

Subscription Fraud

At a glance

Fraud remains a big challenge for the telecommunications sector. Fraud is persistent, invasive and harms customers and institutions alike. Fraud threatens to compromise not just business results, but also customer relationships and the market's perception of a brand.

As the shift to cloud-based services increases, fraud management capabilities can be delivered as hosted services to help drive more operational efficiencies and to improve business agility. Mobileum's RAID.Cloud combines the power of a reliable fraud management solution with the benefits of a hosted, cloud-based deployment model.

Around the world, more than 40 organizations rely upon Mobileum's Fraud Management solution for its world-class ability to detect and prevent telecom fraud. The solution works across a variety of fraud types and technologies – in-

Subscription Fraud

Subscription fraud involves obtaining customer information required for signing up to a new telecommunication contract or service with a valid authorization but without any intention to pay for the products and services used. The theft here is plain and simple but it's hard to detect 'intent' at the point of sale.

This is the starting point for many other telecoms fraud scams and as such is recognized as the most damaging of all non-technical fraud types. Perpetrators don't just stop with obtaining legitimate service illegitimately, they usually use it as a precursor to other types of fraud such as Premium Rate Fraud and International Revenue Share Fraud, which are lethal in their own right.

The real impact of this type of fraud is difficult to measure because it does not stop with revenue loss alone. The effects can be catastrophic in terms of escalating complaints, poor customer experience, dissatisfaction among support staff, and diminishing investor confidence.

Subscription fraud can be divided into two categories. These are:

- Subscription fraud for the purpose of personal usage;



cluding mobile and fixed, and provides a protective barrier for all the new digital services that are driving changes in the telecommunications industry today.

When you successfully protect customers from fraud, their satisfaction soars. Only Mobileum delivers fraud protection with a holistic view.

- Subscription fraud for profit where the possible scenarios usually are:
 - International Revenue Share Fraud (IRSF) – interconnecting payments for calls in roaming or off-net made using services or equipment obtained with false subscription data;
 - Service Reselling – selling services below market rates, with no payment to the service provider;
 - Commissions Fraud – where dealers gain commissions using false services or equipment sales;
 - Premium Rate Service Fraud – where it's impossible to collect the amount spent by the fraudsters in PRS calls;
 - Assets Acquisition – fraudsters buy equipment's or services with a retention agreement with no intention to pay;



Subscription fraud is often categorized as bad debt rather than fraud. Operators globally estimate that nearly 40% of all bad debts are actually subscription fraud. RAID.Cloud Subscription Fraud app is designed to monitor and detect new attempts to re-enter the network. The engines evaluate new subscribers for instances of multiple activations and then using fingerprinting through social networks, can identify and classify fraudulent activities when they occur in near real time.

Key benefits/Results

- Protects revenue and a company's reputation by quickly detecting fraud and identifying the proper actions to solve it;
- Helps to prevent and anticipate fraudulent behaviors;
- Shorter time to market;
- Increases revenue by making traffic more secure and reducing customer churn;
- Improves the customer experience - the application uses an accumulated understanding of fraud trends to more accurately identify actual fraud incidents, reducing the number of "false positives";
- Quick return on investment - fraud can be detected in as little as a few minutes, enabling quicker response times to help minimize revenue leakage;

Key features

- Next generation services are pre-configured out-of-the-box, to provide fraud prevention;
- Detection of fraud patterns through centralized data gathering & analysis, with the ability to integrate with other RAID.Cloud offers;
- Ability to provide fingerprinting capabilities predicting damaging behaviors or fraud types;
- Detection engines that continuously evolve based on the latest fraud threats & behavior trends;

- Users can control application thresholds to create near real-time alerts;
- The alarm management feature includes a graphical dashboard and insightful email notifications which instantly alert you to all possible fraud types and behaviors, with recommended steps for mitigation;
- Continuously updated with current and upcoming GSMA recommendations;

Critical differentiators

- RAID.Cloud combines ease of use and the accuracy of industry-leading revenue and service assurance software, with the convenience of a cloud-based service;
- RAID.Cloud requires no hardware or software to buy, install, maintain, or update. Access to applications is easy: you just need an internet connection;
- Our solution provides access to data from any networked device while making it easier to manage privileges, monitor data use, and ensure everyone sees the same information at the same time;
- RAID.Cloud can help accelerate deployment time and reduce the ongoing costs associated with managing a traditional on-premises application;
- Combining the proven capabilities of our on-premises deployments with a cloud approach, Mobileum helps Communication Service Providers (CSPs) improve fraud management agility and operational efficiency, while simultaneously reducing exposure to new fraud threats;

About Mobileum

Mobileum is a leading provider of analytics solutions for the Telecom industry. More than 750 communications providers rely on Mobileum Active Intelligence platform to increase roaming revenues, improve network security, minimize fraud and risk, and optimize business operations. With a strong record of innovation, Mobileum is recognized for its ability to extract deep network and customer insights and to convert them into real-time actions that increase revenue, improve customer experience and reduce costs. Headquartered in Silicon Valley, Mobileum has global offices in Argentina, Dubai, Hong Kong, India, Portugal, Singapore and UK.

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