



Google Cloud

Stay Ahead of Common Point of Purchase

Capgemini's Fraud Analytics Solution powered by Google Cloud

Global card fraud losses are on the rise. According to the October, 2017 Nilson report, such losses are expected to double between 2016 and 2025, climbing from \$22.8 billion to nearly \$50 billion by the end of this period¹. Such fraud, known as frauds committed through a common point of purchase (CPP), are usually carried out through methods such as card skimming, compromised point-of-sale devices, fraudulent chargebacks or identity theft. No wonder, then, that fraud prevention represents one of the top priority areas for IT spending for the financial services industry.

So how do financial institutions protect themselves against these threats? Detecting such fraud, either proactively or reactively, can be quite challenging, as it involves going through huge data sets of millions of transactions, to identify the likely merchant location that has been compromised. Given the explosion in card transactions² and the corresponding exponential increase in the associated data sets, this is something that companies are struggling with. The Capgemini Common Point of Purchase Fraud Analytics solution can help.

¹ https://nilsonreport.com/upload/content_promo/The_Nilson_Report_Issue_1118.pdf

² [Growth of non-cash transactions, World Payments Report2017, Capgemini and BNP Paribas](#)



Solution Spotlight

Capgemini's Common Point of Purchase (CPP) Fraud Analytics solution is a comprehensive, multi-faceted solution that helps clients detect, prevent, and analyze fraud using hybrid machine learning models and a rules-based approach.

How it works

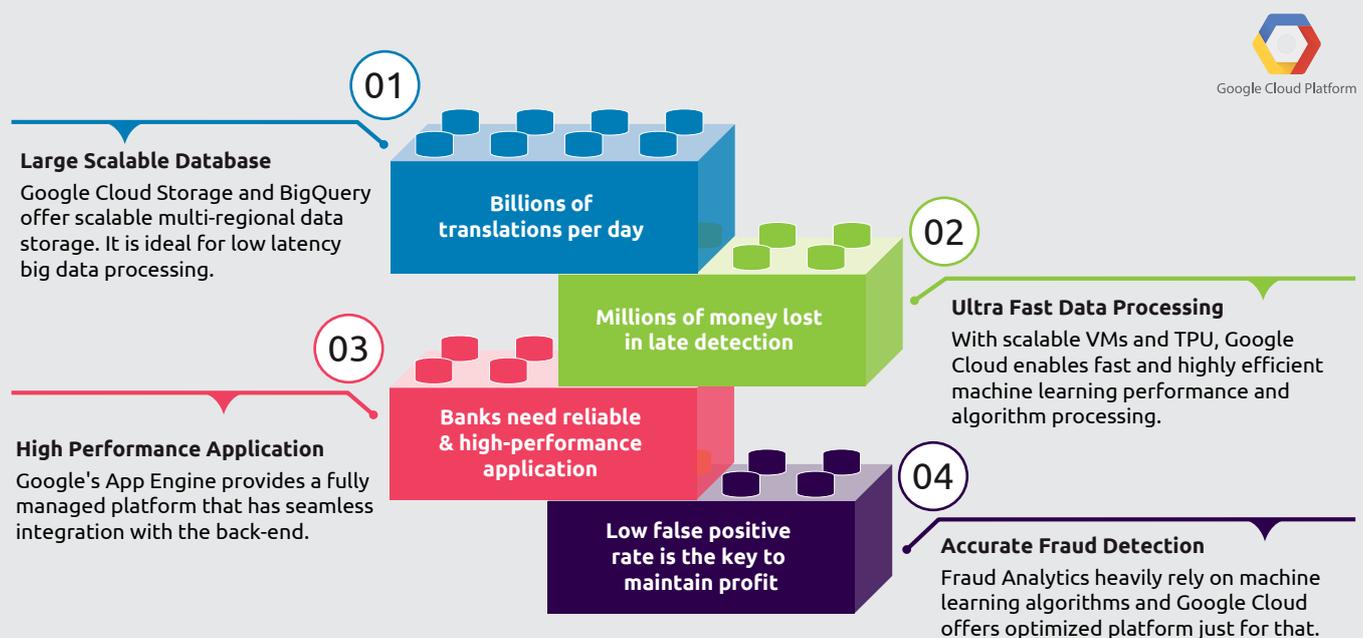
The solution works to locate the common point of purchase by analyzing the terabytes of data collected every day from shopping and banking transactions. Unlike other Fraud Analytics solutions, which are primarily rules-based, the CPP Fraud Analytics solution is based on a hybrid rules-based and machine learning algorithm. Machine ability not only allows

our solution to continuously learn from an ever-changing fraud environment, but it also allows to significantly reduce the number of false positives as compared to other rules-based solutions. This makes the fraud detection significantly faster.

In addition, our solution, being based on the Google Cloud Platform, provides the following advantages:

- High performance, scalable virtual machines (VMs) which help with accelerated machine learning
- A scalable, resilient database and fast data processing
- A scalable App Engine by Google and its associated ecosystem
- An easy and intuitive way to build machine learning algorithms thanks to the Google's Tensorflow tool

Exhibit 1: Fraud Analytics and the Google Cloud advantage



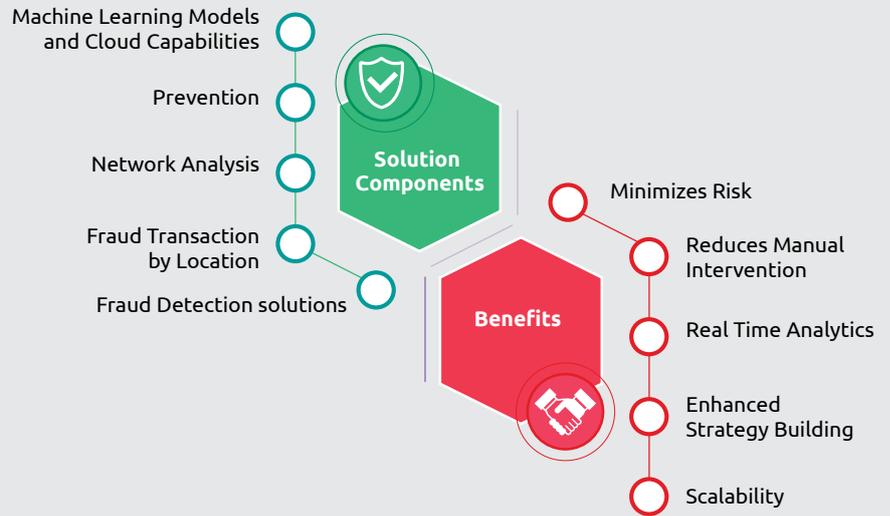
Key features of the solution include:

- An intuitive user interface with easy-to-understand data points
- Real-time fraud detection with ML based fraud alerts
- Fraud transaction and common point of compromise locators
- Access to account profile details of exposed credit card holders
- Powerful data processing and analytics abilities powered by Google Cloud Platform

Benefits

- Reduces false positives and speeds up fraud detection
- Increases detection rates by up to 90%
- Improves investigator efficiency by up to 70%
- Reduced manual intervention allows smaller teams to aggregate and run machine learning workloads on massive, real-world data stores
- Near real-time fraud detection along with proactive monitoring of suspicious locations and accounts
- A lowered total cost of ownership with a pay-per-use model

Exhibit 2: CPP Solution Components and Benefits



Why Capgemini with Google Cloud?

Capgemini has more than 25 years of experience in working on various banking systems as well as thousands of projects delivered for the Banking and Financial Services industries. Our key differentiating factors include our business-driven approach, proven models, tools and best practices as well as deep domain and sector expertise.

Our solutions and frameworks are enriched by our deep experience in delivering financial crime management

solutions to banks globally. In addition, our RightShore® model allows us to leverage more than 500 Fraud/AML analysts along with over 16,000 technology, data science and sector experts from our Insights & Data practice to support our clients. We have developed proven cloud frameworks with predefined templates and accelerators leveraging our experience of delivering more than 5000 cloud engagements with 300+ on Google Cloud Platform.

“*Capgemini has been named a Leader in Gartner’s Magic Quadrant for Data and Analytics Service Providers, Worldwide 2018*”

Next Steps

You can now arrange a customized, hands-on demo of our Fraud Analytics solution. To set it up or for any other enquiry about the solution, please contact banking@capgemini.com

About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms.

Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

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