

Sigma Synthetic Fraud

Smarter Synthetic Identity Fraud Detection



Synthetic fraud **INCREASED AN ESTIMATED 33% BETWEEN 2020 AND 2022**, according to Aite-Novarica Group



FinCEN calls synthetic identity fraud a **NATIONAL SECURITY CONCERN** because of its potential to be used for money laundering and terrorist financing



Synthetic fraud is the **FASTEST GROWING FINANCIAL CRIME** in the US, according to the Department of Justice



Dramatic spikes in synthetic fraud have led regulators to threaten **STRICTER LEGISLATION AND ENFORCEMENT**

Sigma Synthetic Fraud is a purpose-built solution that detects harmful synthetic identity fraud. Synthetic fraud occurs when fraudsters use a combination of real and fake or tumbled personally identifiable information (PII) to create a fake or “synthetic” identity, which they then employ for personal or financial gain—adversely affecting credit cards, loans, demand deposit accounts (DDAs), peer-to-peer (P2P) payments, and many other sectors.

Socure’s Sigma Synthetic Fraud delivers holistic protection through multi-layered controls to block harmful synthetic identities from entering an ecosystem at account creation. It employs both advanced machine learning (ML) techniques and human-in-the-loop analysis to mitigate rapidly evolving and complex synthetic patterns.

Traditional fraud solutions have proven ineffective at combating synthetic identity fraud, because these platforms are developed to identify “real” people. Whereas Sigma Synthetic Fraud combines the knowledge and experience of expert fraud investigators with the computational and statistical capabilities of ML, delivering a highly effective solution for detecting fake and fabricated identities.

Key Benefits



CUT FINANCIAL LOSSES

Leverage the power of human-in-the-loop ML to prevent losses from harmful synthetic identity fraud



IMPROVE THE USER EXPERIENCE

Reduce your false positive rate and boost user satisfaction by quickly and confidently approving real customers



PROTECT YOUR ECOSYSTEM

Stop bad actors from manipulating accounts to commit financial crimes and harm other consumers



SCALABLE PROTECTION TO BOLSTER GROWTH

Drive expandable revenue growth by auto-approving more good customers and preventing latency from volume spikes with automated ML



LOWER OPERATIONAL COSTS

Depend on precise ML synthetic detection to greatly reduce manual reviews and associated operational costs

Socure Product Differentiators

✔ MULTI-LAYERED CONTROLS

Holistic tools at the right time to hone your decisioning, whether to capture more fraud or reduce false positives

✔ HUMAN-IN-THE-LOOP ML

Combining the knowledge and experience of expert fraud investigators and the computational and statistical capabilities of ML

✔ A MODEL THAT THINKS LIKE A FRAUDSTER

ML technology trained with bureau data, consortium data, velocity data, and clean fraud labels, all harnessing synthetic signals

✔ FEDERAL RESERVE DEFINITION ALIGNMENT

Synthetic fraud definition based on fabricated and manipulated types, adopted from the Federal Reserve

✔ SYNTHETIC FRAUD SCORE

Predictive fraud score gauges risk calculated on thousands of synthetic-specific features, linkages, correlation, and patterns of identity elements across Socure's network

✔ INTERPRETABLE TECHNOLOGY

Explainable ML with dozens of reason codes that provide insight into fabricated and manipulated synthetic fraud types

Unsurpassed Performance

Sigma Synthetic Fraud substantially outperforms any competitor, identifying over 50% of synthetic fraud in the riskiest 1% of users with a false positive rate of 1:1 or better, and almost perfect classification.

Adopt the synthetic identity fraud solution trained to think like a fraudster and apply this smarter intelligence to detect evolving synthetic threats.

For more information on [Sigma Synthetic Fraud](#) or to schedule a Proof of Concept or live test, please [contact us](#).