

Sign-up Bonus

Earn \$100* when
you sign-up to
Digital Account

**FINANCIAL
Case Study**

Stopping Sign-up Bonus Fraud

In the backdrop of new digital banking and payments phenomenon, one of the most common promotional techniques that institutions employ to sign-up new customers, is sign-up bonuses. A sign-up bonus is a promotional fee or a coupon incentive, that a customer receives, in order to open and maintain a new account.

Often a sign-up bonus is a percentage of a first deposit, a coupon or a fixed sum for opening a new account. Many of these promotions however, create new fraud opportunities. In addition to absorbing the money loss, companies put their brand, reputation and their ability to provide additional benefits to good customers at risk. Sign-up abuse is on the rise, popping-up in many shapes and forms, depending on the promotion offered.

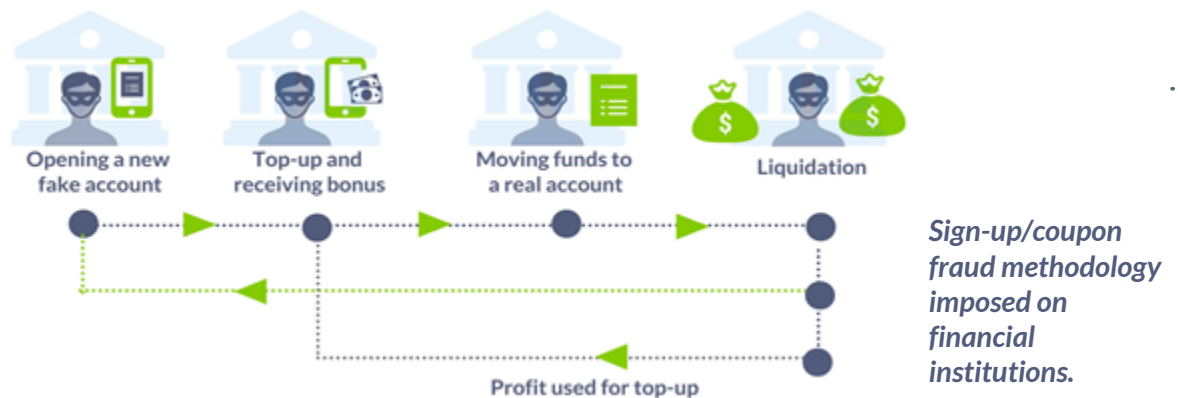
Paygilant recently detected a complex sign-up fraud scheme with several of its customers. Upon implementation, Paygilant's solution detected high volume of synthetic accounts and saved tremendous money loss which was being defrauded.

Value Paygilant Provided

- Upon immediate implementation, Paygilant solution detected over 15,500 synthetic (fraudulent) accounts
- Paygilant's discovery translated into immediate savings of over \$500,00

How the Sign-up Fraud Transpired

The companies provided a sign-up promotional fee as an incentive to onboard new customers, opening a new account. Fraudsters identified the opportunity and exploited the process to open thousands of new synthetic accounts. The modus operandi used, involved the creation of multiple new accounts, funds deposit to those mule accounts, and later on liquidating the cash. Paygilant identified abnormal activity related to synthetic accounts opening from multiple sources with non-legit transfers. This immediately raised a red flag which led to an in-depth comprehensive link analysis, pointing out on sign-up fraud being perpetuated.



Results:

Fraud Detection:

Sign-up/coupon fraud methodology imposed on financial institutions.

- All the flagged accounts were verified by the customers as fraudulent
- All present and future attempts of synthetic account creation are identified in real-time, enabling a full and continuous protection.

Cost Savings

- Over 15,500 fraudulent accounts were blocked, saving over \$500K to Paygilant's customers.

About Paygilant

Paygilant is a revolutionary frictionless digital banking and payments anti-fraud company. It is designed to eliminate the trade-off between strong fraud prevention, frictionless authentication, and user privacy.

Paygilant enables financial and eCommerce organizations to boost their revenue, by enhancing the user experience and preventing fraud before the transaction occurs. Its easy-to-integrate patented technology, utilizes six proprietary Intelligence Sets, which work in harmony to deliver value from day-one. Paygilant simply triggers a real-time "risky" score when fraud is detected, and a "safe" one when the legitimate customer has been authenticated.

Fraudless. Frictionless. Effortless.

