Davies Consulting

Delivering Annualised Savings of £1.6m through Automating Fraud Detection

An automated approach to consistent fraud detection

Fraudulent claims are a major cost for the insurance industry but detecting them can be hit and miss. Agents are typically given a list of terms that could indicate fraud; when they hear one, they are required to flag the case on the system.

The Situation

Our insurance client wanted to test the effectiveness of an automated approach to fraud detection. We did this by using the same list of terms that the client provided to its frontline agents, we applied speech analytics to thousands of recordings of claim calls. The technology identified four times as many suspect calls as the frontline agents had.

Starting with the same list of terms given to agents, plus detailed call recordings, we built the speech analytics engine. It then reviewed thousands more calls. In the first set, the automated approach identified four times as many potentially fraudulent claims.

Our Approach

Of course, not every alert results in a real fraud case: our client has deliberately cast a broad net to identify a large number of potential fraud cases. The automated solution brings greater consistency to that process – and has even identified real fraud cases that had been missed with the manual process.
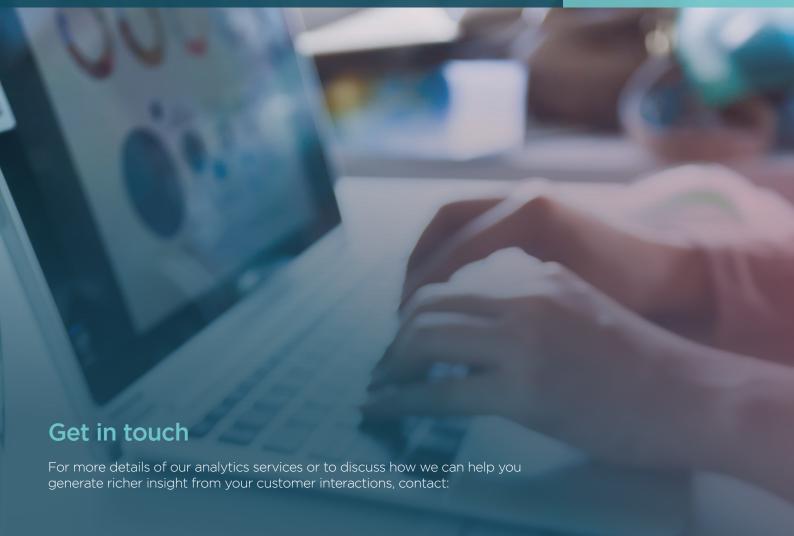
Return on Investment

That meant the client had to increase the size of its fraud team, but with a strong return on investment, that's money well spent based on initial results, the approach will lead to annualised savings of £1.6m.

Annualised savings of

£1.6m

4x

increase in potential
fraudulent claims identified

Get in touch

For more details of our analytics services or to discuss how we can help you generate richer insight from your customer interactions, contact:

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