

UniCredit Bank Austria

Controlling risk with minimised fraud loss and accelerating return on investment

Challenge

Effective risk management, including fraud prevention, is key to maintaining long-term growth and profitability. However, UniCredit Bank Austria was experiencing an increased number of fraudulent loan applications throughout the Central and Eastern Europe (CEE) region. The credit risk-orientated processes could only partially mitigate the losses from those applications.

This resulted in costly processes for underwriters and relationship managers controlling application fraud.

To address the problem, the bank wanted to introduce a new process with a four-pillar approach encompassing organisational changes, improved processes, and enhanced reporting - supported by a robust application fraud tool.

The bank searched for an application fraud system that would enable them to detect and prevent fraud throughout the loan cycle.

UniCredit Bank Austria is proud of its reputation for customer service. The bank has been repeatedly awarded 'Best Bank' and 'Bank of the Year' by Euromoney and The Banker, and it was important that the new system would maintain its commitment to exemplary service.

Resolution

UniCredit Bank Austria selected Experian's Hunter application fraud tool for its Austria data centre servicing the CEE region.

About UniCredit Bank Austria

It is the largest bank in Austria. Created through a merger of Austria's three largest banks, it has been a part of the UniCredit group since 2005.

“With Hunter we have an excellent application fraud system which paid for itself within its first few days of operation. Risk is contained with reduced fraud losses and improved operational efficiency, enabling us to maintain our market-leading position.”

— **Catalin Militaru**, Fraud Manager, UniCredit Bank Austria

The bank chose Experian because of its strong financial services reputation, its experience implementing Hunter systems around the world, and Experian's strong local presence and global fraud management expertise.

Results: Agile risk control without compromising service

Hunter enables UniCredit Bank Austria to minimise fraud, while maintaining its commitment to customers. The system highlights potentially fraudulent applications, while allowing genuine customer applications to be automated for rapid processing - and superior service.

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Rapid deployment and superior return on investment

Bank deployed its Experian system quickly, creating a basic version that could be easily localised and rolled out to four countries within 12 months. The system immediately enabled UniCredit Bank Austria to implement improved data control across the bank, to proactively detect higher volumes of fraud, and identify fraud trends and patterns.

UniCredit Bank Austria expected to achieve significant savings with the implementation of Hunter, and the system delivered impressive benefits even sooner than expected. On its first day of operation, Hunter detected a high volume fraud, delivering a full return on investment just days after going live.

Now deployed in six countries, UniCredit Bank Austria can apply its coordinated fraud strategy to achieve significant savings, minimise losses, and boost operational efficiency - while providing the service its customers have come to expect.

Business benefits

- Return on investment achieved within the first few days of operation
- Integration with the application process, giving consistent fraud protection
- Reduced fraud losses
- Improved operational efficiency
- Flexibility and control to tackle new fraud trends and add new products to the system
- Customer service levels maintained with rapid processing of non-fraud applications
- Future possibility of data sharing