WEBINAR

KEEPING FRAUD DOWN WHEN BUSINESS RAMPS UP

PERSEUSS

July 23, 2020

ARC

Presenters

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ARC

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Head of Business Development

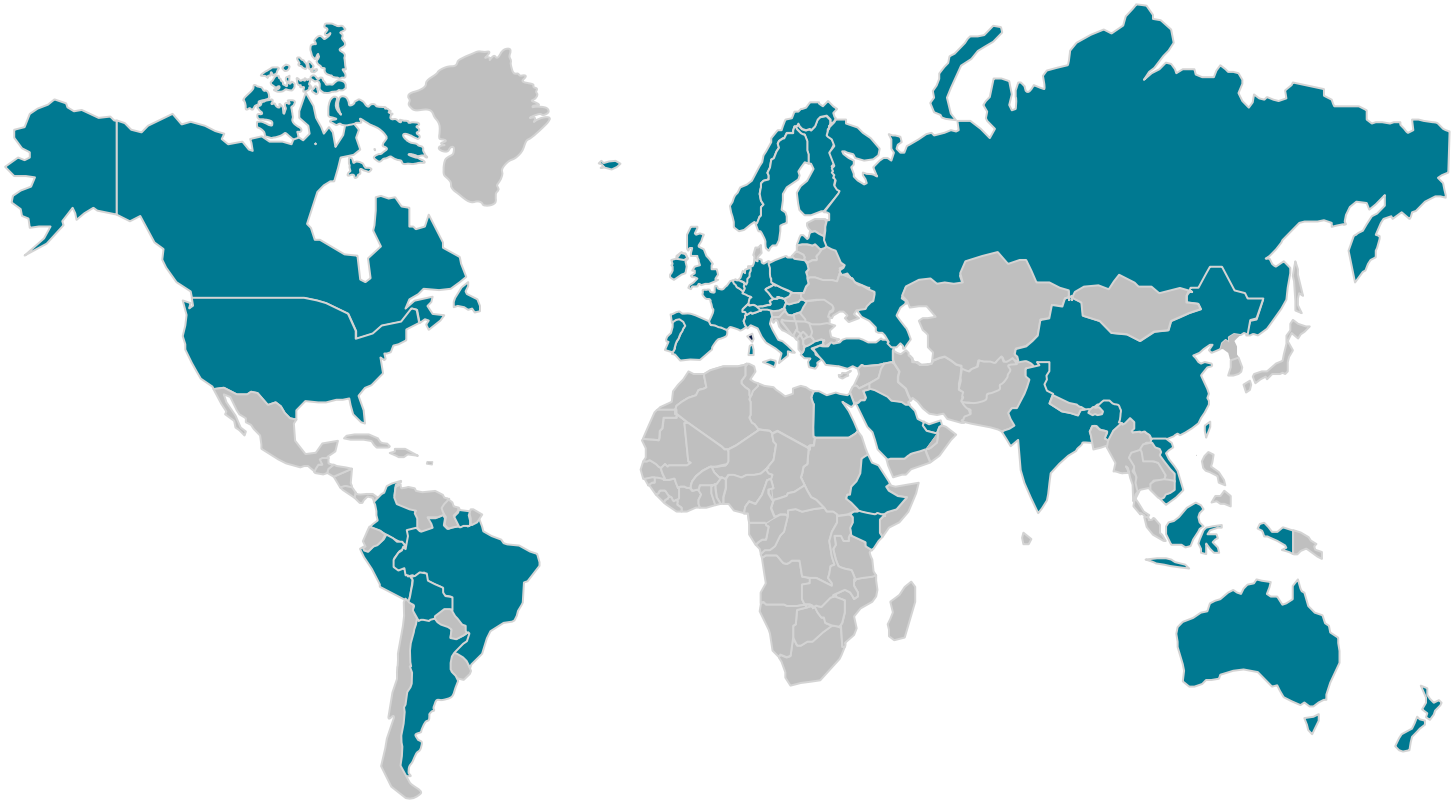
PERSEUSS

Agenda

- State of the industry
- Fraud trends and forecasts
- Our goal: reduce risk
- Live exercise

About Perseuss

The PERSEUSS Contribution to Risk Reduction



29 million
negative data elements

3.2 billion
positive data elements

200 million
transactions processed annually

10,000
new fraud uploads weekly

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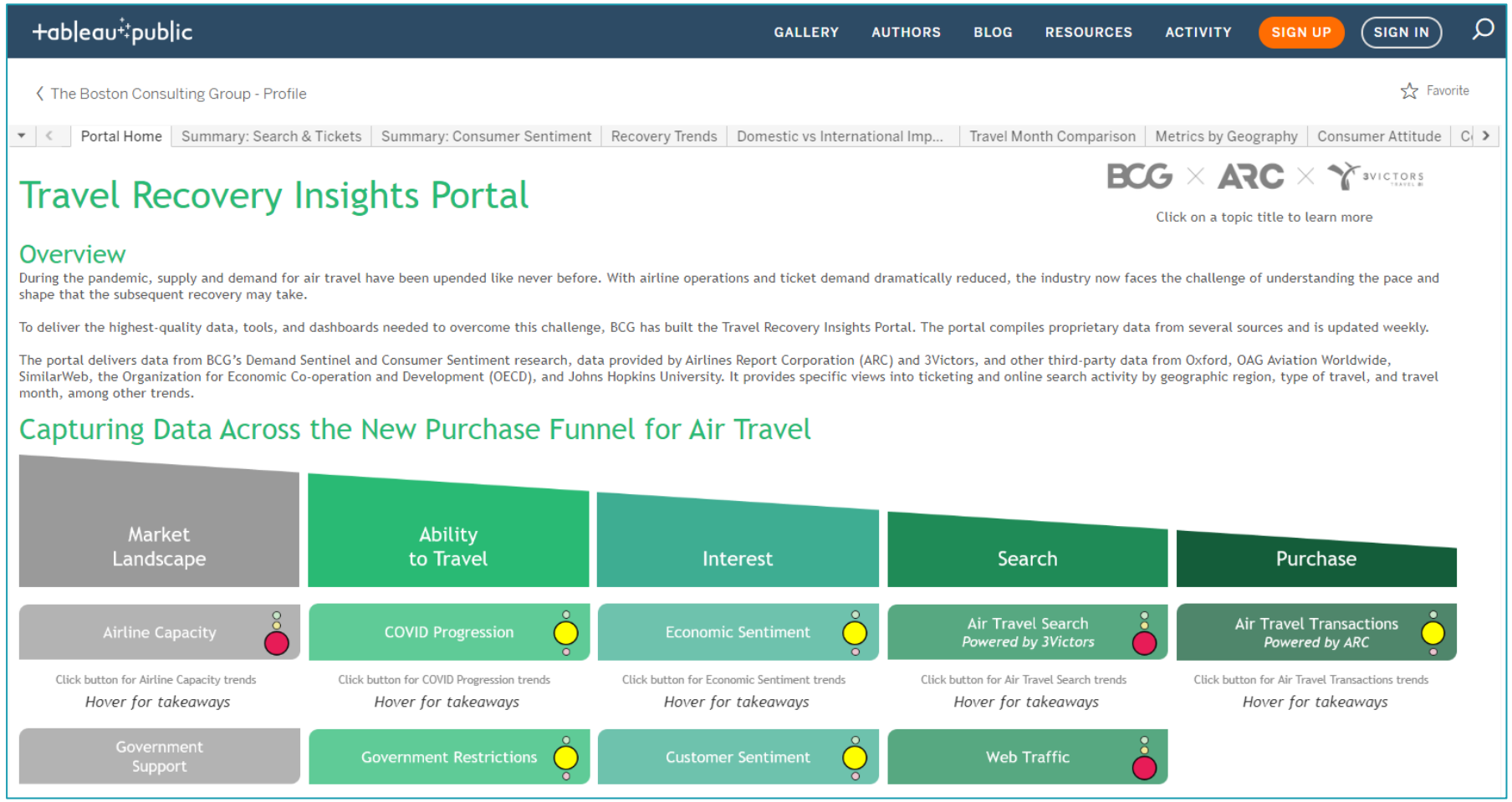
Industry Snapshot

Travel Recovery Insights Portal



Specific views into

- Ticketing
- Online search activity
- Recovery trends
- Geographic metrics
- Type of travel
- Travel month
- Consumer sentiment and spending
- Airline capacity

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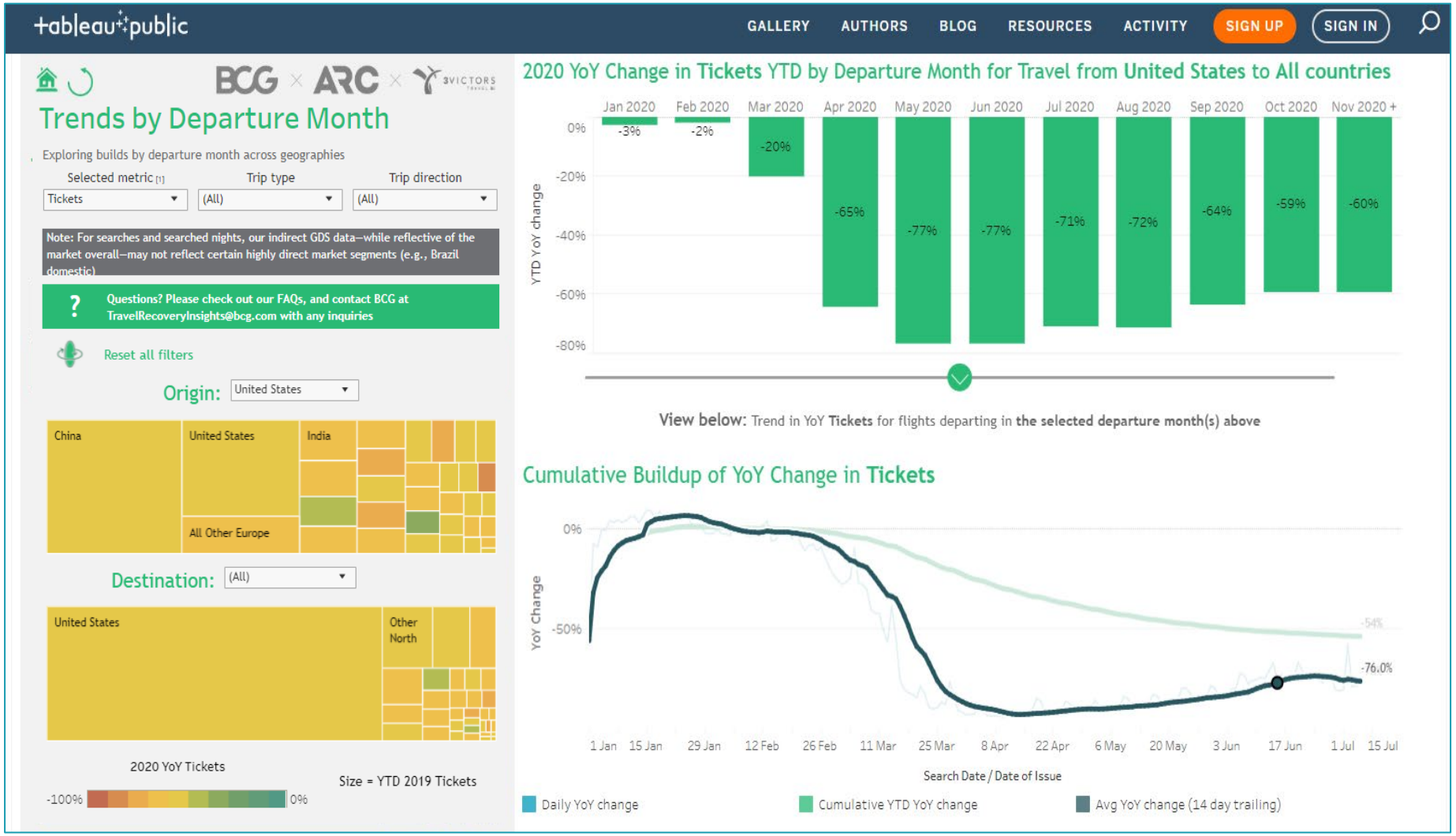
Travel Recovery Insights Portal



Information in depth

- Recovery trends by geography, departure date, flight trait
- Year over year and week over week performance for routes to identify where demand may be returning
- Includes ticketing data and travel searches
- Updated weekly

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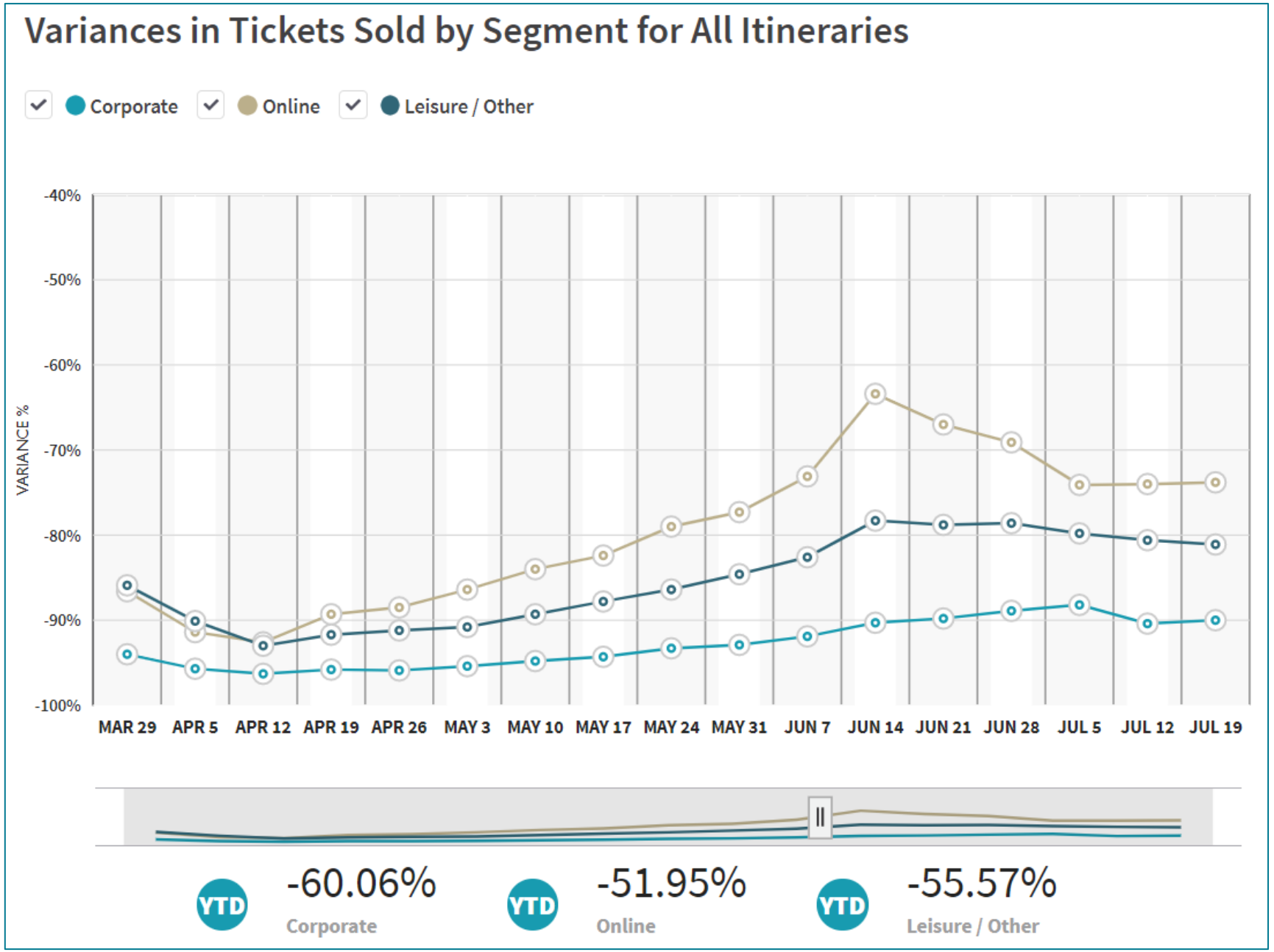

Updated Air Travel Data

ARCcorp.com

Each week, ARC updates tickets sold and sales compared to the same week in 2019 and the year to date.

The data look at ticket variances by week and year to date for three significant industry segments: corporate, online travel agencies, and leisure/other.

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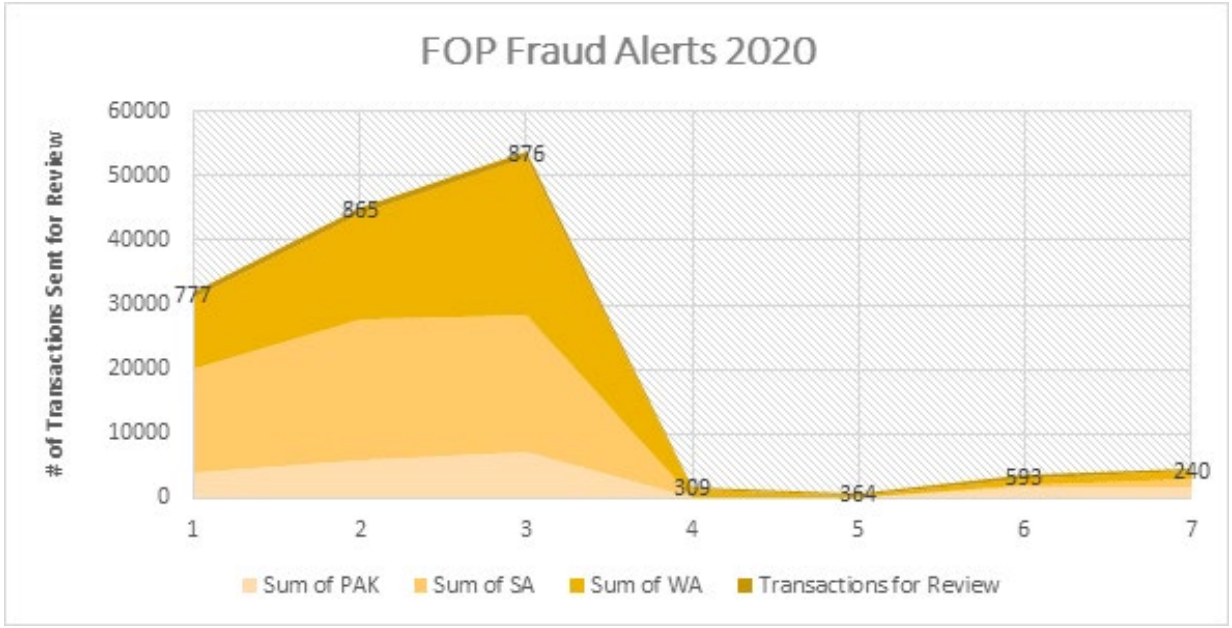
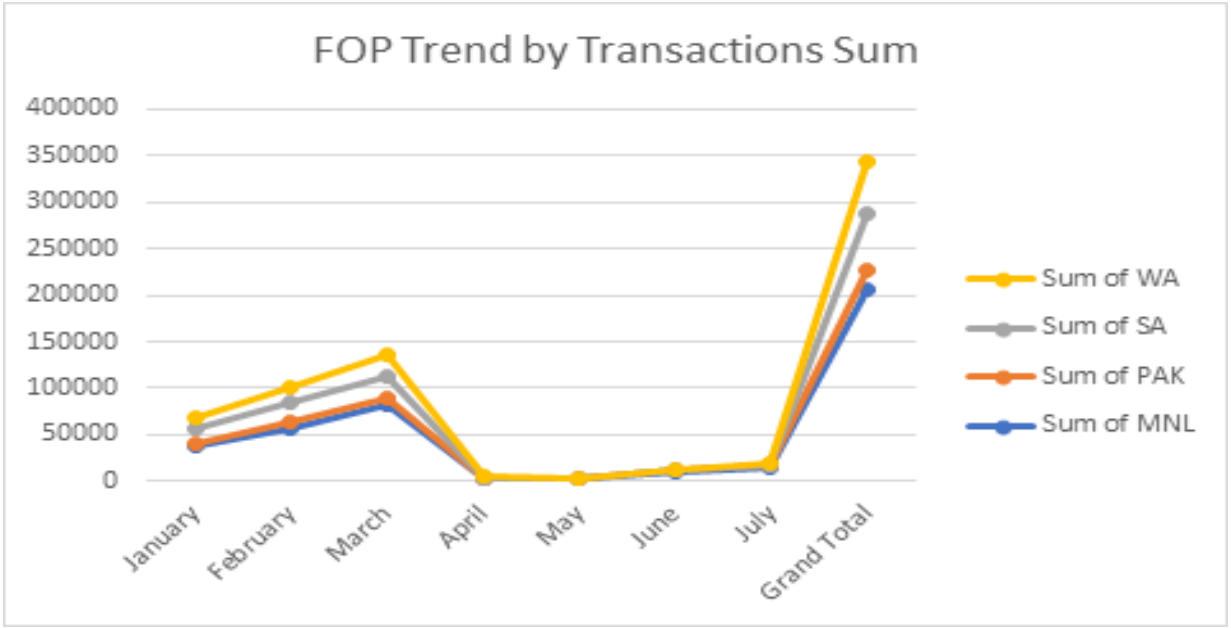
ARC Insights





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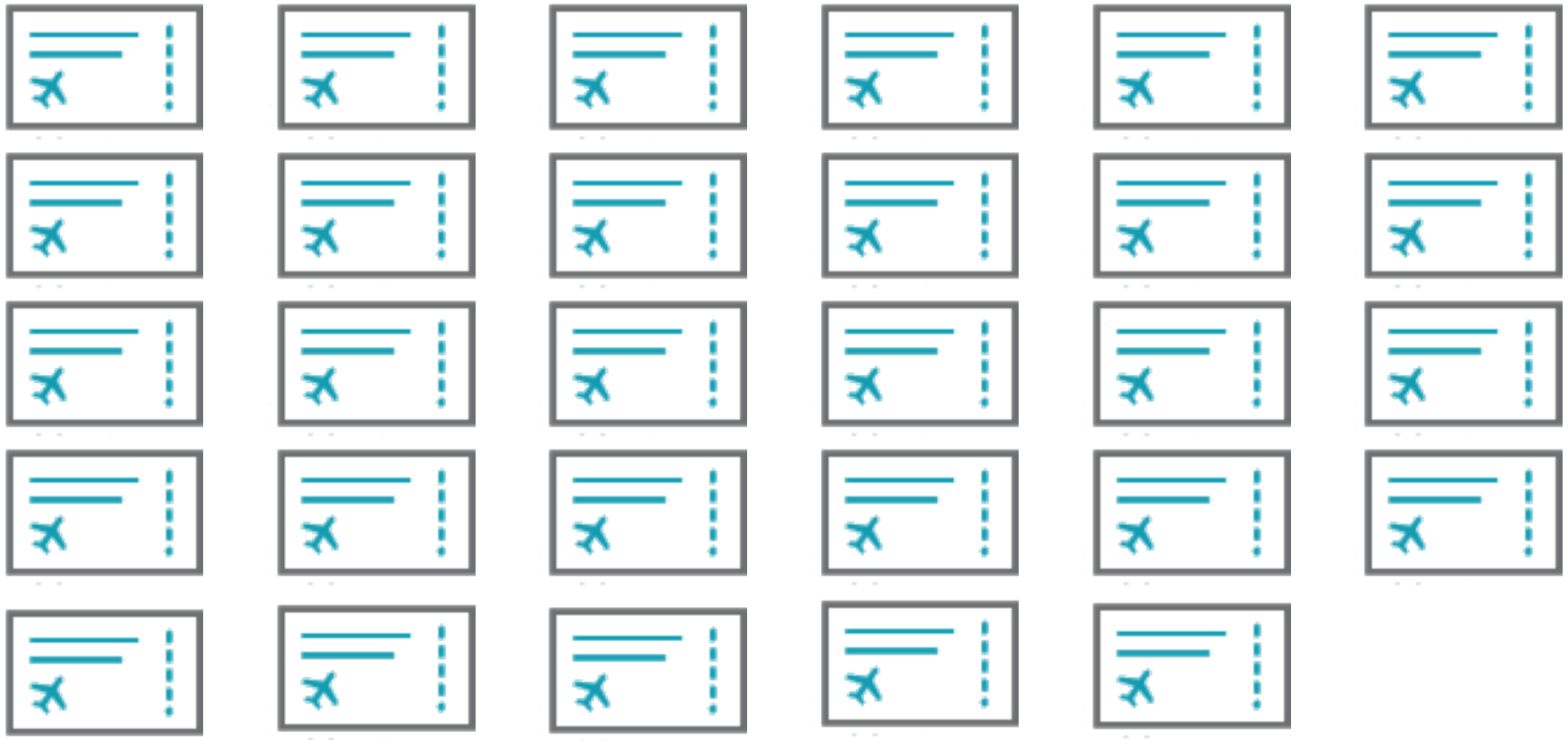
Fraud Impacts, Trends and Forecasts

The Impact of a Chargeback on Your Business



On average, travel agents must sell 29 new tickets to recover from one chargeback and often lose 2 to 3 times the transaction amount.

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Trends to Expect: COVID-19

Part 1. Getting back to "normal"

- Domestic travel is expected to recover first.
- New ways of online communication may decrease need for business travels.
- Mindful travel vs. mass travel.
- Pricing vs. travel budget.
- When will travelers be confident enough to start travelling?
- There is uncertainty where and when people can travel (new technologies are being implemented to fill in this gap).
- New hygienic expectations and standards while travelling: reduced personal contact, enhanced sanitization, temperature checks and social distancing.

Is travel ever going to be the same again?

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Trends to Expect: COVID-19

Part 2. Expectations in Payments and Fraud

- Increase of contactless payment and use of mobile wallets.
- Further shift from card present to card not present payment.
- Fraudsters are not sleeping – any crisis presents an opportunity to criminals.
- There has been a change in booking behavior – even harder to differentiate legitimate from fraud.
- In the travel industry, refund and chargeback problems persist (because of cancelled travels).
- Friendly fraud is flourishing.
- Lack of staff in the travel industry makes it harder to review suspicious bookings.

Fraud levels are expected to increase.

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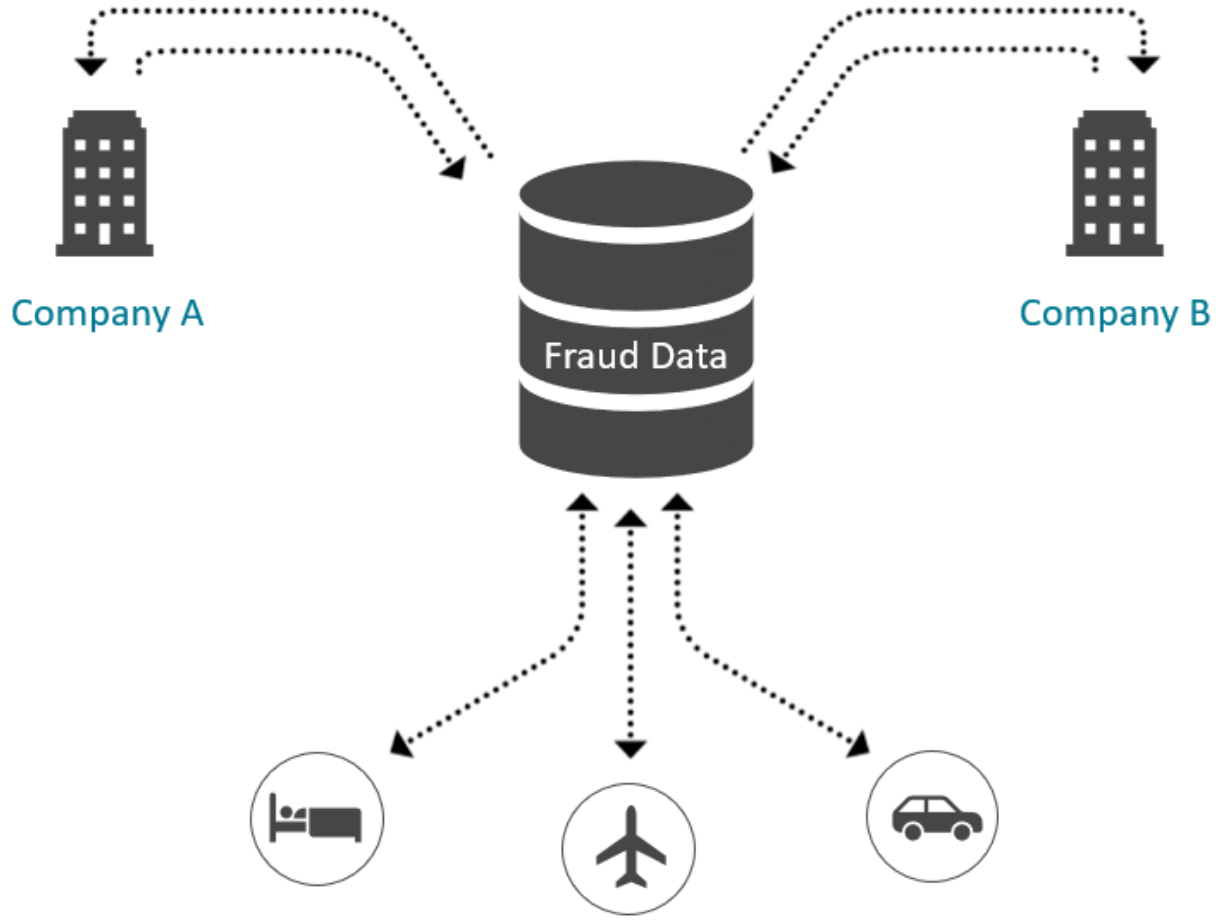
The Goal: Reduce Risk

How Do We Reduce Risk?

1. By relying on patterns of behavior in transactions
   - 80% of the transactions checked, we've seen before
2. From a single cybercriminal to sophisticated criminal groups, fraudsters 'shop' at multiple merchants all over the world:
   - 35% match ratio between merchants
3. Data sharing among businesses worldwide
4. Artificial intelligence
   - automatically calculates risk levels
   - uses confirmed fraud data
   - uses transactional data
   - uses time-based data
   - uses many data sources
   - combines all data elements



The Perseuss data sharing model

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ARC Risk Check, Powered by Perseuss

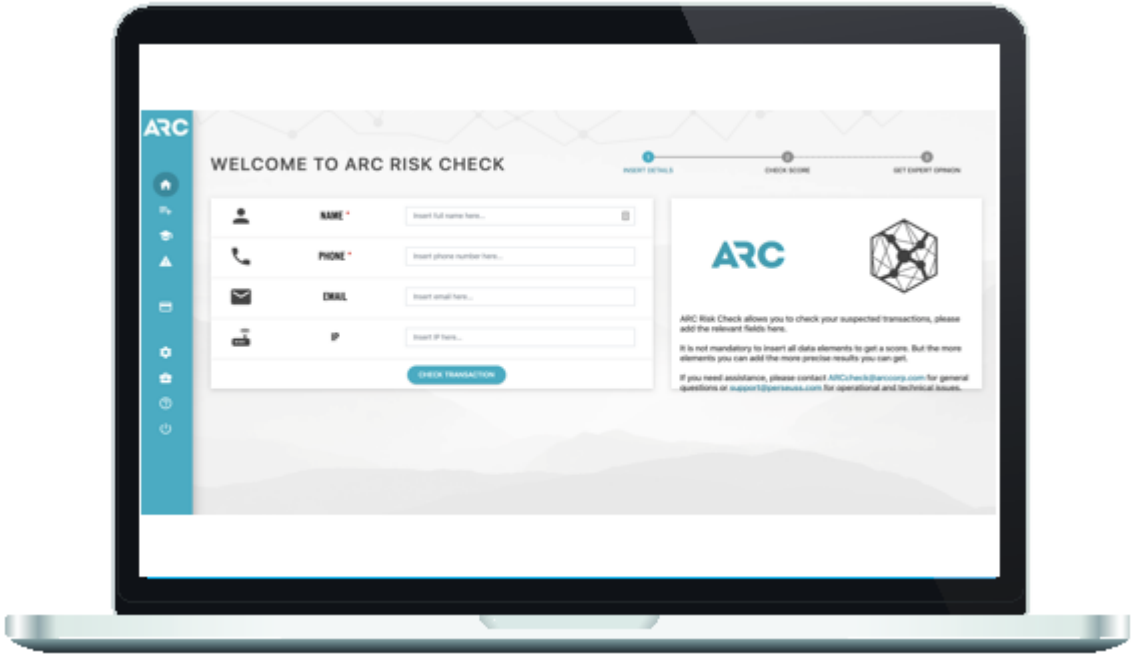
A global fraud-mitigation tool made stronger by the combined intelligence of its participants.

Manual checking – for small and mid-size companies

- Easy to use
- Clear and transparent user interface
- Quick decisons

API – for companies with larger volumes

- Real-time results
- Effective fraud screening
- No manual entry needed



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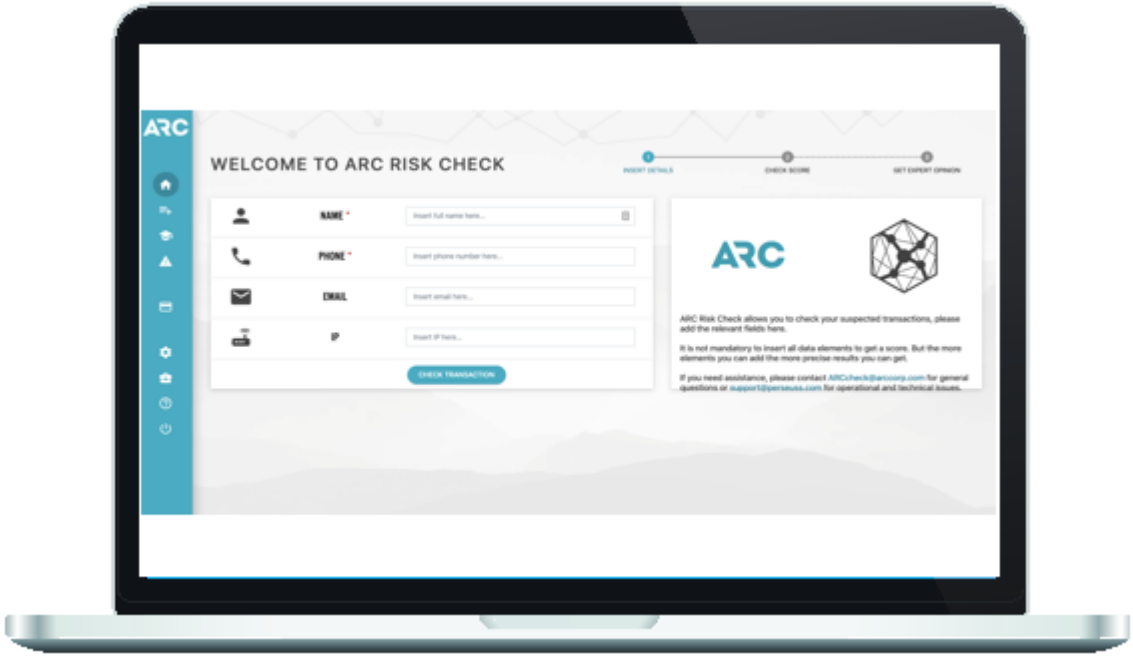
Live Exercise

Free Use of ARC Risk Check

- Prepare for the months ahead with two months of free access
- Easy enrollment
- Supported

"…extremely easy to set up as a manual review tool and our analyst team was able to get started using it right away!"

– Dan Erickson, Product Operations Manager – Fraud, Hopper



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ARC Risk Check Results

- **Gain** Confidence
- **Grow** Business
- **Save** Money

- Check more suspicious transactions because it's easy.
- Process more good transactions.
- See fewer chargebacks & false positives.
- Accept better incoming bookings.
- Call ARC fraud experts.
- Protect your business from fraud cost.

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Thank You for Your Time

Contact Information

- Questions for our presenters
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  - Wouter Opheij, Perseuss
    wouter@perseuss.com
- Free use of ARC Risk Check for two months. Enroll here.
- To report fraud
  - stopfraud@arccorp.com

Resources You Can Use Now

- Travel Recovery Insights Portal (website)
- Travel Recovery Insights Portal "Travel Recovery Trends to Watch" (video insights and a tour of the portal)
- Air Travel Data During COVID-19, Updated Weekly
- Fraud prevention training
- Subscribe to fraud alerts
- Other fraud webinars
- See all our fraud prevention resources

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