



5 Traits of Companies Successfully Preventing Fraud and How to Apply Them in Your Business

An IDology, Inc. Whitepaper

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No matter how big your company is or what industry you are in, every business typically has the same goal:

Improve the bottom line.

Successful companies reach this goal in several ways including minimizing risk and loss. With \$49 billion lost to identity thieves in 2006¹, it might seem daunting to protect your business from fraud. Yet many companies are doing it and can be recognized by 5 key traits. The good news is every single one of these traits can be cultivated in your business so you can successfully prevent fraud.

So what are they?

#1

They have a deep understanding of where fraud occurs most.

It seems like a simple rule to running a business but you would be surprised at how many companies do not have a good handle on where and how much fraud is occurring in their business. Without this knowledge it is difficult to control losses and defend a business from fraudsters. Companies with low fraud rates are able to identify which distribution channels have higher fraud attempts, what product or service is at a higher risk, and also the common signs of fraud in their business and what type of suspicious activity to monitor. They also know that having too tight of a fraud screen in place costs them lost revenue and so they have learned to balance revenue and customer satisfaction while lowering fraud.

1. Javelin Strategy and Research and the Better Business Bureau, 2007 Identity Fraud Survey Report, February