in-house expertise, Permanent TSB have and still boasts low fraud rates on Card-Not-Present transactions. To align to PSD2 fraud monitoring requirements and further strengthen their anti-fraud strategy, Permanent TSB wanted a system to provide the highest level of protection in real time, while enhancing their customers' experience and security.

The business impact



>33,000 fraud reports generated per year



Operationally inefficient manual process to report fraud data to regulators



Time consuming email process to alert risk analysts to new fraud

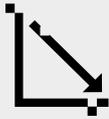
Smart answer

Permanent TSB partnered with Featurespace to deliver best-in-class fraud protection, by automating fraud detection and by integrating their complex sets of customer and transaction data.

ARIC™ Risk Hub quickly analyzed customers' entire payment journey and accurately predicted individual behavior in real-time, understanding risk even as underlying behavior changes.

Industry game changing results

post
ARIC



**Reduction in
false positives**



**PSD2 and regulatory
compliance**
with user understandable
reason codes



**Increased operational
efficiency**
AMDL enables custom
rule writing in non-code
environment

Outcomes

Operationally, Permanent TSB have found ARIC Risk Hub to be very user-friendly requiring minimal training for staff to understand its functions. This proves to be highly beneficial, particularly with newer staff.

The alert tags are intuitive and provide clear directions and reasons for the alerts and because the platform monitors behavior in real time - connected across multiple customer channels - it creates a rich data set, enabling Permanent TSB to write more specific rules when spotting new anomalies. In addition, ARIC Risk Hub continues to drive down false positive rates.

ARIC Risk Hub has been a huge success within the organization and we look forward to continuously building out the platform and our relationship with Featurespace.

Dave Byrne,
Fraud Technology Manager, Permanent TSB

Get in touch to discover how ARIC Risk Hub can help you reduce your market share of fraud and bring down business risk and cost.

info@featurespace.com | featurespace.com

FEATURE
SPACE

OUTSMART RISK