

Latest Trends in Call Center Authentication

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Dial: +1 (415) 655-0003

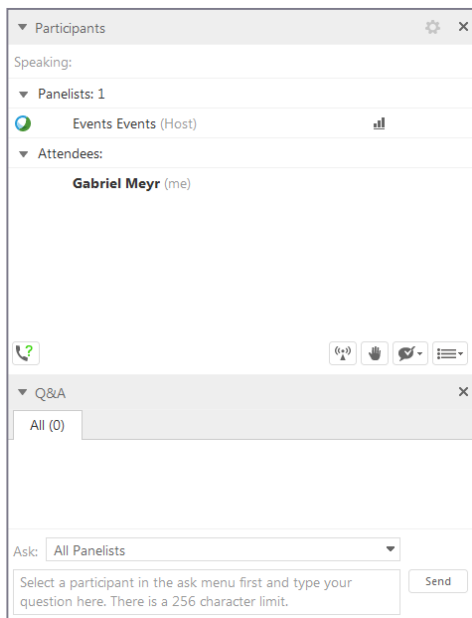
Enter access code: 663 400 335#

Slide Link

Today's slides can be found online at:

<http://bit.ly/2019-07-11-Neustar>

We Encourage Questions



Use the

Questions Box

located on the right side of the screen, to type your comments or questions.

Tell Us What You Think!



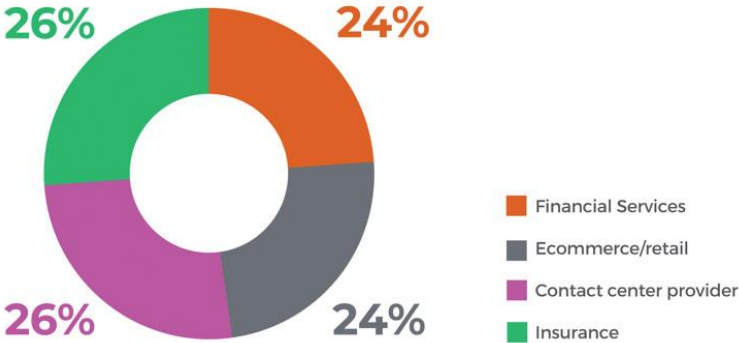
Please take our post-event survey. We value your feedback!

Neustar – TRUSTID

Latest Trends in Call Center Authentication

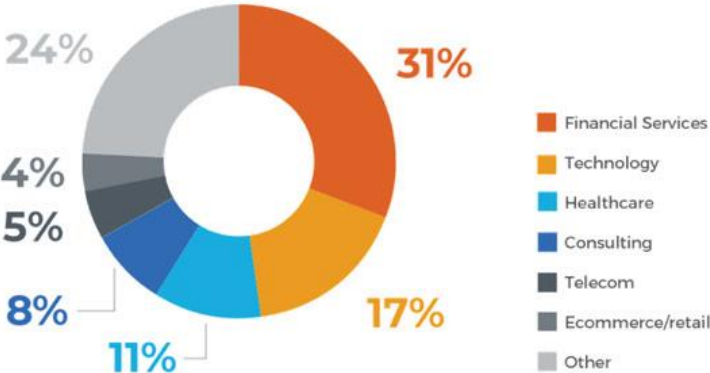
STATE OF CALL CENTER AUTHENTICATION SURVEY

Forrester Fraud and Consumer Friction Survey



Base: 204 fraud management, authentication and CX decision makers in North America.
 Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, November 2018

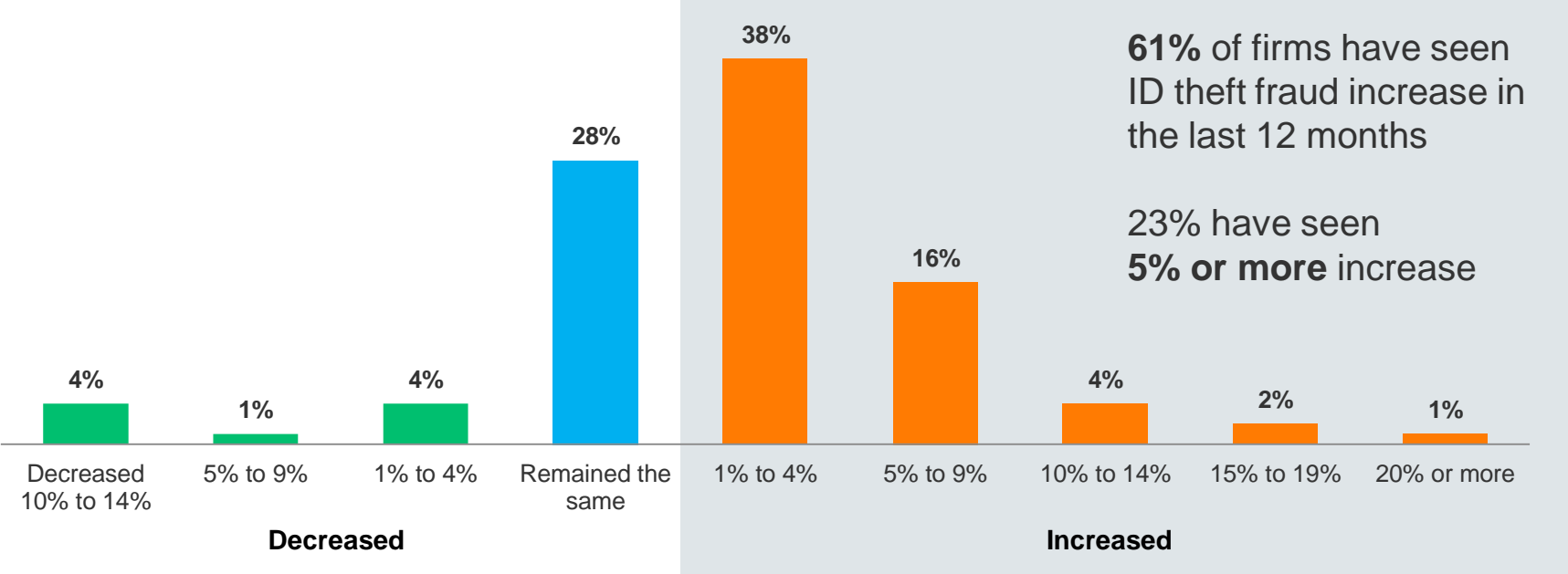
TRUSTID State of Call Center Authentication Survey



Base: 134 contact center ops, CX, sales, and marketing decision makers with 60% in North America
 Source: Joint effort of TRUSTID and Customer Contact Week, January 2019

IDENTITY-BASED FRAUD INCREASING

Compared with the previous 12 months, has identity theft and/or fraud increased, decreased, or remained the same?



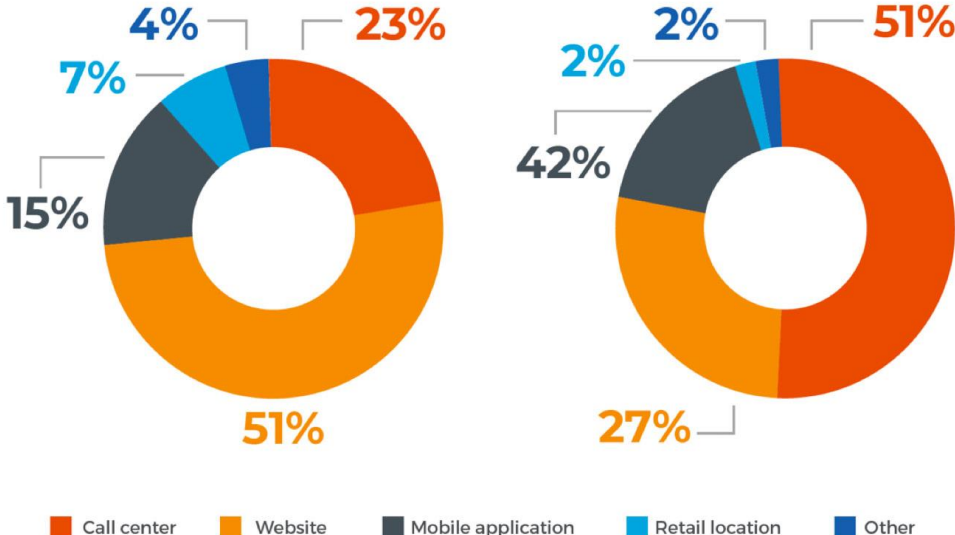
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WHERE DO FRAUDSTERS ATTACK?

Channel for fraudulent account takeovers

NON-FINANCIAL SERVICES

FINANCIAL SERVICES

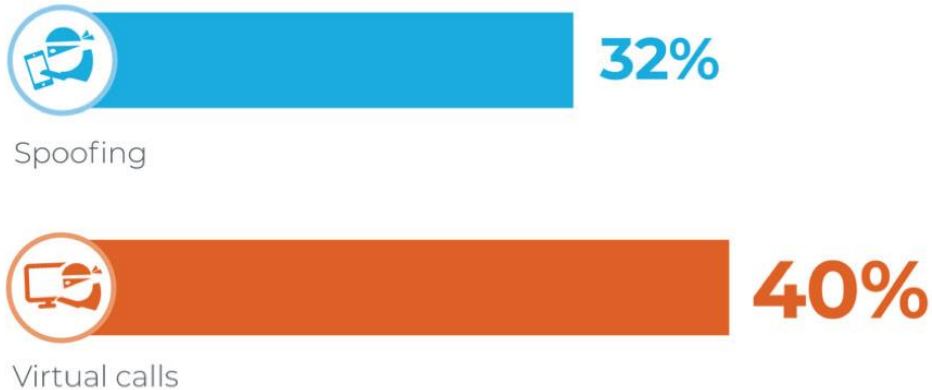


Call centers are now the vector of choice for criminal attacks in financial services

Source: TRUSTID, "State of Call Center Authentication," 2019

HOW DO FRAUDSTERS ATTACK?

Threats posed by criminals where there is much more activity

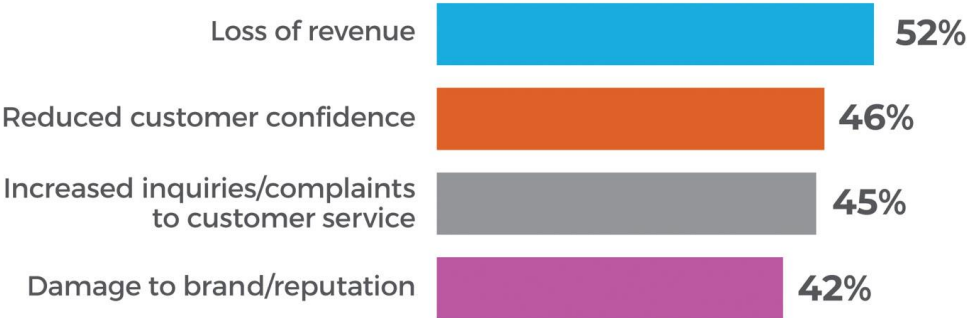


Virtual calling is the fastest growing threat from fraudsters

Source: TRUSTID, "State of Call Center Authentication," 2019

REVENUE AND CONSUMER CONFIDENCE MOST IMPACTED

What impact did this incident or incidents of fraud have on your organization?



Broad impacts:
Average # of impacts selected = 5

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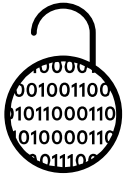
FRAUD STRATEGIES RELYING ON PII ARE LIKELY TO FAIL

73% of fraud instances
involved PII



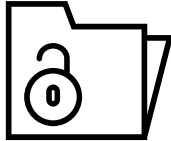
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PERSONALLY IDENTIFIABLE INFORMATION (PII) IS EVERYWHERE



1,244

Data breaches in 2018



446,515,334

Exposed consumer records containing PII



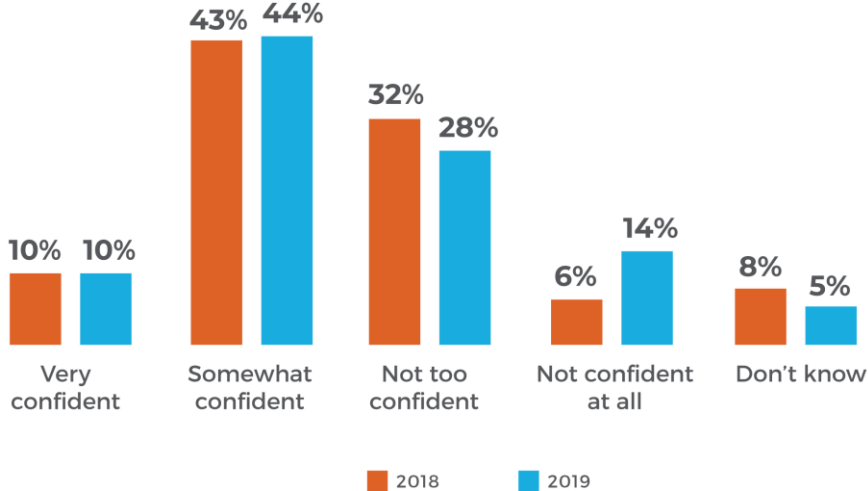
126%

Increase in consumer PII records from 2017 to 2018

<https://www.idtheftcenter.org/Data-Breaches/data-breaches>

CONFIDENCE IN KBA FADING

How confident are you that knowledge-based authentication alone can accurately authenticate your customer callers?

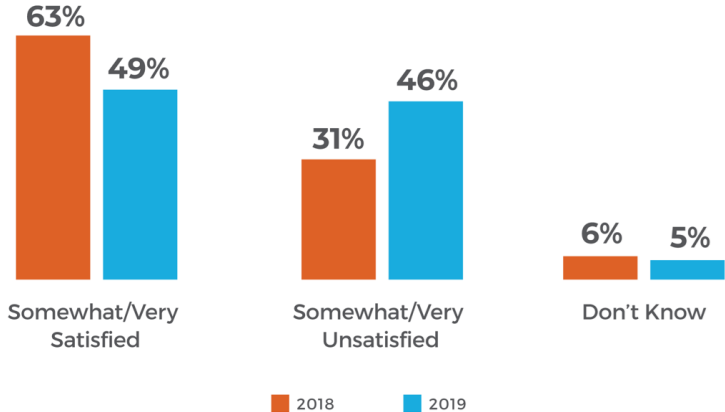


4 in 10
respondents lack confidence in KBA accuracy

Source: TRUSTID, "State of Call Center Authentication," 2019

AUTHENTICATION FRUSTRATION GROWS

Satisfaction with current method to authenticate callers



Frustration with authentication grows

Source: TRUSTID, "State of Call Center Authentication," 2019

FRAUD VS. FRICTION: ROCK AND A HARD PLACE

83% of consumers experienced
friction logging into their account

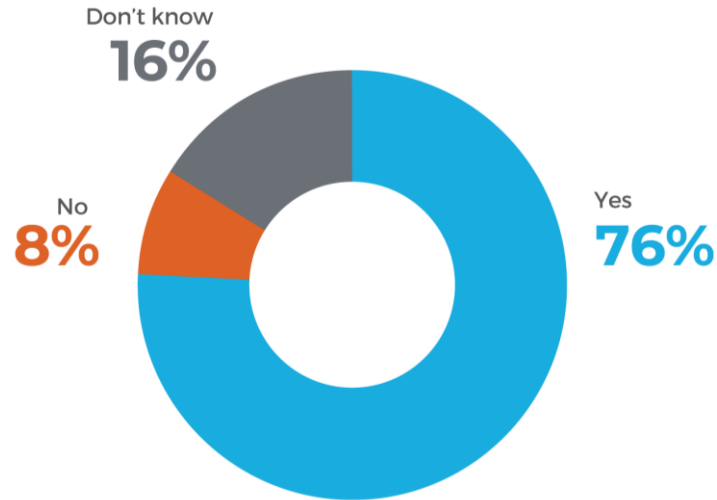
- 10% said this gave them a negative view of their bank
- 3% switched banks as a result

Source: First Annapolis, "Controlling Friction While Tackling Cybercrime in Financial Services," 2016



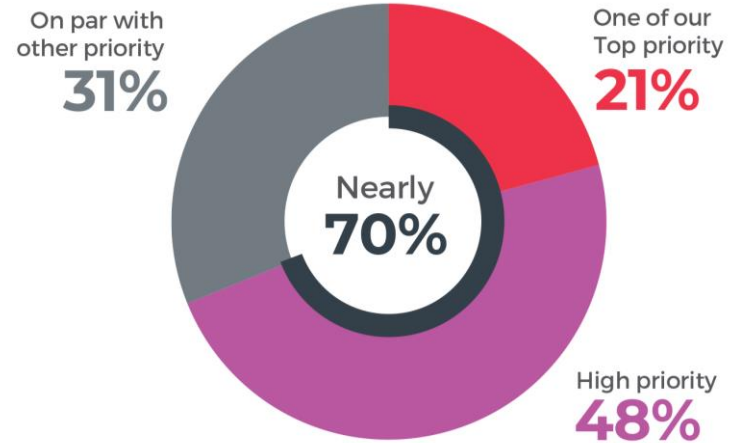
OPTIMISM FOR A SOLUTION AND WILLINGNESS TO INVEST

Respondents who believe it's possible to prevent ATOs without obstructing the customer experience



Source: TRUSTID, "State of Call Center Authentication," 2019

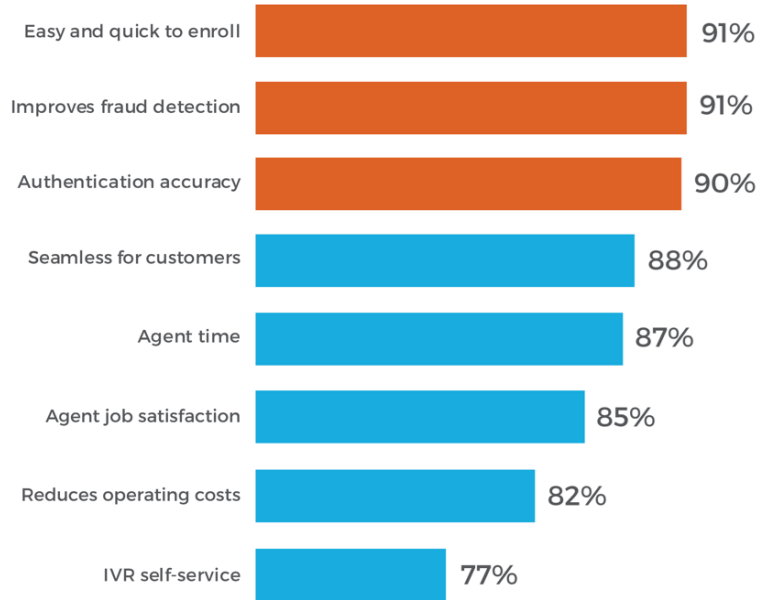
Priority for Reducing or Preventing Fraud



Base: 204 fraud management, authentication and CX decision makers in North America.
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TOP REQUIREMENTS FOR A NEW TECHNOLOGY

Technology benefits rated as Very + Somewhat important

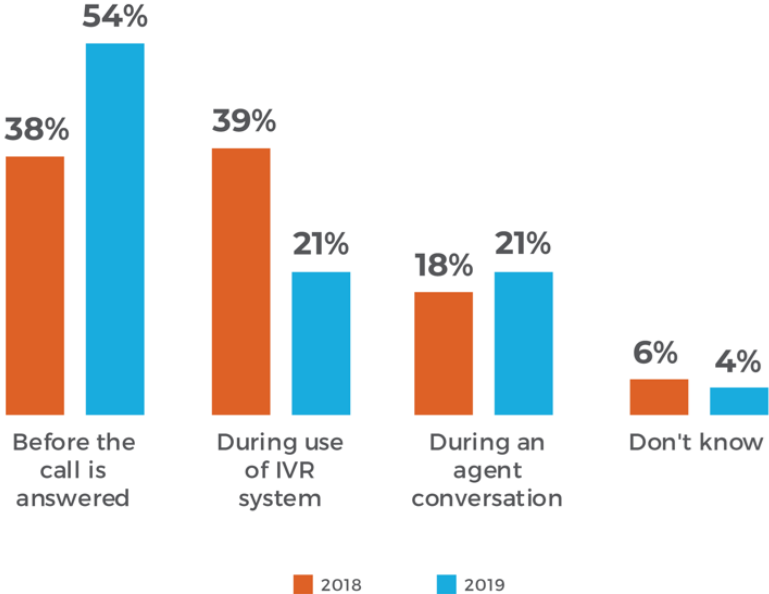


Easy and quick enrollment remains requirement #1 for the second year in a row

Source: TRUSTID, "State of Call Center Authentication," 2019

WHEN SHOULD WE AUTHENTICATE?

Preferred time to complete authentication

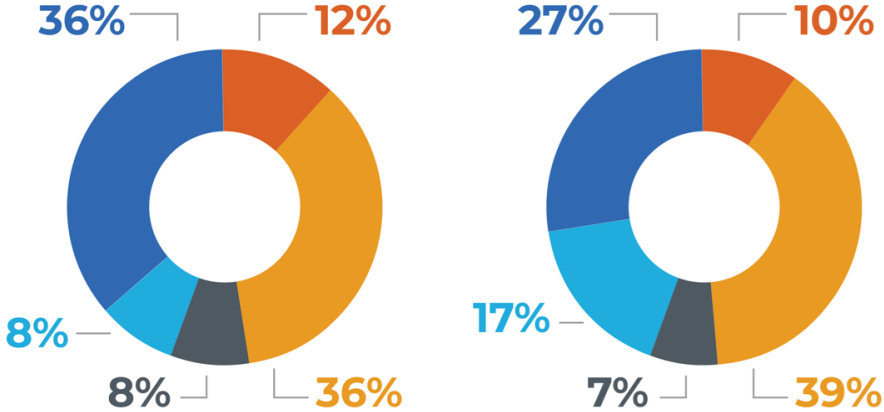


Quick and early authentication rules the day

Source: TRUSTID, "State of Call Center Authentication," 2019

THE PATH FORWARD

Approach to use of multi-factor authentication



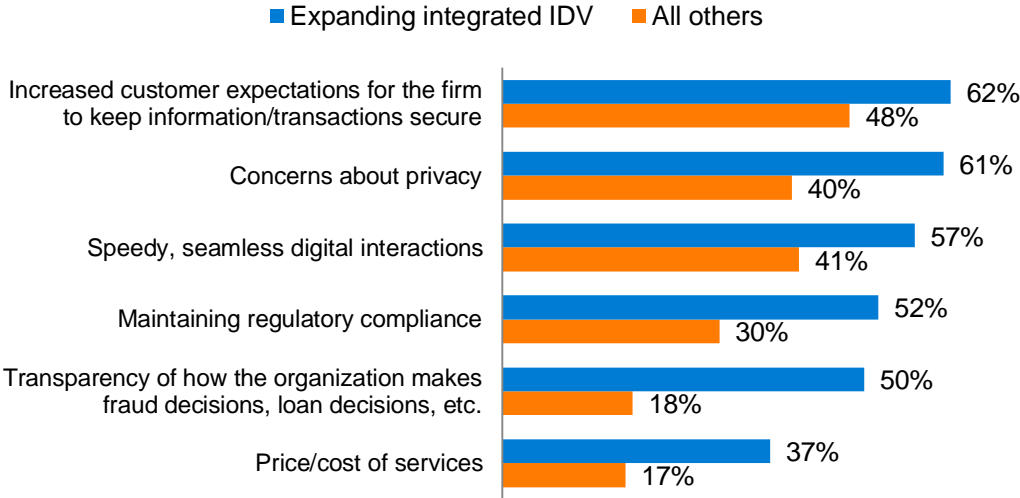
Plans for true multi-factor authentication double

- Keep using KBA
- Supplement KBA with one new technology approach to create a two-factor approach
- Replace KBA with a new single-factor technology approach
- Replace KBA entirely with a new two-factor technology approach
- Don't know

Source: TRUSTID, "State of Call Center Authentication," 2019

FIRMS EXPANDING INTEGRATED IDENTITY VERIFICATION (IDV) ARE MUCH MORE DRIVEN TO SUPPORT CUSTOMERS AND OPERATIONAL EXCELLENCE

Which of the following customer expectations are influencing the way your firm detects fraud?



Organizations using IDV care more about CX, privacy, compliance, efficiency and fraud

Base: 204 fraud management, authentication and CX decision makers in North America.
Source: A commissioned study conducted by Forrester Consulting on behalf of Neustar, November 2018

TAKEAWAY POINTS



Criminals are increasing attacks on call centers by attempting to beat identity based verification methods



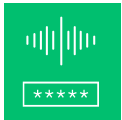
Both business and customers are frustrated with the status quo



Contact center professionals are optimistic the problem will be solved and stand ready to invest in solutions



Solutions need to be widely adopted, accurate and work quickly to identify real customers



There is growing acceptance of new technologies that can augment or be used instead of KBA in multi-factor authentication solutions

How We Can Help

BUSINESS OVERVIEW

For over 20 years, Neustar's unique capabilities have made it a leader in the field of **responsible** identity resolution.



<p>Headquarters Sterling, VA</p>	<p>Founded 1996</p>	<p>Employees 1,800+</p>	<p>Customers 8,000+</p>	<p>Revenue 700M+</p>
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POOR AUTHENTICATION CAUSES MAJOR PROBLEMS



Excessive Call Centers Costs

- 20% of agent time is spent asking questions
- Difficulty authenticating in the IVR causes unneeded transfers to agents



Degraded Customer Experience

- Time spent being interrogated frustrates customers, reduces retention and increases hold time
- Fear of failed authentication limits self-service functions



Inefficient Fraud Fighting

- Almost all fraud starts in the call center
- Waste time and generate false-positives by looking for criminals across entire call flows



Weak Compliance Posture

- Poor foundation for moving to multi-factor authentication
- Unprepared for internal compliance directives

ONLY THREE WAYS TO AUTHENTICATE A PERSON



Knowledge

(something **users know**)

- SSN, PIN, Date of Birth, Account #

Inherence

(something **users are**)

- Voice-Bio, Fingerprint, DNA, Retina

Ownership

(something **users have**)

- Key, Phone, Debit Card, Security Token

MORE ABOUT OWNERSHIP FACTOR AUTHENTICATION

1	2	3	4
Account claim and physical token presented	Assessment of physical token/account	Confirm physical location or connection	Delivery of authentication token

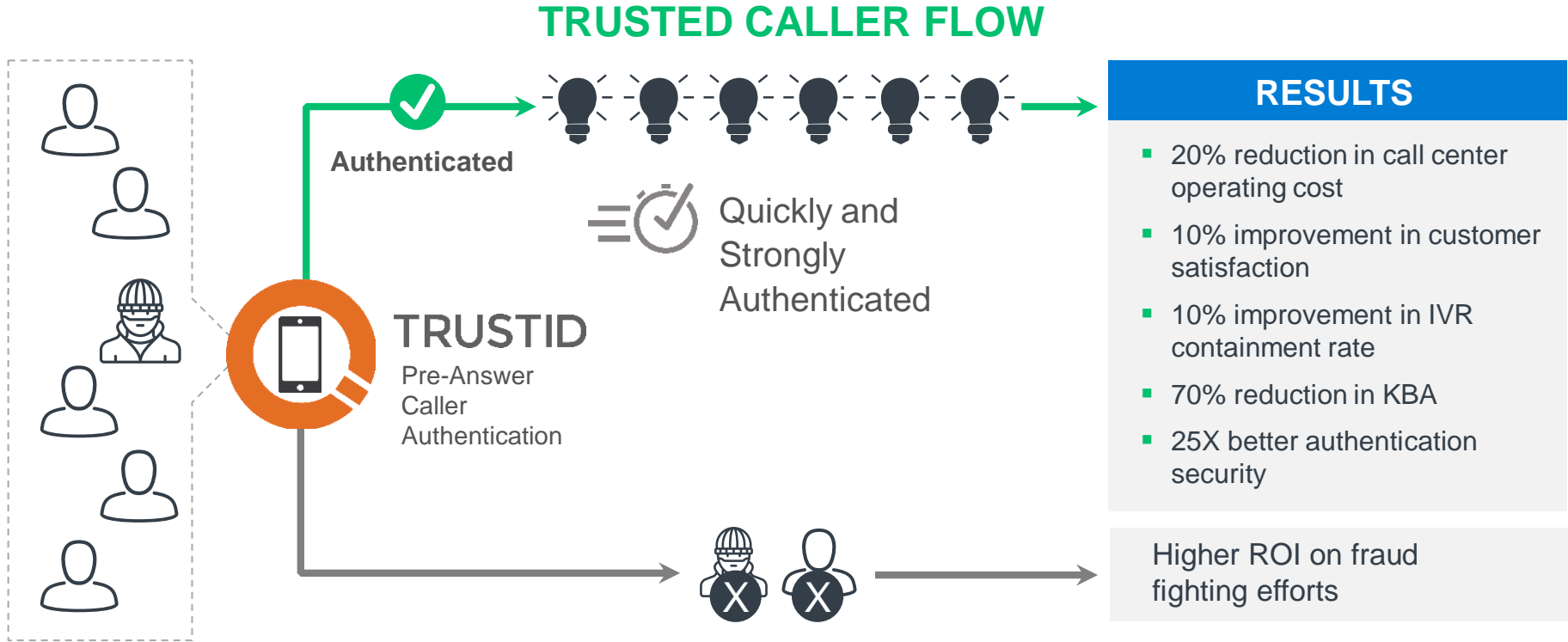
CREDIT CARD



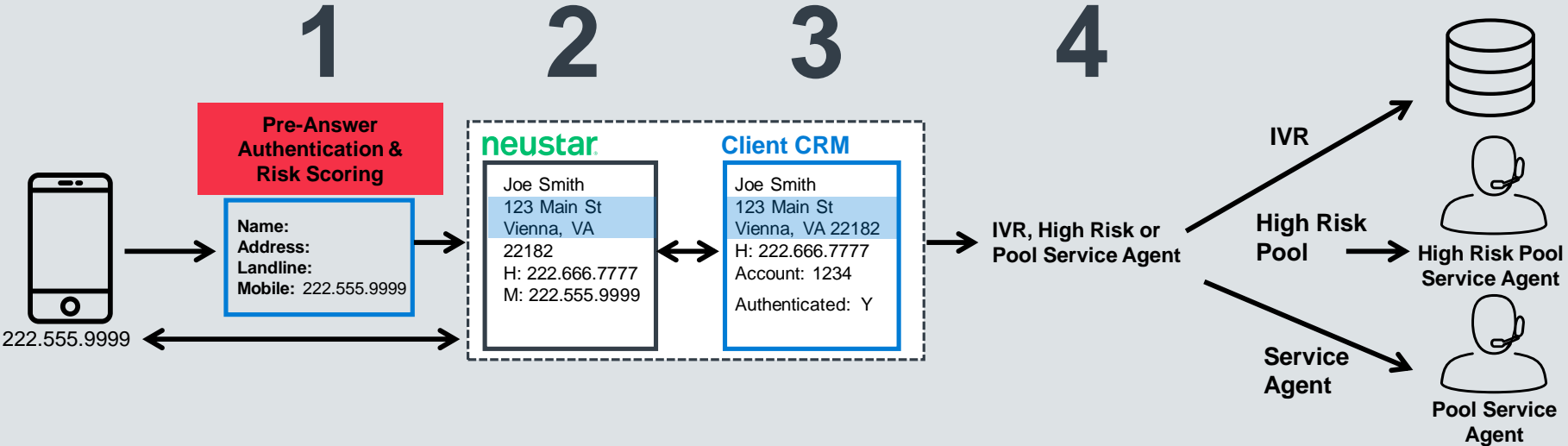
PHONE CALL



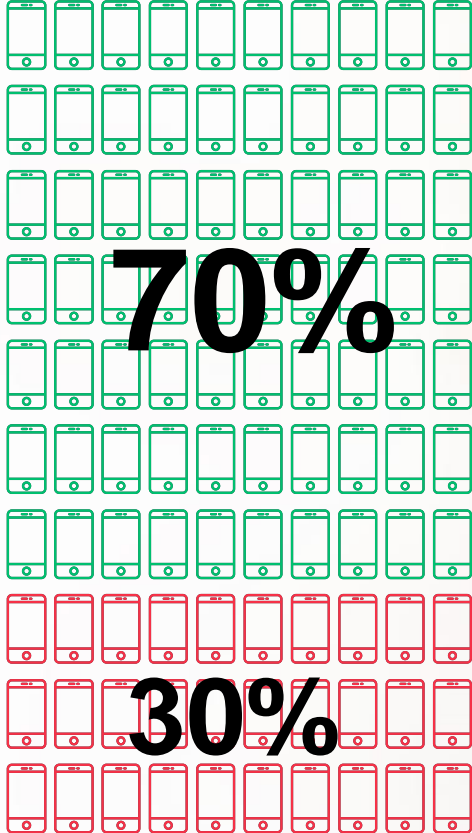
SOLUTION: THE TRUSTED CALLER FLOW™



INBOUND AUTHENTICATION: HOW IT WORKS



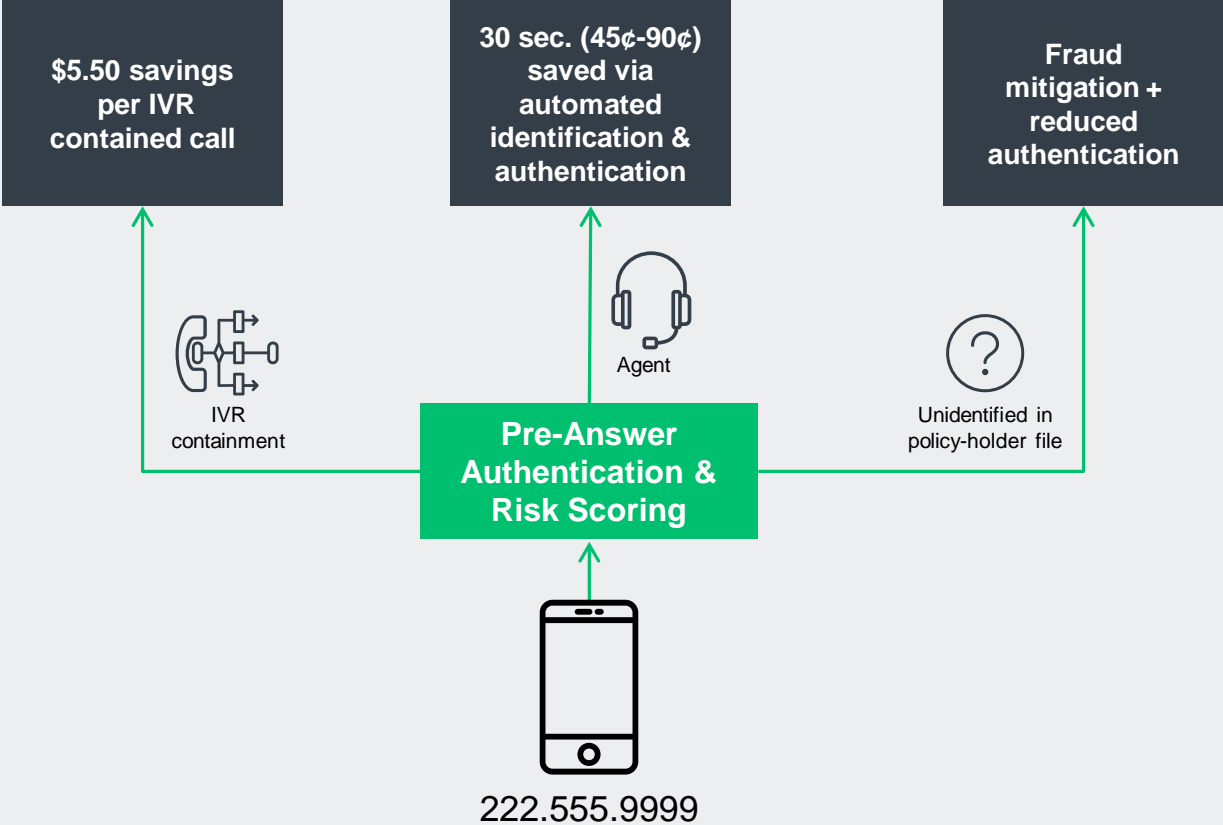
FASTER SERVICE FOR AUTHENTICATED CALLERS



Pre-Answer Authentication
75¢ + 2 min savings per call

Closer Scrutiny

COST SAVINGS ALONG EACH ANSWER PATH



NEUSTAR RISK SOLUTIONS



Mitigate call center and account takeover fraud



Let legitimate consumer interactions through faster



Reduce dependency on KBA questions



Dramatically improve contact center efficiency



Increase customer satisfaction

OUTBOUND DIALING OPTIMIZATION



**Who to
contact**

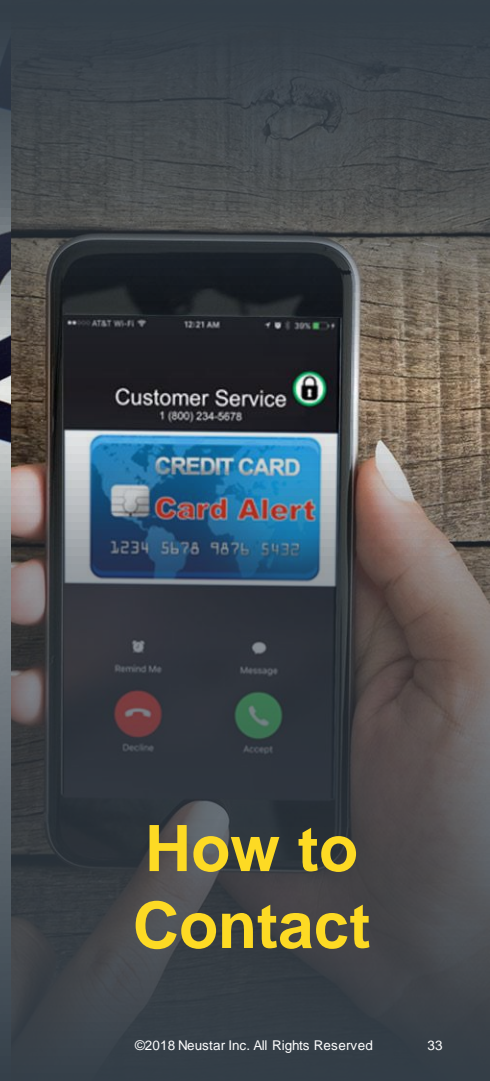
**What number
to use**



**When to
contact them**



**How to
Contact**



Thank you