



Wireless Banking and Fraud Prevention through Innovation and Dedication

BACKGROUND

Garanti Bank is the third largest private bank in Turkey. With 462 branches across Turkey and foreign branches in Luxembourg, Malta and Northern Cyprus, Garanti provides retail, corporate and private banking services to over 6 million customers. Operating in an extremely competitive global environment, Garanti's success is based on meeting customers' needs and being a trusted advisor. Communications are the bedrock of excellent customer service—be it via a face-to-face meeting, video conference, telephone conversation, letter, fax, email or now, by text message.

“Being able to stop fraud at its earliest stage has been crucial to Garanti—not only to decrease fraud losses, but also to improve consumer confidence and loyalty.”

KORAY TURFAN | Fraud and Security Manager | Garanti Bank

CHALLENGE

Garanti Bank has always been quick to recognize how harnessing technology can help it deliver superior levels of service. It was keen to provide its customers with the ability to access their bank accounts on the move—wherever they were in the world. The answer was to send information and alerts via text messages direct to its customers' mobile phones. This service allows customers to check the balance of their account, monitor the due dates and balances of credit cards, request a loan, top up their mobile phone, and even transfer money—all through their mobile phone.

Just as important to the bank's customers as ubiquitous access was security. Garanti sought to provide a way to alert customers immediately to any high-risk transaction taking place on their account.

SOLUTION

Garanti turned to two leaders in the field, MasterCard, for their cutting-edge fraud prevention application Dynamic Monitoring System (DMS), and mBlox, the world's largest mobile transaction network. MasterCard integrated a connection to the mBlox messaging platform with the DMS system, enabling a turnkey SMS capability for its transaction monitoring function. The combination of MasterCard DMS with the mBlox messaging capability provides customers with an end-to-end solution that defines the message triggering criteria based on the account/transaction behavior pattern. Furthermore, this interface specifies both the SMS content and target destination for each individual triggering criteria.

This system enables Garanti to alert customers immediately to any high-risk transaction taking place on their account. In the case where a high-risk transaction is identified by the DMS system, bank customers immediately receive an SMS to verify their transaction. If the consumer believes a fraudulent transaction has been committed, the bank can be notified to block further activity. This speed of response means cards can be blocked in a matter of minutes, reducing the number of fraudulent transactions and the impact for the bank. Furthermore, creating an early detection system with automated alerts also frees up time for call centre staff to deal with other urgent requests.

"The necessity for a secure, simple, and effective fraud alert tool is obvious," says Koray Turfan, Fraud and Security Manager at Garanti Bank. "Not only have we been able to detect £800,000 (\$1,236,000 USD*) of fraud since the beginning of the program, but we have protected over £3,000,000 (\$4,635,000 USD*) at risk in these accounts. By detecting fraud early, we have also enhanced customer satisfaction and confidence. In addition, by delivering a cost-effective way of detecting fraud we have been able to cut communications costs, yet still remain one step ahead of our competitors."

*Using a conversion of 1 EUR = 1.54 as of June, 2008

"Finally, a fraud alert system that can immediately provide customers with the critical information necessary to detect fraud."

KORAY TURFAN | Fraud and Security Manager | Garanti Bank

BENEFITS

The introduction of MasterCard's fraud alert system has been a huge success for Garanti Bank. The enormous penetration rate of mobile phones worldwide, along with the ubiquitous nature of connectivity and user proximity of such mobile devices, make them an increasingly important channel for banks to reach retail customers (building on the existing channels which include branches, ATMs, Internet banking and phone banking). For Garanti, the introduction of its fraud alert system has enabled it to build on its rich tradition of innovation to deploy a service which, since its first implementation, has prevented hundreds of thousands of Euros worth of fraud and increased the productivity and efficiency of call centre operations.

In addition, the system has resulted in substantial improvements to customer satisfaction and confidence. As Turfan explains, "since the initial roll out we have seen 99.92% customer satisfaction reported through our call centre. In an increasingly competitive marketplace we are only touching the surface of the benefits this will bring. "Whether at home, at work or on the move, Garanti's fraud alerts will guarantee its customers a more secure banking experience."

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