Case Study

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South Carolina Federal Credit Union

South Carolina Federal Credit Union Selects SecureNow™ to Provide Members a Frictionless, Highly Secure Online Banking Experience

After a careful analysis of its online banking application, South Carolina Federal Credit Union sought a solution that would provide a better balance between security and usability. South Carolina Federal turned to Fiserv and became one of the first clients to adopt SecureNow from Fiserv, a real-time cyber security platform that offers multiple layers of protection and a frictionless user experience.

Striking a Balance Between Security and Usability

Cybercrime is an increasing threat to financial institutions, and consumers expect their bank or credit union to protect the financial transactions they make. At the same time, consumers expect online banking to be an easy experience. For South Carolina Federal, the long-standing belief that online banking needed to be ultra-secure to prevent massive fraud led the credit union to employ numerous security mechanisms that made its online banking application complicated and restrictive to use. This created friction for its members and high call volumes to its call center.

"With online banking, security is a key priority, but users want an easy experience," said Brad Williams, chief technology officer for South Carolina Federal. "Once we discovered that our online banking fraud was actually minimal, we looked for a better way to maintain stringent security while providing a simplified member experience."

Client Profile

More than 155,000 people and $1.7 billion strong, South Carolina Federal Credit Union operates 20 offices in four major markets to include Columbia and Georgetown. The member-owned, nonprofit cooperative offers a full range of financial services including savings and investments, checking, credit cards and loans. South Carolina Federal's focus is on personally providing the products, services, tools and forward thinking that allow members to focus on making their lives more satisfying.

As an existing digital banking client using a variety of Fiserv products including Corillian Online® and Mobiliti™, South Carolina Federal reached out to Fiserv for a solution. The credit union decided to be one of the first clients to implement SecureNow.

Providing a Secure, Frictionless Online Banking Experience

SecureNow delivers frictionless security across all digital channels through a real-time, holistic platform monitored and continuously improved by a team of Fiserv security experts. At the heart of SecureNow is an integration of market-leading control solutions, including Guardian Analytics®, iovation®, Neustar® and LexisNexis®, providing a centralized cyber security platform that helps financial institutions meet Federal Financial Institutions Examination Council (FFIEC) compliance while reducing the operational burden on the financial institution and providing a better user experience.

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"After seeing what SecureNow could do for us in the background, we felt comfortable replacing some of the front-end security measures we had in place in order to provide a simpler user experience."

Brad Williams
Chief Technology Officer
South Carolina Federal Credit Union

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"Our overall goal is to challenge our members when necessary but the rest of the time, let them right in," said Williams. "SecureNow helps us achieve this goal by replacing traditional security mechanisms with intrinsic tools such as real-time login defense and security monitoring. SecureNow does all the heavy lifting in the background eliminating the login friction for users."

With SecureNow, South Carolina Federal members are well-protected through behind-the-scenes technologies but can more easily log in to their accounts. "The multiple layers of security technologies within SecureNow fall in line with our layered security approach," said Williams. "This builds confidence that there is lot of security behind what is happening in online banking which has allowed us to provide an easier member experience."

Lowering the Challenge Rate and Support Calls

South Carolina Federal took a conservative approach to reducing or removing pre-existing security settings. The credit union established two metrics for success as it began this process: a lower challenge rate and fewer calls to its contact center regarding online banking.

"Since implementing SecureNow, we have seen our challenge rate go from 28 percent to sub-10 percent," said Williams. "We believe this is a great benchmark for success and are excited by the 18 percent reduction as it means fewer of our members are having to key in a one-time password or are getting locked out."

Thirteen percent of the credit union's call center volume is related to its online banking platform. While this may not be exclusively related to login issues, South Carolina Federal anticipates the move to SecureNow will help to lower this percentage.

"With SecureNow, we anticipate fewer members will be locked out of online banking which would result in fewer calls to our contact center," said Williams.

Keeping Things Simple With a Fiserv First Strategy

In 2013, South Carolina Federal decided to adopt an all-in technology strategy, meaning it would partner with a single vendor to meet its technology needs. The goal was to reduce the number of disparate systems the credit union had to manage and maintain which can be both expensive and resource-intensive. The credit union selected Fiserv as its vendor of choice due to the depth and breadth of products and services Fiserv offers.

"In our eyes, Fiserv was the only vendor that could deliver on an all-in strategy," said Williams. "I don't believe another vendor exists that could deliver the breadth of products and services Fiserv does – meeting technology needs across the entire institution."

When South Carolina Federal has a need for a new system or is looking to replace an existing technology solution, it turns to Fiserv first. With this approach, the credit union doesn't have to worry about integration points or how the systems work together. It also reduces the number of systems the credit union has to manage internally, saving time and money.

"Fiserv has a fit for probably 90 percent of the technologies needed across a financial institution and I don't believe there is another vendor who could say the same."

Brad Williams
Chief Technology Officer
South Carolina Federal Credit Union

This approach has certainly paid off with respect to the credit union's experience with the implementation and operation of SecureNow. Implementation was done in two phases; the first phase involved gathering data and the second was to analyze the data before going live.

"We flipped a switch to capture data for a few months and then flipped it to make decisions," said Williams. "The implementation team from Fiserv guided us through and, to be honest, we had minimal involvement. It was effortless and easy."

And when asked about the operational impact of SecureNow, Williams said, "We never have to mess with SecureNow. It is a hands-off, behind-the-scenes system. The real impact is for our members using the product, which is what we hoped to accomplish."

Challenge the Way You Think

South Carolina Federal was led to SecureNow after taking a closer look at how it was approaching security within its online banking platform.

"For us, the story had long been, 'let's ratchet online banking down so tight that we won't ever get any fraud out of it,' which turned out to be a relatively successful approach," said Williams. " But the byproduct was a challenging user experience for our members."

In comparison, credit and debit cards are extremely easy to use and the amount of fraud associated with cards is huge, often reaching billions of dollars a year. The goal is finding the right balance between the security and usability of a product based on the actual fraud that occurs with a product.

"Fraud is a part of our business. While we don't want fraud, we know that fraud and usability go hand-in-hand," explained Williams. "What we determined was that balancing the security measures to reduce usability challenges that may or may not move the fraud needle a little bit up is worth it because we create a better user experience for our members and we potentially reduce our overhead to service the product."

Williams also offered one last piece of advice to financial institutions: "Strike a good balance between the security and usability of your online banking platform. Challenge your traditional way of thinking; invest in back-end technologies like SecureNow that actually make the product more secure and user-friendly than on resources to keep your customers using it."

Connect With Us

For more information about SecureNow, call 800-872-7882, email getsolutions@fiserv.com, or visit www.fiserv.com.

Challenge

South Carolina Federal Credit Union had stringent security measures in place that created significant friction for its members when logging into the online banking application. The credit union wanted to provide a better user experience for its members without sacrificing security.

Solution

Following its all-in approach with Fiserv, the credit union turned to Fiserv for a solution and became one of the first clients to implement SecureNow with SecureNow: Login Defense and SecureNow: Behavior Analytics.

Proof Points

- Simpler login experience with less friction for members

- Decrease in the challenge rate from 28 percent to sub-10 percent

- Effortless and easy implementation

- Hands-off, behind-the-scenes system

Key Benefits

- Features a holistic platform with integrated best-of-breed controls from third-party risk service providers

- Offers real-time cyber security featuring risk decisioning, multifactor authentication and behavior analytics

- Drives engagement with customers in the digital channel

- Mitigates risk of cyber threats

- Provides a frictionless user experience

- Meets or exceeds compliance requirements

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