



Acxiom Retail Solutions — Risk Management

Challenges from the outside and challenges from within!

If the challenges of satisfying customers and dealing with competitors can be considered offense, then battling fraud and shrink might be considered defense. Neither is a simple matter in today's world.

Preventing fraud

The benefits associated with accepting credit cards certainly outweigh the unfortunate fact that credit-card fraud continues to be a prevalent problem. Retailers shoulder the burden of responsibility for ensuring a transaction is legitimate, and if it is not, you risk being stuck with the bill when the cardholder challenges the purchase.

Retailers are vulnerable to sophisticated schemes, so you need even *more sophisticated solutions* that can stop fraud before it starts. Acxiom brings together industry best practices which can be of assistance to you in your decision making for balancing customer convenience, privacy protection and fraud prevention to help you prevent identity theft, safeguard your business and avoid losses.

Acxiom's Fraud Management Platform (FMP) draws on records from a variety of industries to provide you with information for your use in making decisions which may result in greater protection, while simultaneously offering flexible authentication options that can drive fast approvals.

Shrinking shrink

High employee turnover combined with diminishing loyalty to employers is certainly one set of contributing factors to increasing employee theft, so the best defense in this case is a strong offense.

Acxiom Information Security Services (AISS) provides industry leading pre-employee background screening that includes:

- Criminal record search
- Civil record search
- Employment credit report (PEER: Pre-Employment Evaluation Report)
- Drug testing
- Employment reference certification
- Education verification
- Driving record search
- Terminated-for-cause database
- Rental-history verification

AISS provides you with information to help you in your decision making toward building a solid, trusted workforce. This can result in increased productivity while reducing turnover and training costs, and help minimize inventory losses.

MARKET DYNAMICS

- Worldwide credit card losses exceed \$4 billion!
- Counterfeit fraud has surpassed lost and stolen card fraud — 1.8 million consumers recall providing data to phishing scams and half have fallen victim to ID theft fraud.
- Industry experts peg online transaction fraud rates at 2% to 40%, depending upon the product category.
- The United States accounted for 47% of all credit card fraud worldwide in 2004.
- "Card Not Present" fraud is estimated at \$1.5 – \$3.0 billion per year in the U.S.
- In an economy with double-digit turnover, employee theft approaches 1% of revenue.



Acxiom retail solutions

Acxiom's robust consumer knowledgebase, state-of-the-art computing power, and industry leading analytical solutions offer retailers the advantage of smart and timely translation of consumer data into fact-based business strategies and actions.



- **Marketing and Media**—Maximize marketing and media ROI by applying customer-specific strategies and tactics that deliver highly specific advertising messages to individual target markets.
- **Merchandising**—Define the best merchandise mix right down to individual store level to deliver more reliable forecasts, increased in-stock position of high-demand items and minimal unproductive inventory.
- **Store Site and Experience**—Maximize the potential of retail site locations and identify new target markets for entry and expansion.
- **Risk Management**—Industry best practices for balancing customer convenience, privacy protection and fraud prevention to help prevent identity theft, safeguard your business and avoid losses.

For more information, visit us at
www.acxiom.com/retail or call:

1.888.3ACXIOM