

Using Customer Location to Enhance Service and Reduce Fraud

As your customers travel more than ever before, they expect to be able to access their money wherever they are. This desire for an on-demand service from the banks presents additional customer service and fraud challenges. Being able to factor in a customer's physical location can enhance service and reduce fraud.

A common complaint from customers is that when they are travelling they frequently have either their credit or debit card blocked when attempting to use it. Too often a customer's first use of a card within a different country leads to the transaction being rejected. The customer then has to make an expensive international telephone call to the bank's call centre, navigate through to the appropriate department, and request that the block is lifted.

These "false positives" on fraud prevention impact the customer experience and whilst helping to protect the bank does so at the expense of the relationship with the customer. It may also incur significant cost to the bank through a combination of call centre overhead and customer expense reimbursement; the bank is also at risk of the customer choosing a competitor's card to complete their transactions. For a customer that is visiting multiple countries, this process may have to be repeated for each destination.

This happens because the bank has no way of determining where the customer is physically located when a 'cardholder present' transaction is taking place.

Misys GeoGuard

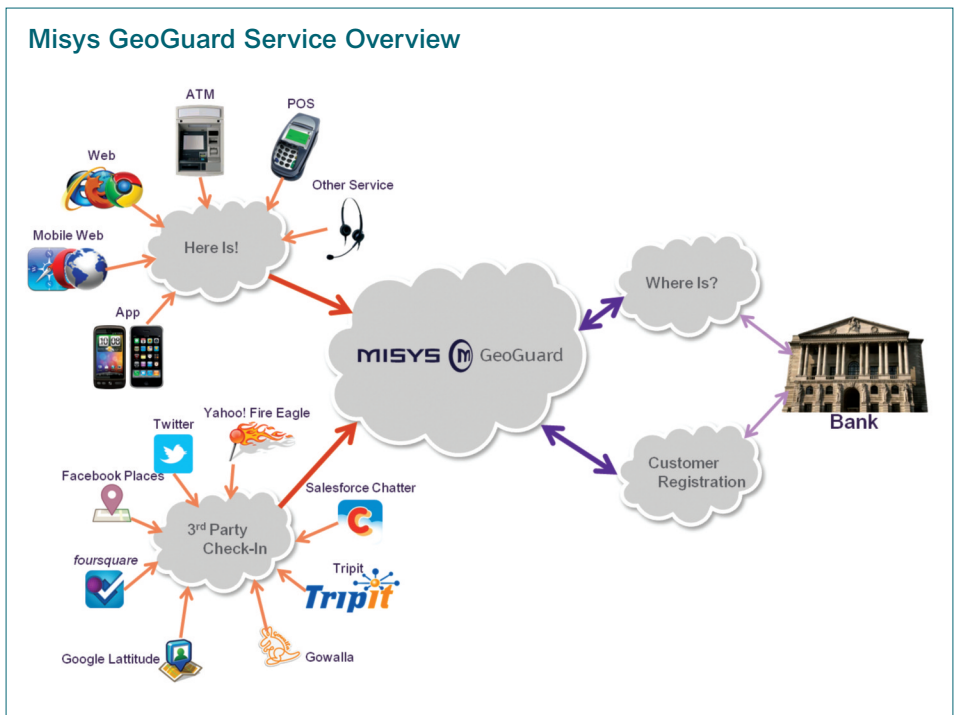
Social networks are pushing the trend for people to share their location information. foursquare led the way, putting social networking back in to the physical world as well as the virtual. Facebook has subsequently followed, with Facebook Places, where approximately 100 million users regularly "check in".

Misys GeoGuard is a location aggregation service that collates such location information and enables banks and other organisations to request the most recent location information that a customer has provided, regardless of the location services they use. Where a customer uses multiple location services, Misys GeoGuard will ensure the bank is returned the most relevant result for the customer.

Fully within the control of the individual, they must grant the bank permission to access the location information that they specify. This is managed through the bank's existing channels, ensuring that the relationship continues to be directly between the bank and its customer, and is not handed off to a third-party.

Examples of how customer location can be integrated in to the banking business process:

- + Geographic rules on card usage**
Prevent false-positives on card-blocks based upon out-of-character locations.
- + Card Geo-Lock**
Prevent a card from being used for any cardholder present transactions unless the customer has "checked-in" within user-defined parameters based upon radius and time.
- + Card Geo-Fence**
Extend the Card Geolock to allow customers to define pre-approved locations within which there is no requirement for them to check-in.
- + Geo-Alert – Location Based Alerts**
Receive notifications from Misys GeoGuard when a customer crosses either customer-defined or bank-defined boundaries, for example when arriving in a new country. Alternatively an alert could be generated when a customer "checks in" to a specific location.



Misys GeoGuard allows the bank to start this journey towards the social network world in a tightly controlled way: data travels from the social network to the bank, and not the other way.

By offering customers the ability to improve the service they receive from their bank by approving access to their bank's application sets the foundation for wider ranging services to be delivered in this way in the future.

Location as a Service

Misys GeoGuard has been built on the leading cloud platform Force.com. Operated as a service, there is no on-premise software or hardware to install. Security, scalability and availability are all handled by the proven Force.com infrastructure.

Misys professional services can work with the bank to understand and deploy the integration that would be required to build customer location into banking business processes.

Check-In versus Tracking

By leveraging existing social network services that incorporate location information, such as Facebook, foursquare and Twitter, your customers' behaviour need not change – they do not necessarily have to access a specific bank service in order to provide their location information.

Of course, many people may not wish to use social networks for this purpose, and Misys GeoGuard caters for this by allowing the bank to integrate the check-in process directly within their own channels – for example embedding a location check-in within a mobile banking app.

An alternative might be to track a customer - for example continually determining their location based upon triangulating mobile phone mast data. However, tracking is considered by many to be an invasion of privacy.

By contrast, checking-in - either through the bank directly or via social networking - always means the customer is in control of their location information. It is up to them to decide when they wish to declare their current location, and to whom.

Starting the social journey

Many banks have been facing the challenge of how, or indeed why, the bank's services should be delivered via the ever increasing social networking world.

The need is becoming ever more apparent – for many of the bank's customers their personal choice of social network is their primary, if not their only exposure to the internet. This generational shift back to a walled-garden approach to the internet could lead to stalled adoption of online banking, which for many banks is now their primary service channel.

For more information on Misys GeoGuard please visit: www.misys.com/banking

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