

SUCCESS CASE

Fraud management



Industry:

Telecommunications

Summary:

With Apia, Vivo achieved the systematization of fraud cases management, defining efficient processes of detection and solution of them, which allowed reducing losses significantly.

Benefits:

• Speed up the tasks

After the application, the resolution process is performed in an automated way reducing the cases that require personalized attention.

• Reducing the losses

The monthly losses diminished from 17 million dollars to 3 millions (the loss reduced to 10%).

There was a reduction of 60% of the fraud analysts.

At the same time, the productivity of the analysts increased 95%.

• Fewer claims

The claims of the clients regarding a fraudulent case diminished 60 % in comparison to the previous year.

The number of cases that remain in fraud for more than 30 days reduced 73%.

Fraud and attempts of fraud exist and have always existed in all types of economic sectors.

Telecommunications sector is not the exception.

Considering this, the efforts should be directed to find more efficient ways to detect and to solve them as fast as possible.

Vivo, the largest Brazilian mobile phone company, had to deal with this situation every day. The strategy used to solve fraud cases didn't obtain the results they expected and the situation generated too many losses and the clients' unconformity.

PROBLEM

Despite having more than 900 fraud analysts, the enterprise had monthly losses of about 40 million reales due to this problem. Situations such as the usage of cloned cellular phones or services hiring without having the intention of paying it were the most usual practices of a problem that seemed to have no solution.

The system used to fight against the cases did not offer the speed or the efficiency necessary to detect them on time, to reduce costs associated to these situations and to offer the affected clients a rapid solution to the problem.

Apart from the usage of a specialized hardware in detecting suspicious cases, the enterprise counted with different systems to face the problematic such as CRM, Billing, Mediation and Antifraud.

The problem was that the systems were not integrated and did not work together, disabling the possibility of enhancing their capacities as much as possible. Furthermore, since they were disconnected, the working groups responsible for each application were not integrated either and they did not generate the productivity that the enterprise wished.

The average time of response between the detection of a possible fraudulent case and its solution was of 90 days. This means that in all that time, the person that performed the fraud could perform calls indiscriminately.

The system did not offer the fastness necessary to start the analysis of the case in the lowest possible time, first step to advance with the solution process of the case. That way, a lot of time was wasted, which complicated an efficient tracking, enlarged the list of cases that remained in fraud for more than 30 days and obviously solutions or improvements were not provided to the clients.

The project was a success. It solved the problem of fraud and obtained results that went beyond the enterprise board of directors' expectations.

It was implemented in year 2003 and it managed a volume of 700.000 different fraud cases in 18 months.

SOLUTION

With the implementation of Apia it was possible to perform the automatic validation of the cases of fraud and the implementation of all the associated processes.

The average waiting time to start the analysis of the case is now 3.8 times lower. Apia receives the signal that indicates suspicious cases, automatically analyzes them and then checks whether the fraud exists or not (the certainty in the detection increased 80%). This information is divided and shared between the analysts. When the fraudulent cases are detected, this automatically allows to reduce those signals that have already been analyzed, in order to avoid generating repetition in the received information.

This new management caused that the efficiency for the analysis of a case improved. Now, the time that is used is 2.7 times lower.

The new application allows cancelling the fraud without affecting the account of the real client. This is viable due to the fact that now it is possible to detect in which places the fraudulent calls are performed and therefore the roaming in such places is disconnected, or the international if the performed calls are to other countries, all this with a previous notification and counting with the clients' approval.

One of the most important qualities consists of the fact that Apia is capable of integrating all the areas involved in the treatment of the fraud, enhancing the functionalities and increasing the productivity in the working teams:

Once a possible case is detected, through the Billing it is possible to obtain the profile of the invoicing detecting significant changes in the account; Mediation compares the call list of the current account with the calls performed in the previous months and detects numbers recently dialed; CRM allows identifying the type of client (VIP, pre-paid, fixed contract, etc.) and perform a special treatment in the actions that are destined to fix the problem (remove the account from service, warning calls, notifications, etc.).

Some basic data:

The volume of cases of fraud was of 700.000 (different) in 18 months.

The project could be implemented in record time of 2 months.

Apia was used by 900 operators and currently operates with less than 50.