SOLUTION SHEET
Customer-Centric Approach to Fraud Detection

The Client: Largest Non-Bank Cash Advance Services Provider

The largest provider of non-bank cash advance services in the U.S. has a mission to attract customers by offering straightforward, rapid access to short-term funding while providing high-quality, professional customer service.

The Challenge: How to Improve Fraud Detection Without Damaging Customer Experience?

The cash advance services provider is vulnerable to multiple types of application fraud: first-party, third-party, synthetic, and identity manipulation. The provider was seeking a new partner that could leverage machine learning to help them improve their fraud detection methodology.

Balancing profitability with customer experience was a must: A fraud model that missed fraudsters would lead to economic losses while a fraud model that turned away too many creditworthy customers would lead to a negative customer experience and lost revenue.

Enova Decisions model improved K-S by 78% (0.397 vs 0.223)
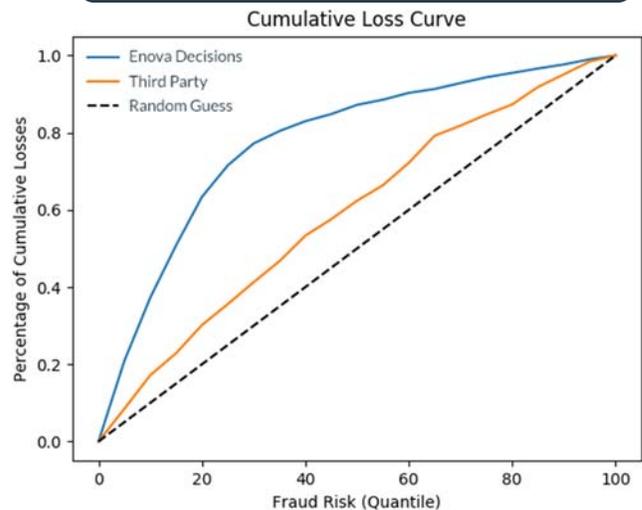
Cumulative Loss Curve

The Approach: Tailored Machine Learning Fraud Model

The cash advance services provider turned to Enova Decisions™ to create a tailored machine learning fraud model. In order to do so, Enova Decisions™ built and tested various machine learning models based off various 3rd-party data products against the leading prebuilt fraud score.

The Results: Smarter Fraud Detection

The new model built by Enova Decisions™ was 78% more effective than the leading prebuilt fraud score at separating out fraudulent applicants from non-fraudulent ones: This would enable the client to reduce total losses by 21% by declining the top 5% of riskiest applicants. Through machine learning, the precision of the fraud model would improve over time. As a result, the client would be able to simultaneously accept more applicants and reduce defaults.

Speak with your representative to learn how we can help your business.

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