MEMBER RELATIONSHIP MANAGEMENT

BUILDING MEMBER LOYALTY AND TRUST: HOW IDENTITY MANAGEMENT AND FRAUD DETECTION SERVICES CAN DELIVER VALUE-ADDED BENEFITS
DILEMMA: ATTRACTING AND RETAINING CUSTOMERS
Credit unions today face the unique challenge of maintaining current member relationships while growing new business in a stagnant economy. It’s no longer enough to offer competitive interest rates. Members are demanding benefits that enhance their experience and anticipate their needs.

Few products and services exist that deliver actual value to members. Still, there are offerings that appeal to most members and give them substantial benefits of membership. Credit unions have a real opportunity to build member loyalty with value-added services. Making a customer connection will be key in the next decade as the financial services industry shifts its focus from services based on transactions to those based on offering customized value.¹

Top of mind for most consumers is the security of personal data and account information. What better way for credit unions to build long-lasting relationships than to offer identity protection?

INTRODUCTION
According to the Federal Trade Commission’s annual list of consumer complaints, identity theft was the top-ranked complaint. Identity theft and associated fraud takes on many forms. They include:

- Credit card
- Electronic funds transfer
- Data breach
- Internet/email
- Securities/investment
- Business/student/personal/auto/real estate loans
- Government documents/benefits

Credit monitoring alone isn’t a comprehensive solution. In fact, only 15 percent of identity theft is credit-related. That means 85 percent of identity theft goes unnoticed by traditional credit monitoring tools. The better solution: a 24/7 electronic monitoring process that covers public, private, credit and non-credit records.

¹ Credit Union National Association
The key selling point for credit unions is the availability of fast detection and prevention. Consumers who are able to detect identity theft fraud within one day pay out an average of $34 for the fraud. Consumers who don’t notice fraud for three to five months average $1,061 per claim.

Electronic monitoring can also increase detection time by 18 days over paper detection methods.

A COMPETITIVE ADVANTAGE

Fraud detection and monitoring services can give credit unions a competitive advantage by helping:

- **Create member advocacy.** Credit unions can illustrate the financial advocacy role that gives members peace of mind.
- **Grow revenue.** Offering flexible products and value-added services helps credit unions capture revenue and market share through unique market offerings that appeal most to members.
- **Improve customer loyalty.** A proactive approach to identity theft protection sends a clear message: You are providing much-needed protection for your members.
- **Improved monitoring outcomes.** A comprehensive monitoring process ensures that fraud is detected swiftly and throughout the entirety of the consumer’s life, not just at the financial level. This delivers better overall protection and costs both consumers and credit unions less.
- **Free up fraud department backlogs.** With a more comprehensive detection and prevention system, credit unions can lower their dependence on the fraud department and reduce the need for in-depth investigations costing thousands.

When choosing a fraud detection and identity theft protection service, look for an easy-to-implement solution that includes monitoring of online public and private databases to ensure that your members’ information and personal data are secure. Also, choose a solution that has both proactive prevention and resolution processes, delivering complete life cycle protection.
RECIPE FOR SUCCESS

Identity theft protection products and services such as IDT911’s LifeStages® and FraudScout™, offer comprehensive protection and resolution for all phases and stages of life. With more than 12.6 million Americans being targeted by identity thieves, a proactive, comprehensive offering that helps prevent and detect criminal behavior in its earliest stages is a must.

For example, LifeStages® offers members the most complete identity theft protection available with the following services:

- Resolution
- Document replacement
- Tax fraud support
- Child identity theft support
- Financial fraud support
- Military identity theft support
- Travel identity theft support
- Estate identity theft support
- Break-in recovery
- Disaster recovery
- Employment identity theft support
- Email compromise assist
- Social media compromise assist
- Phish assist
- System-protection guidance
- Breach assist
- Assisted-living fraud support

"WHEN OUR MEMBERS HAVE CONCERNS OR INCIDENTS OF FRAUD OR IDENTITY THEFT, THEY ARE ALWAYS PLEASED TO REALIZE THAT HELP IS AT THEIR FINGERTIPS."

- VANTAGE WEST CREDIT UNION
Also, LifeStages® is an on-demand, personalized service that provides members with access to fraud specialists whenever they need it.

Likewise, FraudScout™ monitors not just credit data, but all credit and non-credit information that thieves target. Plus, it provides regular identity management protection for the following information:

Credit Monitoring:
- Monthly Credit Reports and Scores
- 1-Time Credit Report Purchases
- Unauthorized Payday Loan Notification
- Credit/Debit Card Monitoring
- Credit Card, Checking and Savings Account Application Monitoring & Alerts
- Bank Account Takeover Alerts

Personal Data Monitoring:
- Court Records Scanning
- Black Market Website Surveillance
- Internet Search
- Social Security Number Trace
- Address Change Verification
- Alias Name and Address Monitoring
- Medical/Insurance Records
- Identity Threat Detection and Alerts
- Driver’s License Monitoring/Verification
- Sex Offender/Neighborhood Registry Reports

FraudScout alerts members to suspicious activity with automatic email alerts. Also, members get unlimited access to certified fraud specialists for an additional layer of protection and assurance.

When choosing member benefits, be sure to consider the value each benefit adds to the member’s experience. By choosing an identity theft management service that provides ongoing security, credit unions can build a reputation of proactively caring for and responding to member needs.