



Customer Name

Virgin Trains

Business

Train Operating Company

No. Employees

3,500

Solution

Fraud Detection & Prevention

Implementation Timeline

2 months

Business Need

To detect and prevent fraud, estimated to be as high as 30% of compensation claims, made on delayed rail journeys.

Virgin Trains employs around 3,500 people and operates long-distance passenger services on the West Coast Main Line.

The service connects six of the UK's largest cities London, Birmingham, Manchester, Liverpool, Glasgow, and Edinburgh which have a combined metropolitan population of over 18 million people. Virgin Trains is obsessed with customer service and aims to deliver a best in class customer experience. This is achieved through ongoing improvement and innovation to the services offered to its customers and the critical operational processes that deliver these services

through a team of highly dedicated Virgin Trains staff. ServiceNow is a key part of this strategy.

Virgin Trains is using ServiceNow as a business transformation platform to disrupt the rail industry. They are solving industry problems, that have never been addressed before, such as modernising complaints and compensation management and tackling fraud and disruption management issues.

The Goal

Virgin Trains has been fully aware of the potential for fraud on their Delay Repay compensation scheme for some time, though catching and preventing those involved has always proved a challenge.

With the move to ServiceNow as their Customer Resolutions solution, the opportunity to use the platform to help solve the fraud issue was recognised. The Fraud team had seen demonstrations of multiple products, however the resounding success of ServiceNow across the Virgin Trains business and the ability to manage and automate multiple processes on a single platform was very compelling. Additionally, the platform is fully managed by UP3 so new functionality can be delivered quickly to meet the changing needs of a dynamic fraud management process.

During the evaluation stage it was clear that ServiceNow could provide:

- A mechanism for detecting fraud by setting thresholds based on data that was already in the ServiceNow Customer Resolutions system and putting in place actions to alert and assign cases.
- Notification of breaches to any single threshold and assignment in ServiceNow directly to the fraud team so an expert can quickly review highprobability fraud cases.
- Automated correlation of cases and the ability to spot fraud allowing Customer Resolutions agents to focus on resolving higher value, genuine customer issues.

The Solution

As Virgin Trains' ServiceNow solutions partner, UP3 was tasked with developing a fraud detection and prevention solution. Most important was to ensure that the system remained dynamic and easily extensible to adapt to the techniques used by fraudulent individuals.

Fraud cannot usually be characterised by one single behavior, therefore the solution needed to incorporate a rules-based system that would analyse an entire case, scoring each element. If one scoring element breaches a predefined threshold, a fraud case will be raised for the Fraud team to review. Meanwhile, the entire case is given a score, the higher the score, the more likely that fraudulent activity has taken place.

The defined thresholds are flexible and the Fraud team can adjust them at any time if they notice an underlying trend occurring. Similarly, if a new attack vector is identified, the system can easily be adapted to analyse this on future claims.

The solution also encompasses the consumer dashboard, an idea imagined by the UP3 team. The dashboard enables the compliance team to visualise links between customers at various levels of information, a process that in the past would have taken hours or even days to complete.

Conclusion

As Virgin Trains use the application, they have quickly identified known and unknown individuals who are suspected of committing fraud against their compensation scheme. A business case is already being built to encompass more sophisticated statistical analysis and automation through machine learning, making the already successful solution even more valuable.



Starting from ideas on post it notes the application was brought to life by the UP3 team allowing us to go live with a proof of concept within six weeks. The passion shown was fantastic and has proven that there are some secret detectives within UP3! - Mick O'Brien, Fraud Manager, Virgin Trains.

Day 1 improvements

Reporting

Virgin Trains can report on all aspects of Fraud Management. In one example a known individual was found to increase claims by 1100% and claim value by 700% over a 6-month period.

Time Saving

The Fraud team now spend less time on mundane data gathering processes, and more time investigating potential fraud cases, saving both time and money.

Automation

By using the ServiceNow platform, there is less reliance on colleagues within the Customer Resolutions Team to detect fraud. Currently over 1500 cases are being monitored with 300 classified at the highest level for suspected fraud.

Auditing

ServiceNow provides a full and true audit history of cases for further action or legal cases.

Money

The solution is identifying on average 22 new fraud cases per day preventing reimbursements to known individuals and will potentially save the industry £millions in the process.

Return on Investment

A single case of over £70,000 of compensation fraud was detected before the application was even in production. Fraud cases are now detected and prevented on a daily basis.