



“ iovation helped us shut down 20 sophisticated rings. Imagine the lifetime value of bonuses on nearly 300 accounts—that’s tens of thousands of pounds! iovation paid for itself on the first day. ”

Crystian Terry
Director of Casino Operations,
WagerWorks

WagerWorks Takes Fraudsters Out of the Game using iovation Device Reputation

As a premier provider of game content for online, mobile and interactive digital television, WagerWorks offers an unparalleled suite of exclusive games and services while achieving the highest level of regulatory compliance.

Fraud Challenges

- Players were working together to run bonus schemes
- Comprehensive credit and identity checks weren't catching fraudsters
- Lack of information limited the ability to effectively stop fraud and abuse

Solution Requirements

- Proactively identify problem accounts to minimize financial risk
- Expose player collusion by revealing hidden relationships
- Keep fraudsters, cheaters, and self-excluded players from coming back

Results with iovation

- 20 sophisticated fraud rings—running hundreds of accounts—were shut down by identifying the computers that were used to commit fraud
- Banned players were easily re-identified and stopped from returning
- Device reputation service more than paid for itself on the very first day

Company Overview

WagerWorks, is the premier provider of game content for the remote gaming market. Acquired by International Game Technology (IGT) in 2005, WagerWorks has access to IGT's exclusive brands and successful UK-centric game titles from its sister company, Barcrest Games. Offering a mixture of well-known consumer branded games coupled with the best games from the land-based environments, WagerWorks offers progressive-style games, slots, table and fixed-odds games. In addition WagerWorks also provides solid platform solutions for gaming sites, including registration, verification and banking systems, casino management tools, and regulatory practices.

With its roots in the traditional casino industry, WagerWorks strongly believes in regulatory compliance as one of its strategy "pillars" and prides itself on being the leading provider of regulatory-compliant game content and software. The company lives by the philosophy that establishing strict guidelines and oversight ultimately leads to increased consumer trust, higher quality standards, and a more genuine, entertaining gaming experience. For this reason, WagerWorks remains at the forefront of regulatory compliance and not only adheres to the highest levels of regulation, but advocates for increased compliance in the industry as a whole.

Challenge #1 - Bonus Abuse & Evasive Fraudsters

The idea of free money is alluring to almost everyone. That's what makes bonuses offered on casino sites—ranging from "welcome" bonuses, to "reload" or cashback bonuses—so effective. Of course restrictions and limitations almost always apply to such bonuses, since they are largely intended as a promotional tactic to encourage new players to sign up, or existing players to play more often. But there are always those who can find a way to take advantage of the system at the expense of the online sites.

Taking advantage of bonuses is becoming increasingly common, with many websites even offering advice on how to do it, and yet it can have devastating results for online casino sites. Bonus abuse, especially when committed by sophisticated and organized groups, can add up to significant costs: imagine multiplying a 20% bonus by hundreds of accounts.

Unfortunately, as WagerWorks realized, it isn't always easy to catch those players committing bonus abuse. Many of the fraudsters on WagerWorks' sites are extremely internet savvy and have developed sophisticated methods for beating the system while remaining undetected. Even though WagerWorks conducted comprehensive credit and identity checks—including asking suspicious players to fax in proof of identity— fraudsters were still getting through.

While WagerWorks' fraud team was able to note patterns of behavior on certain accounts that identified those players trying to cheat the system and run bonus schemes, they couldn't prove that all the accounts were linked. "We had this huge suspicion that we were being cheated, and we knew we were dealing with a large group of accounts being operated by a small number of individuals but we just couldn't prove it. We had to find another way to crack down on the group," said Crystian Terry, Director of Casino Operations for WagerWorks.

Challenge #2- Enforcing Self-Exclusion

Problem players pose another unique risk and liability for online casinos. Most online casino sites are required to offer a self-exclusion option, allowing players with a gaming problem the option to voluntarily ban themselves from a site. Once a player identifies him/ herself for exclusion, however, it becomes the online casino's duty to prevent that player from returning. This can be tricky.

WagerWorks started to realize that often, a player would ask to be excluded from a site, but then would come back days or weeks later using a new account. While the company's customer service department implemented their own customized logic check to help catch excluded players trying to set up new accounts, it wasn't fool-proof. If they allowed the player access to the site, even unknowingly, it could become a compliance issue.

Device Reputation to the Rescue

In order to address both of Wagerworks' challenges, the missing piece of the puzzle was being able to identify the player's device (typically a computer):

- **Bonus Abuse:** Without being able to identify the relationships between accounts, WagerWorks' fraud team couldn't definitively catch individuals or organized groups running multiple accounts in order to cheat the system. But by recognizing and re-recognizing the computers used—coupled with fraud and abuse histories—the relationships between multiple accounts would become obvious and easy to shut down.
- **Compliance:** Even though WagerWorks could ban a self-excluded player's account, preventing that player from opening new accounts under related or new names was more of a challenge. Being able to identify and ban the computer that player was using, however, could easily eliminate the problem and ensure that WagerWorks maintained 100% compliance.

WagerWorks knew that they needed a sophisticated fraud solution, and with proven, cost-effective tools on the market, there was no need to build this in-house. That's when they decided to come to iovation, the global leader in device-based fraud protection. Not only does iovation provide proven device recognition technology, it also offers the world's largest, shared database of device histories, allowing WagerWorks to take advantage of iovation's wealth of experience, and the experiences of iovation's many other subscribers.

The Service That Pays for Itself

With device reputation, WagerWorks gained valuable insight into the account activity on its sites, and as a result achieved greater control over fraud and abuse. By easily identifying account-device relationships and providing data for in-depth forensic analysis, iovation ReputationManager™ proved to be the most important addition to the company's overall fraud prevention process.

With iovation's sophisticated admin tool, available to run reports and drill down into individual transaction and account information, WagerWorks' fraud team could do much more thorough reviews and uncover abuse that would otherwise have been undetected.

“ iovation provides us with information that was previously unavailable. It's very difficult to research suspicious accounts with limited information. Now, with iovation, we have access to multiple data points in order to perform really meaningful analysis and review. ”

Crystian Terry, Director of Casino Operations, WagerWorks

From the very first day, the results were clear. As soon as iovation's service was implemented, WagerWorks began identifying and shutting down hundreds of accounts that were all clearly connected and being used to abuse the bonus system. Not only was WagerWorks able to shut down the problem accounts, it was also possible to keep unwanted players out for good by tagging the computers they used. This resulted in phenomenal savings: “Just imagine the lifetime value of bonuses on nearly 300 accounts. That's tens of thousands of pounds! iovation paid for itself and more, on the first day,” says Terry.



For more information on WagerWorks games please contact:

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To learn more about iovation ReputationManager™ and how it helps organizations fight online fraud and abuse, visit www.iovation.com.



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