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Hidden Costs are Hurting Big Tech:

How Artificial Inflation of Traffic is Increasing Fraud Losses for the World's Biggest Businesses

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Big Techs are the most powerful companies in the digital space. Their products and services are used and relied upon globally by millions of businesses and billions of individuals alike. Yet, the massive reputation of these tech giants is putting them at the top of the target list for bad actors, causing them to lose millions to fraud every year.

The world's largest tech businesses are constantly being attacked by fraudsters everywhere – one example of this is artificially generated voice and messaging traffic. According to the Communications Fraud Control Association (CFCA), fraud costs global telecom companies $39.89 billion in revenue losses a year. Artificially generated traffic, which is considered part of Artificially Inflated Traffic (AIT) is a growing factor contributing to these losses and a challenge that is continuing to impact more contact centres.

AIT takes place when fraudsters exploit online services to generate fake traffic using automated software programmes to send out large numbers of call and message requests to generate revenue. This is achieved through deploying a bot which then requests a one-time password (OTP), two factor authentication (2FA) or a call back to a premium rate or ghost number. This process is repeated with thousands of numbers, resulting in big losses for the world's largest technology companies.

$$39.89bn
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Telecoms Fraud is Driving Losses

Billions of users rely on Big Tech for the digital services they leverage every day. This makes those companies an attractive target for fraudsters due to the large profit they can make from scams. The contact centres of Big Tech companies are now navigating new challenges related to their outbound voice and messaging services as fraudsters become more sophisticated.

One popular way that fraudsters manipulate their voice operations is through initiating illegitimate call back requests. This occurs when fraudulent accounts are set up with the intention to request a call back that is routed through an international or premium rate number to rack up high calling fees.

Beyond voice, fraudsters are also manipulating Big Tech messaging services through OTP and 2FA requests. This results in organisations paying out for fake traffic that has no prospect of being converted into real business.

Without proper systems in place for traffic validation, users will turn to communications platforms they consider to be more reliable. This has the potential to cause irrevocable losses and reputational damage to the voice and messaging industry.

To stay ahead of evolving AIT tactics, tech giants need to find a way to rapidly pre-validate the numbers in their systems before outbound voice and messaging activities are initiated. This is not only to reduce fraud, but to build and retain trust to ensure the telco ecosystem can continue to grow to benefit end users.

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Building Better Business Outcomes with GNR and MNP

Overcoming voice and messaging fraud requires Big Tech to take a proactive approach. Without taking action, fraudsters will continue to profit from their revenue streams, exploiting services that are in place to help legitimate customers, and waste precious time and resources.

Big Tech can strengthen their voice outcomes and enable trust in their communications by arming their contact centres with Global Number Range (GNR) data. GNR verifies if a number belongs to a valid number range and whether it is in the correct format (correct length, country code, etc.). This data allows organisations to rapidly pre-validate phone numbers, enabling them to access the latest authoritative number information so they can deliver communications to legitimate end users.

There are further datasets to help Big Tech further secure their messaging operations against AIT, as Mobile Number Portability (MNP) and HLR data can be used to determine the validity and routing of a number before OTP or 2FA responses are sent out.

With these solutions in place, Big Tech can focus on:

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Validation

Deploying GNR and MNP data is one of the simplest and fastest ways to pre-validate numbers. For organisations looking to tackle AIT, this means pre-validating their outbound voice and messaging activities.

Big Tech can pre-validate numbers before their systems respond to OTP/2FA requests and their contact centre agents connect calls. This ensures they do not face costly charges and have proactive measures in place to protect margins.

Authentication

Big tech can increase the effectiveness of their outbound activities with up-to-date telecoms data to solve challenges and optimise operations.

Harnessing GNR, MNP and HLR data ensures their contact centres are providing end users with a seamless service, increasing customer loyalty, trust, and revenue. They can check number portability records to assure that they are responding to legitimate messages and call requests in a timely manner.

Accuracy

GNR, MNP and HLR data ensures the call back or OTP/2FA request originated from an end-user that has a legitimate number .

This ensures Big Tech can execute their outbound message and voice services with accuracy - the first time, every time. In turn, this increases customer satisfaction and supports their long-term growth by establishing dependable revenue streams.

By harnessing these solutions, Big Tech can take control of their business outcomes and serve legitimate customers with confidence.

Use Case

Protecting eCommerce Against Call Back Fraud

In a challenging telecoms ecosystem, fraud mitigation is high on the agenda for the voice industry. A contact centre for one of the world's biggest eCommerce brands was looking for a way to validate its outbound calling numbers to protect it from fraudulent call back requests while also directing its customer service efforts for best results.

The Challenge

The contact centre was receiving a high volume of call back requests from premium rate numbers, resulting in high calling fees.

On top of these financial losses, the fraudulent and invalid numbers in its system were causing strain on its resources. Agents would be dedicating time to making calls that had no possibility of adding value to the business.

Volume of call back requests too high

The Solution

The contact centre deployed XConnect's GNR data to route traffic with confidence and prevent losses. By using our services, this provider gained the ability to pre-validate all of the numbers in its system. GNR data enabled it to reduce the risk of failed outbound calls and mitigate against costly termination charges.

Deployed XConnect's GNR data to route traffic with confidence and prevent losses

Operational Results & Returns

The contact centre benefitted from greater visibility into its operations to focus its time on capturing a greater number of sales and responding to legitimate customer call back requests.

The result for the contact centre was growing margins across its international operations with its traffic being pre-validated to increase precision and performance.

Pre-validated traffic resulted in growing margins across its international operations

5

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Choosing the Right Solutions

With access to the right GNR and MNP provider, Big Tech companies can save costs, drive trust, and ensure they are maximising efficiency within the voice and messaging operations. Big Tech should look for dependable solutions that enables their contact centres to benefit from:

Predictable Margins

The right solutions will allow an easy way for contact centres to limit wasted and costly outbound calls and message requests. This allows Big Tech companies to mitigate fraudulent and invalid numbers and increase profitability.

Expert Data Management Support

Big Tech companies need a solutions provider that can deliver expertise and insight into using numbering intelligence to maintain and onboard data. They need a partner that enables their contact centres to enhance their systems and applications.

Continually Refined Data Sets

The right solutions will be underpinned with data sets that are continually updated, refined and cleaned to maximise accuracy and trust.

Data Consolidation

The consolidation process needs to be as streamlined as possible for Big Tech to operate their telco services with ease and efficiency. The right solutions will enable contact centres to manage multiple sources of data within one system, allowing agents more time to focus on other areas of its business.

Comprehensive Compliance

It's important that the solutions deployed enable contact centres to meet privacy and regulatory requirements with ease and at lower costs.

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Why XConnect's Data is Different

AIT is an evolving challenge that requires up to date data intelligence for staying ahead of the fraudsters.

XConnect's data is constantly updated and covers 14,000 operators in 233 countries. In one typical 35-day period we perform a GNR data cleanse, which typically includes:

Updating between **20,000 and 100,000** number range records

Completing a full review of **17 countries**

Identifying and integrating f**ive major number plan changes**

Updating 2,700+ ranges for minor changes

Identifying changes in **35 countries**

Our Numbering Management team maintains this data from industry sources and constant feedback of real-time usage.

XConnect's GNR data and SIP API are carrier-grade and scalable to support billions of minutes per month. It has a track record of successfully delivering 99.999% availability when responding to queries to its database. Users can pre-validate all voice traffic to both fixed and mobile numbers and ensure that they are legitimate.

We also ensure innovation in our MNP data with more than 1million number updates every day. This includes 45 onboard databases and multiple sources of external data.

XConnect consolidates, maintains and delivers trusted telephone number intelligence to world leading telecommunication service providers. We process information from hundreds of different global datasets and ensures that customers solve routing, validation and fraud challenges in real time.

99.999%
availability

1Million
number updates everyday

45
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Delivering Measurable Outcomes

Fraud in voice and messaging is a challenge that is here to stay, and Big Tech cannot afford to remain passive. They need tools to help them detect and assist in the mitigation of AIT whilst establishing trust for their voice and messaging services.

GNR and MNP enable Big Tech to focus on the interactions that matter. Flexible access to high quality number information services enables that optimisation and allows them to channel their energy into market innovation and routing optimisation. Pre-validating the traffic in their systems enables them to serve new business with confidence whilst minimising damaging losses.

Fraud mitigation is only the beginning for what Big Tech companies can achieve with GNR and MNP. Harnessing these powerful solutions enables these industry giants to benefit from sophisticated routing, reduced termination costs and service level improvements. Ultimately these solutions can play a crucial part in restoring trust within the industry and securing the future of the voice and messaging industry.

When organisations have the right data and processes underpinning their voice and messaging operations, only then will they be ready to focus their efforts on maximising revenues based on legitimate and verified traffic.

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XConnect's Number Information Services are used for voice and messaging routing, fraud protection and to identify and validate insights. They also support the deployment and evolution of next-generation communications, such as VoLTE and RCS.

XConnect's service is accessed through its globally distributed hybrid cloud platform using simple, secure, scalable real-time protocols and APIs.

2.3bn
2.3 billon portability records

75%
Coverage across 75% of total global mobile subscribers

3.5bn
Over 3.5bn queries per month