

From **Overwhelmed** to **Overhauled**: Jovia's Strategic Approach to Stopping Fraud Surges

Customer Challenges



35% average increase in daily applications after national expansion



67% of daily volume declined for fraud on the worst day



100% manual review rate



200 monthly fraudulent account closures



Clear signs of third-party fraud, including synthetic identity fraud and promotion abuse

NeuroID Results



35% reduction in daily fraud applicant volume with **0% impact on approval rates** from Alloy with NeuroID



1.4% lift on fraud detection rate with NeuroID



New insight into applicant segmentation and fraud patterns with NeuroID

Jovia Overview

Jovia Financial Credit Union, an 85-year-old Long Island based financial institution serving 200,000+ members with more than \$4.5B in assets, expanded nation-wide in 2022. Within 10 months, Jovia's number of daily applications, fraud, and account closure rates rose drastically.

Jovia's Challenges

Unable to separate risky applications from genuine ones in real-time, there were times Jovia was forced to turn off their online application form and stop instant booking of accounts in order to manually review 100% of applications. This cumbersome process created a significant backlog and restricted new customers from onboarding during a critical period of growth. This fraud was triggered by Jovia's new success, and required a new set of tools to combat.

The Alloy and NeuroID Solution

Jovia needed real-time fraud mitigation that leveraged best-in-class risk checks and expertise so they could return to servicing their customers. So, Jovia turned to Alloy, a leading fraud and identity platform and integrated partner of NeuroID. Within the Alloy solution, NeuroID provides real-time insight into a user's intentions, be it malicious or genuine, based on their data entry patterns. **"After we introduced Alloy, within a couple of weeks, there was a 20% drop in fraudulent applications,"** said Evan Get, Business Systems Analyst at Jovia. "We had been running deposit performance checks on applicants. After implementing Alloy, we were able to save the cost of these checks for fraudulent individuals. This cost savings covered the monthly expense of using the Alloy platform. Additionally, since we were not running deposit account checks on these members, the compliance burden was reduced."

With Alloy in place, Jovia was able to turn its attention to a more strategic evaluation of their business.

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Initially, the influx of applications felt like bots, but soon we realized these were orchestrated attacks. These fraudsters would blend accurate and false information, enabling them to bypass certain checks. Our team would manually review every single application, **but we couldn't keep up.**

-Robin Block, SVP, Organizational Process Management, Jovia

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When Marketing Attracts Fraudsters: Stopping Promo Abuse

In addition to real-time decisioning, NeuroID distinguishes the behavior of genuine applicants from those who appear risky and shows how they move through the application to help analyze fraudster behavior. A few months after implementing Alloy, NeuroID captured a shift in Jovia's applicant profile—a 40% uptick in the number of risky applicants over a single 24-hour period. NeuroID revealed that these high risk users were much more likely to use an active Jovia referral code that had been posted on the dark web.

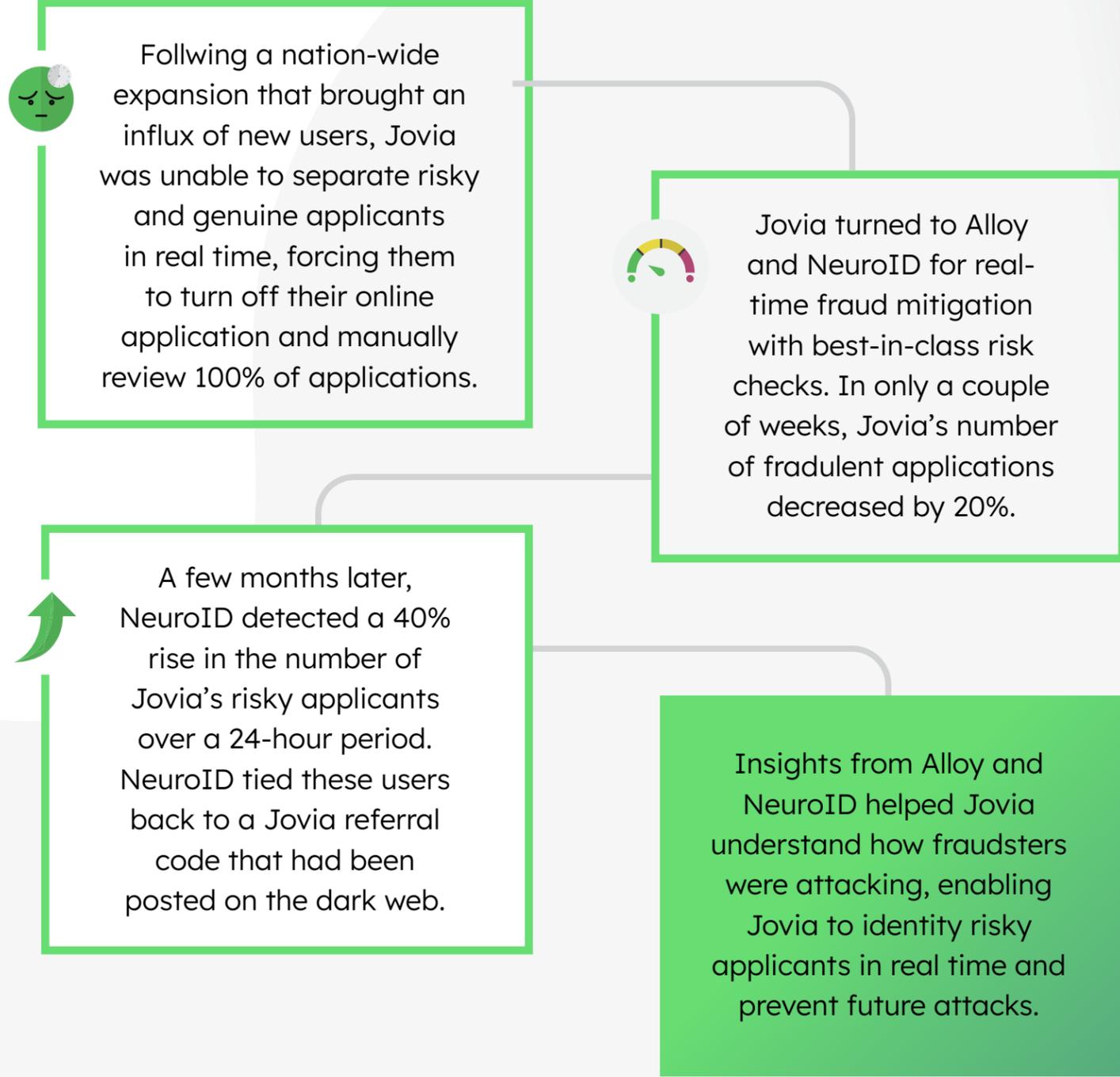
Not only did **NeuroID catch 1.4% of fraudsters missed by other vendor's in Alloy's platform, but they also showed how the attack happened**, enabling Jovia to prevent similar approaches in the future.

While studying patterns of risky applications, NeuroID also showed how bots had been testing the referral code over two weeks, making it progressively further through the application each time (fortunately, defined fraud rules within the Alloy platform, including NeuroID, declined these applications, which stopped the attempts of automated account creation.) “NeuroID allowed us to discern the extent of the referral code abuse and the characteristics of our applicants. This insight revealed there were genuine users, outright fraudsters, and then some who merely chased offers for personal gain.” said Evan. NeuroID helped Jovia identify those segments, showing that more fraudsters leveraged the promotion than genuine users. Jovia’s marketers had limited insight into the intention of the applicants they attracted—NeuroID provided novel data to help them rethink their approach.

“**Understanding our members’ behaviors, both genuine and malicious, is crucial. We are still in the early stages of leveraging this information, but NeuroID’s insights have already proved valuable,**” said Robin Block, SVP Organizational Process Management at Jovia. Indeed, as Jovia continues to grow, Alloy and NeuroID have helped position the company for further success: “By combining the strength of the tools with the insights of our team, we’re now striking a good balance between automation and manual intervention,” said Evan.

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Timeline



About NeuroID

NeuroID, the global leader in Behavioral Analytics, offers a friction-free, privacy-centered, and tailored solution to online identity screening. After more than a decade of researching human-online interactions, our solutions provide a front line of defense by differentiating between genuine users and potential threats in real-time. NeuroID solutions assess a user's intent—be it a genuine prospect, fraudster, or bot—by analyzing their interactions with a digital device. Our unique crowd-level insights, paired with expert guidance support modern risk management so global leaders can see fraud faster, reduce losses, and increase savings.

About Alloy

Alloy is the only end-to-end identity risk management platform for companies that offer financial products. Beginning with origination and account opening, Alloy provides banks and fintechs with a scalable, flexible platform to manage identity risk throughout the customer lifecycle. With configurable solutions for fraud, credit, and compliance risk, dedicated expert guidance, and the industry's most extensive ecosystem of data partners, Alloy helps companies deliver great financial products to more customers around the world.

About Jovia

As a not-for-profit, member-owned credit union, you can bet your bottom dollar that we have lower rates on loans and higher earnings on deposits. Plus, there's so much more we have to offer, like benefits beyond your everyday banking needs. After all, we're here to serve you! We offer helpful advice by hosting free seminars and events to educate and enlighten. We provide scholarships to eligible members in high school and college. And, for our teachers, we offer grants to power their classrooms. At Jovia, we strive to provide you with more than just a great place to put your money; that's our promise to you.