Brighterion | Mastercard | AI

Harness the power of AI to reduce transaction-level fraud and merchant risk

$443B

Estimated cost of false declines by 2021

Aite, The E-Commerce Conundrum, 2019

KEY BENEFITS

- Have a 360-degree view of each merchant's business in real time
- Improve customer experience by reducing false declines
- Reduce friction for trusted merchants and their customers
- Have peace of mind from choosing a stable and experienced AI partner

Imagine a world without payments fraud, chargebacks and chasing merchants for repayment. What if you could use real-time AI tools that identify and stop fraud as it happens? Brighterion helps make that a reality.

Predict transactional fraud before it happens

Since the advent of EMV (chip) cards and growing e-commerce sales, the liability for fraud has landed firmly on the shoulders of acquirers and their merchants.

In 2019, $19.21 billion was lost worldwide to payment card fraud.[1] Acquirers were affected by 31 percent of that, and they lost an additional 20 percent to chargebacks.[2]

In an effort to tighten security, merchants and acquirers typically use rules-based solutions that return high rates of false positives, with 62 percent reporting an increase over the last two years. As a result, 66 percent perform manual review on at least half their sales; and half of those merchants end up approving almost three-quarters of those sales. In fact, according to the Aite Group, false declines are such a problem that 79 percent of merchants track false decline rates.[3]

Proactively manage acquirer fraud

Brighterion's AI platform is keenly focused on transaction-level fraud and merchant risk. Using self-learning AI, it automatically updates the system to scan for that fraud in future transactions.

With digital goods, the stakes are even higher than with hard goods. Without a physical delivery address, purchasers are untraceable. Brighterion AI detects fraud before the customers download, preventing another fraudulent transaction.

1. HSN Consultants, Inc., *The Nilson Report*, November 2019.
2. Aite Group, *The E-Commerce Conundrum: Balancing False Declines and Fraud Prevention*, July 2019.
3. Aite Group, *The E-Commerce Conundrum: Balancing False Declines and Fraud Prevention*, July 2019.

Using Brighterion's AI, Worldpay achieved:

20x

Reduction in false positives

1,250x

Reduction in business rules

25x

Reduction in daily alerts

3.2x

Increased fraud reduction

Read the case study

"**Most of the transactions we see that have been generated by the system, genuinely pose a risk to our business. And that's why we use the Brighterion system.**"

Ian Belsham

Global Head of Transaction Monitoring

worldpay

Use case applications

Merchant risk

- Merchant onboarding
- Merchant monitoring
- Fraud and/or collusion, including:
  - Bust-out
  - Identity swap
  - Transaction batch

Transaction-level (consumer)

- False declines
- Cart abandonment
- Chargebacks
- Fraudulent transactions, including:
  - Friendly fraud
  - Unauthorized/stolen credentials

One-to-one analysis provides unprecedented behavioral insights

Brighterion's AI models are based on multiple data points, such as transaction and user history, current activity and account events. When the system alerts your merchants that suspicious activity is in progress, you can intervene before the transaction completes, preventing the expensive chargeback process. Creating profiles for each card, account and merchant, the system also alerts acquirers to unusual merchant behavior.

Limit risk by using AI to continuously monitor merchant data in real time

Case management is an important tool in helping to achieve the merchant monitoring mandate. Brighterion's solution combines demographic and non-monetary data, giving acquirers a 360-degree view of each merchant, their behaviors and their offerings.

- Assess new merchants for onboarding and continued analysis of merchant viability and risk
- Continuously monitor merchant transaction-level fraud in real-time through a consolidated platform
- Provide value-added services to merchants to help them prevent fraud at source while creating another revenue stream for acquirers and PSCs

Perpetual refinement

Unsupervised and supervised learning improves outcomes over time, creating AI models that grow and mature with the ever-changing behaviors of consumer and merchant fraud, and are personalized to each individual. This continuous, automated refinement of the model enables acquirers and PSCs to keep pace with evolving trends and sophistication. False positives are reduced, producing actionable insights that enable staff to focus on investigating legitimate fraud.

$5.145T

Handled by 5 largest acquirers in 2019, up 6.8% over 2018

HSN Consultants, Inc.,
The Nilson Report, 2020

44%

Consumers who stopped shopping at a retailer as a result of false declines

Javelin Advisory Services,
Addressing the Threat of False Positive Declines, 2018

"Brighterion's scalability is over twice that of its closest competitor in this regard, boasting 62,000 TPS in production. Its streaming infrastructure with no underlying databases is a key driver of this impressive performance."

AIM Evaluation: Fraud and AML Machine Learning Platform Vendors
AITE GROUP

Benefit from 99.9999% uptime and extraordinary scalability

While many of our competitors use a selection of legacy database-driven technologies, only Brighterion technology brings a powerful, distributed file system specifically designed to store knowledge and behaviors. This allows lightning speed response times (below 10 milliseconds), end-to-end encryption and traceability for unparalleled credit fraud detection, immense scalability and resilience to disruption. Our customers benefit from 99.9999% uptime.

From data to intelligence in 6-8 weeks with AI Express

Experience the benefits of Brighterion AI technology in as little as 6-8 weeks. AI Express provides the specific tools to solve your unique challenges. Our experts will work with you to develop a deep understanding of your needs and give you hands-on experience with our AI tools. We will help you collect data, collaborate on outcomes and develop your AI model in less than two months, providing the quickest time to value in our industry.

We are so convinced you'll be happy, we build and test your solution before you need to commit.

Contact Brighterion to discover why Brighterion AI is critical to your business

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About Brighterion

Brighterion, a Mastercard company, was founded in 2000 and acquired by Mastercard in 2017. The company delivers a leading artificial intelligence and machine learning platform that provides real-time intelligence from any data source, regardless of type, complexity or volume. The platform secures billions of transactions every month and is used and trusted by many of the world's leading organizations and governments. Our solutions stop payment and acquirer fraud, reduce credit risk and delinquency, fight financial crime, prevent healthcare fraud, waste and abuse, and more

Brighterion AI is a patented technology with self-learning processes. The company has received multiple awards including the Innovation World Series Award and the Morgan Stanley Fintech of the Year Award. Brighterion was designated a 2017 Cool Vendor by Gartner, Inc.

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