

CASE STUDY

Wireless Industry Leader

1Kosmos BlockID identity verification and identity proofing solutions are widely used in the telecommunications space to power safe and reliable transactions in both retail and digital workflows.

In the telecom industry, fraud resulting from insufficient ID verification procedures can take months to be discovered. And with every day that passes, a company loses money, loses trust, or lose brand integrity. That's why telecom companies need an effective, accurate, and seamless solution to easily onboard and authenticate customers.

THE CHALLENGE

A Legacy Authentication Process That Cost Time & Money

A wireless industry leader came to 1Kosmos looking for a solution to aid with the rising fraud losses they were suffering in retail and online transactions. Fraudsters used fake IDs to open accounts and acquire cell phones under false identities. These fake IDs were incredibly difficult to detect- and just as easy to create.

The fraudsters exposed a multichannel issue in the company's authentication process. In fact, fraud didn't stop at fake IDs; increases in fraud types like SIM swap, mule fraud, delegate fraud, friendly fraud and even employee fraud meant that they needed a comprehensive solution, fast.

Prior to working with 1Kosmos, company retail employees manually authenticated the IDs of customers, a lengthy, error-prone process. The wireless carrier's team utilized manual ID verification processes that focused on looking at images of the IDs, but spotting easy-to-buy, high-quality fakes was too difficult. If the retail employee could not validate the ID, they moved to a step-up review process that utilized knowledge-based authentication. Because more sophisticated fraudsters had much of this customer information on hand, fighting fraud was nearly impossible.

To create an authentication solution for both digital and retail workflows, 1Kosmos needed to utilize a powerful suite of identity proofing technologies, from document capture, classification, and authentication, to selfie capture and facial recognition with sophisticated anti-spoofing capabilities.

1Kosmos began working with this company in November 2019 and saw the COVID-19 pandemic quickly shift end user orders from retail more toward digital, meaning there was a greater opportunity for fraud, and a more urgent need for a fraud-stopping digital authentication and verification solution.

“The most complete way to authenticate a customer - not even just for fraud - is by using 1Kosmos BlockID.”
- Wireless Industry Carrier Executive



Industry-Leading Results

“We tried lots of vendors, and sometimes they worked, and sometimes they didn’t. 1Kosmos was different. No matter what we tried, we could not get 1Kosmos technology to fail. The tool works, and the ease of use is unmatched. And it stops fraud.”

Wireless Industry Carrier Fraud Manager

For customers, 1Kosmos’ solution offered a better user experience with less friction. With the 1Kosmos solution in place for retail, the company achieved a historic drop in fraud in its stores, with industry-low retail fraud rates. The solution also reduced onboarding time for retail customers, with an amazing 97% successful transaction rate.

On the digital side, the 1Kosmos solution improved the successful transaction rate for digital faceless transaction to an industry-leading 86%. This streamlined onboarding provided the company with a powerful ROI: it saved on operating expenses while also saving millions by fighting fraud.

RETAIL

50%

Reduction in retail transaction time

97%

Successful retail transaction rate

IMMEDIATE ROI

89%

Reduction in Fraud on Day 1

95%

Fraud Reduction Today

THE SOLUTION

A True KYC, Fraud Fighting Solution

At its core, the company wanted to ensure they knew each customer: a streamlined, foolproof method to authenticate could not only mean they knew who they were doing business with, but that they could prevent a variety of fraud types as well.

1Kosmos was able to rip and replace an old, complex, unreliable legacy system with superior technology. For retail customers nationally, 1Kosmos implemented its 100% automated, instant ID document verification solution. This solution utilizes proprietary technology that combines machine learning and AI to review 2,000 unique computer vision data models to verify an ID’s authenticity, ensuring even the most sophisticated fake ID documents were caught.

The time savings for company employees was significant. Within just a few seconds, 1Kosmos software provides a pass/fail decision. While a normal retail transaction took between 15 to 20 minutes to authenticate and complete, by using 1Kosmos technology, the overall handled was reduced by 50 percent. Fraudsters were being detected in just seconds. Accuracy mattered as well. With 1Kosmos, the accuracy and quality of document scans was paramount, as customers were attempting to purchase potentially thousands of dollars worth of phones. This industry leader uses many policies and processes to eliminate a fraudster from taking a device from a retail location which were augmented by 1Kosmos solution.

For both call center and online customers, 1Kosmos implemented ID document verification and Biometric Authentication. 1Kosmos’ Biometric Authentication utilizes cutting edge, PAD 2 iBeta certified technology to ensure the person in possession of an ID and opening an account is the same person that matches the ID. When a customer is flagged digitally, the order is forwarded to a manual review process for additional document requests and further investigation.

About 1Kosmos

©2022 1Kosmos Inc., All rights reserved. 1Kosmos BlockID is a distributed digital identity platform supporting both business-to-employee and business-to-consumer services that easily integrates with existing operating systems, applications, and IT security infrastructure to perform strong, verified identity-based authentication – eliminating the need for passwords, one-time codes, and more. By simplifying identity infrastructure, 1Kosmos drives both cost savings and user convenience while securing businesses and individuals from the harm and inconvenience of identity fraud.