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Financial Institutions See Significant Drop in Account-to-Account Transfer Fraud After Roll Out of Real-Time Risk Scoring from Fiserv

New TransferNow® capabilities enable financial institutions to enhance end-to-end risk management while providing a better customer experience

BROOKFIELD, Wis.--(BUSINESS WIRE)-- Financial institutions are reducing fraud losses, improving internal processes and enhancing the customer experience with the implementation of two new capabilities from [Fiserv, Inc.](#) (NYSE: FI), a leading global provider of payments and financial services technology solutions. The addition of real-time risk scoring and an automated high limits service to the widely used TransferNow® solution from Fiserv has enabled financial institutions to significantly reduce fraud loss dollars and fraud loss rates while delivering a more personalized user experience.

Deployment of these TransferNow in-session risk controls led to a 61% reduction in fraud loss dollars and a 65% reduction in fraud loss rates for financial institutions using the service, compared to a similar time period prior to deployment. This impact will be widely felt, as TransferNow, which facilitates account-to-account transfers within and between financial institutions, is used by nearly 1,000 banks and credit unions, including seven of the top 10 U.S. financial institutions.

“With the rise of real-time money movement, financial institutions and technology providers have had to change their strategies to secure transactions while delivering the speed and convenience consumers expect,” said Kannan Srinivasan, Vice President of Risk Strategy and Analytics at Fiserv. “Real-time insights and automation are key components in this balancing act, allowing for a high degree of security and efficiency without compromising the customer experience.”

In-Session Risk Mitigation

The TransferNow real-time risk scoring engine leverages machine learning to allow transactions to be scored while the user is in the session initiating the transaction. Geolocation, account validation, transaction velocity, and user and account tenure are among the hundreds of factors that are assessed in the risk evaluation process.

Potentially fraudulent transactions can be cancelled automatically or put on hold for review, according to the risk tolerance of the financial institution. After reviewing a transaction, an investigator can release the transaction, cancel the transaction, or suspend the account. TransferNow supports holding transactions in-session to prevent a debit from occurring while

a potentially fraudulent transaction is under investigation, which minimizes returns or chargebacks.

High Limits Service

The dynamic high limits service allows financial institutions to offer higher transaction limits for populations of lower-risk users, based on prior transactions and risk performance. If the service is initiated, these lower-risk users can transfer high dollar amounts while creating minimal exposure for the financial institution.

Using the embedded administrative tool from Fiserv, banks and credit unions can set qualification requirements to determine eligibility for the high limits service, building trust with established customers while mitigating potential fraud.

“Financial institution executives have told us they feel ‘caught between a rock, a hard place, and a meat grinder,’ when it comes to protecting customers while avoiding losses, improving efficiency, and navigating an increasingly hostile market,” said Trace Fooshee, Strategic Advisor at Aite Novarica. “Applied analytics and risk modeling capabilities such as those employed by TransferNow can be extremely powerful fraud management tools in this environment.”

TransferNow experienced significant growth between 2021 and 2022, with a 10% increase in active users and 17% increase in funds moved.

“As the digital world evolves, financial institutions are changing to meet customer expectations while continuing to deliver the secure interactions upon which they have built their reputations,” said Derek Swords, Vice President of Product Management at Fiserv. “Our new TransferNow capabilities will help financial institutions provide security and convenience for their customers.”

In a world moving faster than ever before, Fiserv helps clients deliver solutions in step with the way people live and work today – financial services at the speed of life. Learn more at [fiserv.com](https://www.fiserv.com).

Additional Resources:

- TransferNow® - fisv.co/TransferNow

About Fiserv

Fiserv, Inc. (NYSE: FI) aspires to move money and information in a way that moves the world. As a global leader in payments and financial technology, the company helps clients achieve best-in-class results through a commitment to innovation and excellence in areas including account processing and digital banking solutions; card issuer processing and network services; payments; e-commerce; merchant acquiring and processing; and the Clover® cloud-based point-of-sale and business management platform. Fiserv is a member of the S&P 500® Index and one of *Fortune*® World’s Most Admired Companies™. Visit [fiserv.com](https://www.fiserv.com) and [follow on social media](#) for more information and the latest company news.

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Ann Cave

Vice President, External Communications

Fiserv, Inc.

678-325-9435

ann.cave@fiserv.com

Mark D. Jelfs

Senior Manager, External Communications

Fiserv, Inc.

262-737-8244

mark.jelfs@fiserv.com

Source: Fiserv, Inc.