

## Canadian Businesses Must Deploy Disruptive Technologies to Mitigate Risks of Online Fraud

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TORONTO, July 17, 2019 (GLOBE NEWSWIRE) -- The increased sophistication of online fraudsters continues to pose significant risks to Canadian businesses and the customers they serve. Deploying advanced fraud prevention solutions that mitigate cyber frauds - without compromising the customer experience – is gaining ground fast. It calls for businesses to evolve integral aspects of their cyber security programs – from account origination and detection, through to response.

Anne-Marie Kelly, Executive Director of Identity Management and Fraud Solutions for TransUnion Canada says, “With the explosive growth of e-commerce in Canada and additional online shoppers to be added to this segment each year, Canadian businesses must embrace disruptive fraud solutions that help to proactively identify fraudulent situations, enable a friction-right customer experience, while simultaneously mitigating associated risks.”

To-date, businesses have been challenged with implementing the right fraud prevention and detection technology without compromising the customer experience. Fraud prevention and detection solutions often lack flexibility to adjust in real time and can complicate end user verification processes – resulting in a poor customer experience. Research studies commissioned by TransUnion and conducted by research and advisory firm Forrester in 2018<sup>i</sup> found that current fraud prevention measures decrease customer engagement and deter potential customers from future transactions. At the same time, the study revealed the extent of the issue, with 96% of Canadian financial firms experiencing some sort of fraud in the past two years. In addition, 70% of fraud detection technology decision makers from financial services agreed that fraudsters are always one step ahead, and 92% acknowledged having difficulty detecting and mitigating fraud.

“As more consumers move online, data compromises and fraud threats continue to rise in Canada. Fraudsters are constantly developing new ways to outwit systems and processes, wreaking havoc and potentially causing huge financial and reputational losses. Yet, that doesn’t change the fact that businesses need to focus on enhancing customer satisfaction as well as catering to rising expectations of a flawless transaction experience through online channels. Today’s businesses need to embrace fraud solutions that deliver safe, fast, efficient and streamlined processes – or customers will go elsewhere,” said Kelly.

IDVision with iovation is TransUnion’s enhanced fraud suite that unifies personal and digital identities by combining TransUnion’s comprehensive database of consumer records, with iovation’s global digital intelligence, which is based on experience with over 6 billion devices. iovation is a TransUnion company focused on making the Internet a safer place for people to conduct business. IDVision with iovation enables genuine customers to have a secure and seamless experience while mitigating fraud risks by:

- **Establishing Identity:** Identity is verified against a broad set of personal and digital data for greater identity confidence.
- **Authenticating Customers:** Validates the customer’s claimed identity to help confirm they are who they say they are, employing methods that match the risk level by utilizing authentication at specific touchpoints.
- **Preventing Fraud:** Fraud risk of online transactions or identities is assessed to identify potentially fraudulent actions or behaviours. Suspicious behaviour can be investigated by the business to identify inconsistent data elements.

Underscoring the need for a comprehensive approach to identity management and fraud prevention, a TransUnion commissioned Forrester study<sup>ii</sup> uncovered that 68% of financial services firms reported their customers increasingly interact with them through digital channels instead of face-to-face. Furthermore, 62% of financial institutions indicated that the growth of online interactions has increased fraud and identity theft risk.

“Identity verification needs to mature from traditional methods of using a set of core documents and pieces of information to a more holistic approach that maps a customer’s digital footprint based on the devices used and usage patterns,” added Kelly. “It’s about time businesses embrace multi-layered identity verification solutions that combine personal and digital data for safeguarding customer interests and

delivering long-term value. Facilitating a secure and seamless customer experience is fundamental for businesses to effectively stay competitive and thrive in a digital world.”

### **About TransUnion (NYSE: TRU)**

Information is a powerful thing. At TransUnion, we realize that. We are dedicated to finding innovative ways information can be used to help individuals make better and smarter decisions. We help uncover unique stories, trends and insights behind each data point. This allows a variety of markets and businesses to better manage risk and consumers to better manage their credit, personal information and identity. Today, TransUnion reaches consumers and businesses in more than 30 countries around the world on five continents. Based in Burlington, Ontario, TransUnion Canada provides local service and support throughout Canada. Through the power of information, TransUnion is working to build stronger economies and families and safer communities worldwide. We call this *Information for Good*. Visit [www.transunion.ca](http://www.transunion.ca) to learn more.

### **About iovation**

iovation, a TransUnion company, was founded with a simple guiding mission: to make the Internet a safer place for people to conduct business. Since 2004, the company has been delivering against that goal, helping brands protect and engage their customers, and keeping them secure in the complex digital world. Armed with the world’s largest and most precise database of reputation insights and cryptographically secure multi-factor authentication methods, iovation safeguards tens of millions of digital transactions each day.

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<sup>i</sup> TransUnion commissioned Forrester Research, Inc. to conduct the two studies: *Fraud Detection and ID Verification in Financial Services* (August 2018), and *Insurers: Strike The Right Balance Between Fighting Fraud And CX* (September 2018).

<sup>ii</sup> Forrester Consulting conducted three TransUnion-commissioned studies and surveys. Participants included 465 fraud detection and prevention professionals, including<sup>1</sup>



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