

CASE STUDY

A Leading Fintech Saves Around US\$ 4M with Caf's Automated ID Document Verification Solution



Overview

Fintechs are obliged to conduct Know Your Customer (KYC) checks to verify users in compliance with the prevailing regulations. A leading fintech leveraged the power of Caf's matchless ID Document Verification solution to streamline its KYC process, identify over 3,500 fraudulent documents and prevent losses worth around US\$ 4M (21M BRL).

About the customer

The fintech provides a platform to entrepreneurs where they can open free digital accounts to manage all finance-related activities of their business without needing to visit a physical bank. Through its digital platform, the fintech aims to eliminate bureaucracy and reduce the monetary burden of managing disparate financial activities that entrepreneurs face.



The challenge

Fintech, in question, is a popular digital platform for entrepreneurs and small businesses looking for a simple solution for all their financial activities. However, along with success, came a deluge of fraud. There was a steady rise in fraudsters trying to register on the platform using stolen, fake, or manipulated identity documents.

The company was facing difficulty in establishing an onboarding flow that would block fraudulent users without adding friction for genuine users and maintaining the democratic set-up of the platform.

The solution

The fintech approached Caf looking for a cost-efficient solution that would help detect forged and fake documents to stop registration abuse.

Caf's ID Document Verification combined with other market-leading solutions constitutes a powerful, end-to-end user identification service.

Using this AI-powered solution, the fintech was able to create an automated, agile and secure process to accurately authenticate user-submitted documents in near real-time with the highest levels of accuracy.

The key features of the solution deployed for the fintech include:



A combination of artificial intelligence and manual review, leveraging human expertise for critical/unusual documents;



Accurate decisioning in the shortest analysis time on the market;



Capability to scale up the business;



Elimination of unnecessary friction for superior user experience.

The results

Powered by Caf's automated ID Document Verification solution, the fintech was able to:

Identify more than **3.500** manipulated documents

Streamline and simplify the KYC process

Reduce fraud with more than **98,7%** accuracy

Onboard more genuine users

Prevent losses worth around **us\$ 4M** (21M BRL)* during 2022

Scale up its business without compromising decisioning accuracy

*Amount calculated based on the average cost of BRL 6K per fraud.

During 2022, the fintech analyzed **585,908** documents and detected **3,577** documents as fraudulent, as per the monthly results listed in the table

Month	Documents Analyzed	Fraudulent Documents Identified
January	18541	269
February	20690	372
March	46443	542
April	61331	385
May	76037	482
June	77730	324
July	64515	233
August	61565	275
September	67589	199
October	71355	233
November	66050	167
December*	39736	96

*Data collected up to 12/20

Upgrade identity verification with Caf

Trust Caf's suite of user identity verification solutions for end-to-end protection against complex and evolving threats so you can seamlessly onboard more users and meet regulatory obligations at reduced costs. Explore our solutions:

- ✔ ID Verification – KYC
- ✔ Business Verification – KYB
- ✔ ID Document Verification
- ✔ User Onboarding
- ✔ Account Takeover Prevention
- ✔ Fraud Prevention
- ✔ Continuous Monitoring

To learn more about user identity verification that screens out risky users long before they reach your doorway, talk to a Caf expert and request a free demo.

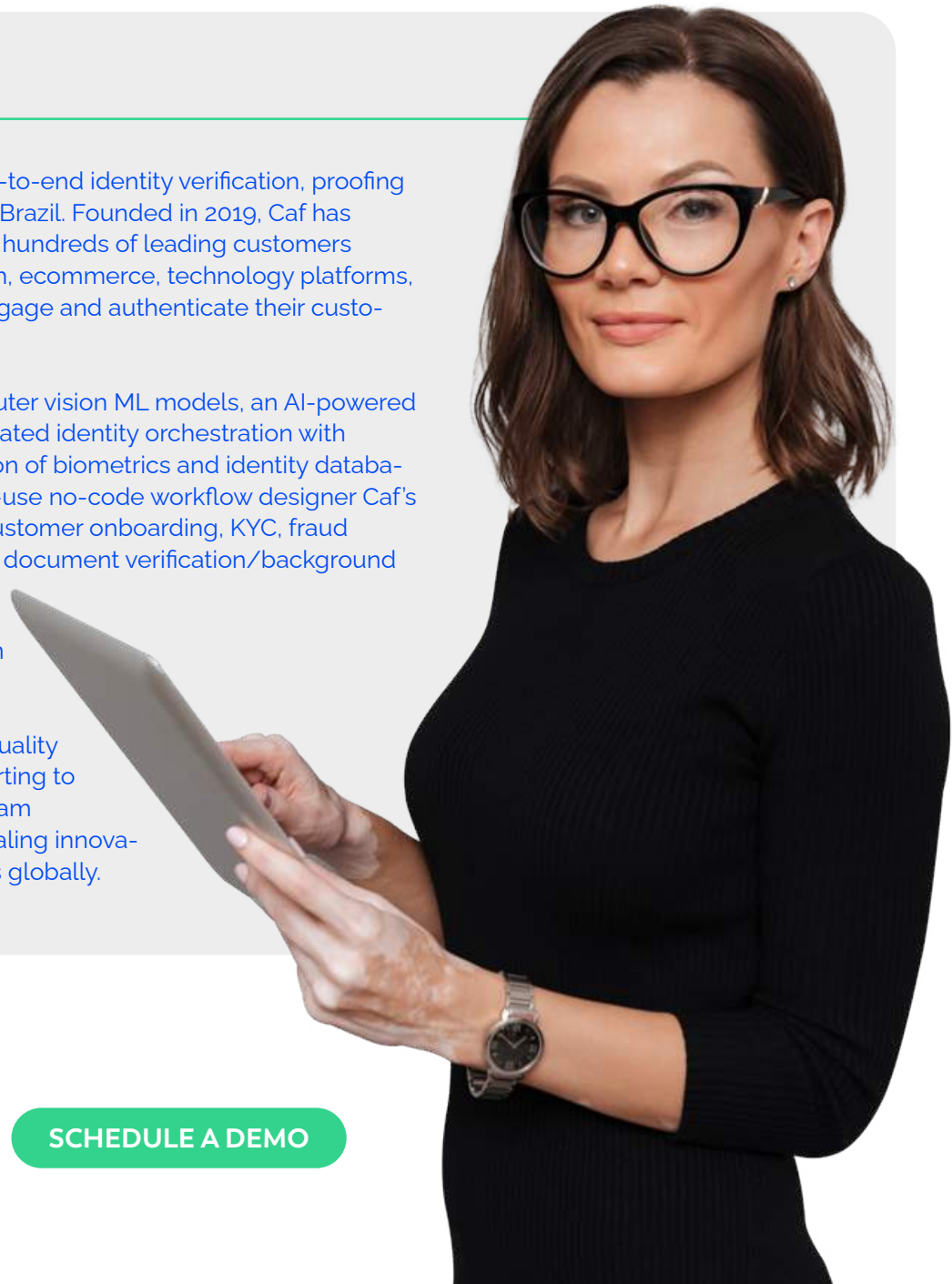
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About Caf

Caf is a leading provider of end-to-end identity verification, proofing and authentication solutions in Brazil. Founded in 2019, Caf has rapidly grown and is trusted by hundreds of leading customers across financial services, fintech, ecommerce, technology platforms, sports betting and others to engage and authenticate their customers accurately.

Caf combines advanced computer vision ML models, an AI-powered decisions engine, and sophisticated identity orchestration with Brazil's most extensive collection of biometrics and identity databases. This along with an easy-to-use no-code workflow designer Caf's platform delivers automated customer onboarding, KYC, fraud prevention, authentication, and document verification/background check solutions.

Caf is the first and only Brazilian company to receive a safety certificate for its proof-of-life technology, granted by iBeta Quality Assurance. The company is starting to scale outside of Brazil with a team experienced in building and scaling innovative fraud and identity solutions globally.



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