

## Pay Now or Pay Later: Obtaining ROI from Security Solutions

Determining an ROI from security solutions is difficult at best. The reputational costs of a data breach are also hard to measure, as are the cost savings from various fraud prevention solutions. But one thing is certain: criminal attacks on the Internet have created a serious channel risk for credit unions' e-services offerings and they must do everything within their power to secure this channel.

Because the Internet is such a great place to gather information, many people don't realize that Net-related data compromises often manifest themselves in the physical world. Fraud that occurs at the branch or the telephone banking system channels may have originated on the Internet. When they secure the online channel, credit unions are protecting the most convenient, cost effective and loyalty building channel that they have in place. For every member that uses the Internet to conduct their financial business, the credit union is saving money over an expensive branch visit.

The FFIEC guidelines are making it easier for IT Departments to justify their budgets for mutual authentication solutions and even greater security measures. At Digital Resolve, we have been developing innovative approaches to online authentication for years. In fact, we were the very first company to introduce a privacy-sensitive online fraud prevention solution designed specifically for financial institutions, and the only company providing a single-source solution for both online fraud and identity theft prevention that leverages IP Intelligence.

The fact is that members can only do so much to protect themselves, so it is up to the credit union to protect both the "front and back doors." Our Fraud Analyst solution employs sophisticated behavioral profiles to protect members and credit unions - there are no troublesome software downloads, expensive hardware or cumbersome images involved. By looking at a whole array of information such as last time and date access, past login patterns, IP geo-location and other patented IP Intelligence factors such as domain name, Internet Service Provider, and more, we establish a "digital identity" behind the scenes. If there are any discrepancies, we can challenge the login attempt with personal questions, or even go to out-of-band solutions depending on the credit union's risk tolerance levels.



**Dennis Maicon**  
Executive Vice President

Since Fraud Analyst is a real-time identity verification solution, there really isn't much for the online banking member to do: our goal is to make it as easy as possible to use the online banking channel. In conjunction with Fraud Analyst's behavioral analysis engine, we also offer a Smart Cookie that provides additional protection for credit unions against fraudsters that attempt to impersonate a legitimate member. This is just another part of our multi-layered approach to online fraud and identity theft prevention that we feel is superior to other approaches on the market today.



**Dennis Maicon** is Executive Vice President of Financial Services Solutions at Digital Resolve. Dennis was a co-founder of Digital Envoy, and brings more than 18 years of financial services experience to Digital Resolve. Prior to joining Digital Envoy, Dennis was Senior Finance manager at Arris Interactive, where he was in charge of treasury functions, financial planning and analysis. Prior to Arris, Dennis spent nine years at Suntrust Bank where he held a variety of positions from credit administration to cash management functions to vice president of International Corporate Banking. Dennis holds an MBA from Georgia State University and an undergraduate degree from the University of Georgia in Finance.