Forget the Kids! Did Alexa Just Use Your Credit Card!?

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Consumer Demand + FinTechs + Regulation & Standards = Increase in Transaction Volumes (and fraud...)

RSA Conference 2020
The Authentication Challenge
The Reality Outside

(or: stop “buzz-wording” already!)
What are the Bad Guys Up To? A bank account checker
Bad guy looking for auto-exploits and botnets
Hello everyone, I am coding bruts and checkers (Web / Android API / IOS API).
Basically I develop Bank, shops, credit unions.
Prices are affordable, depending on the service (starting from $30).
Bypass SSL pinning, CloudFlare.
Sensordata, incapsula, x cbt is not bypassed yet.
There are also ready-made software.
Communication: cart under the profile.
If the software is ready - then pay in advance.
Warranty is possible if you need.
Support: until they introduce protection that I can't get around.
Wallet Brute Checker API found on Russian Underground

Works through the main [site] and possibly authorizations through third party merchants

Good speed work, doesn’t slow down

Works well even on public proxies

Some add-ons may require payment (API Brute, Regchecker, and others)
Traditional Online Fraud Channels

Online Payment Fraud

- Skimming is becoming high art
- Dark Web Sales
  - In Q3 2019, 5.1 Million compromised credit cards and credit card previews recovered.
  - 26 million unique payment cards (and payment card previews) – 23% increase over 2018.
  - 90% of such cards map to consumers in 15 countries.
  - Consumers should monitor their credit card and bank statements at higher frequency
Attacking the P2P Channel: Getting hit and “Getting it”

“Do yourself a favor and run, don’t walk as these two scumbags are nothing but a scam.

Paid for 4 tickets for the 1/9 game to John Doe who said once funds clear he’ll send me the tickets. Next day, no tickets and no further texts.”

“They insist on Apple Pay, Zelle, or PayPal Friends & Family. This way when they steal your money there are no resolutions to get your money back.”

“These %!@#!’s are still going at it here...the 4 tickets I paid for on 1/9 are still being listed as available.”

“I’M NOT GOING AWAY.”
Defeating the One Time Password in Peer to Peer Payments: The Evolution of an old idea

USA Peer to Peer Payments: Defeating One Time Password’s with ‘bots’

Southeast Asia Online Banking: Defeating One Time Password’s with People
The Personal Voice Assistant

Such Banking is Read-Only – Privacy Violations Are A Threat

These Wallets Can Move Money – Convenient for you and ... the Fraudster
So, now what?! 

(or: follow us to save hundreds of thousands of dollars!)
Increase Omnichannel Visibility
Increase Omnichannel Visibility

Phone Channel Data
Data elements from the call-center channel

Online Banking Data
Data elements from the web and mobile channels
Increase Omnichannel Visibility

- **Online Banking Data**: Data elements from the web and mobile channels
- **Phone Channel Data**: Data elements from the call-center channel

3 Week POC
2.0% FDR improvement
$44.1K Fraud Savings (Payments)
Increase Omnichannel Visibility

Phone Channel Data
Data elements from the call-center channel

Online Banking Data
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Increase Omnichannel Visibility

- Online Banking Data
  - Data elements from the web and mobile channels

- eCommerce
  - Data elements from the Pay-by-Bank channel

- Week POC: 9
- FDR improvement: 2.7%
- Fraud Savings: $131.4K

(Payments)
What have we learned?

(That digitalization is creating opportunities and threats all around...? Well, duh!)
Key Takeaways & Applications

- In the immediate timeframe you should:
  - Identify existing and future channels with cross-channel risk (i.e., online/P2P + call center)
  - Identify whether data can easily be shared across channels (and implement)

- Over the next 3-6 months you should:
  - Define an omni-channel anti-fraud strategy
  - Consider how your (consumer) identity strategy fits in

- Over the next 6-18 months
  - Implement omni-channel fraud strategies to reduce cross-channel and in-channel fraud.
  - Keep your solution flexible for future channels
THANK YOU FOR ATTENDING!