



Transcribed text of Sarah Kelly, Director of Licensing, Alderney Gambling Control Commission & Vice President of International Association of Gaming Regulators at AGE 2025

So, although this is about leveraging technology, I know there are far better experts in this room than me to talk about the actual technology. What I hope to do today is give you some pointers on how technology can assist you and your businesses in preventing fraud. That was my first confession. My second confession is that I'm a West Ham fan, and Emmanuel ruined my early adult years. But I'm not bitter. I did clap for your award begrudgingly.

Where Do We Start?

This is from an online perspective. My jurisdiction regulates online gambling only. However, there will always be crossovers with land-based operations, and I hope those in land-based jurisdictions can also take some pointers from this presentation.

I'll cover:

Types of fraud

- Technology available to combat fraud
- When to use that technology and what's right for your business
- What regulators expect from you in fraud detection
- Future talking points

Why Tackle Fraud?

From a business perspective, fraud leads to revenue loss costly chargebacks, lost bonuses, and time spent managing fraudulent activity. But there's more:

1. Processor & Payment Issues: Higher fees from payment service providers due to excessive chargebacks.
2. Resource Strain: Fraud detection drains time, money, and staff effort.



3. **Customer Support Overload:** Genuine customers report hacked accounts, increasing complaint volumes.
4. **Compliance Risks:** Regulators don't take kindly to businesses that fail to combat fraud effectively, and sanctions may follow.

Types of Fraud

Fraud evolves by the hour, but common ones include:

- 1) **Multi-Account Holding:** Bonus abuse, chip dumping, collusion. Fraudsters exploit signup bonuses, use multiple accounts to play against themselves, and manipulate bets to guarantee wins.
- 2) **Payment Fraud:** Stolen credit cards, chargeback abuse, phone top-up fraud, social engineering scams.
- 3) **AI-Powered Fraud:** AI makes fraud detection harder while opening new opportunities for fraudsters.

Technology to Combat Fraud

a) Know Your Customer (KYC)

The foundation of fraud prevention. Once you establish a genuine customer's profile, you can detect anomalies such as sudden, suspicious behavior.

b) Device Intelligence & IP Fraud Scoring

Tracking devices and IP addresses helps detect multiple accounts and location inconsistencies.

c) Digital Footprint Analysis

Examining browsing habits and online activity can flag fraudulent behavior.

d) Behavioral & Velocity Checks

For example, if a customer who exclusively bets on sports suddenly starts playing casino games, that should trigger an intervention. Contact them to verify the change in behavior.

e) Biometrics & Repeated Login Attempts

Tracking repeated failed logins, fast withdrawals, or unusual transaction requests helps detect compromised accounts.



Fraud Prevention Along the Transaction Journey

- 1) **Signup Phase:** KYC, device intelligence, digital footprint analysis, and behavioral checks combat multi-accounting and bonus abuse.
- 2) **Transaction Phase:** Velocity checks help detect unusual betting patterns, stolen credit card use, and money laundering risks.
- 3) **Gameplay Monitoring:** IP analysis and behavioral analysis flag chip dumping and collusion.
- 4) **Withdrawals:** Sudden changes in withdrawal accounts or unusually fast withdrawal requests raise red flags.

What's Right for Your Business?

Your fraud prevention strategy depends on your risk profile and business model. Larger companies develop bespoke systems, while smaller ones often outsource.

Regardless, you must:

1. Conduct a business risk assessment to identify fraud risks.
2. Implement proportionate mitigation strategies based on your business size and exposure.
3. Demonstrate compliance to regulators by showing clear fraud prevention measures.

What Do Regulators Expect?

As a regulator, I would expect to see:

- 1) A fraud risk assessment tailored to your business.
- 2) The right fraud detection tools for your specific risks.
- 3) Evidence of how your fraud prevention system works whether in-house or outsourced.
- 4) Clear outcome-focused processes, including samples of accounts and interventions.

The Future of Fraud Prevention

Two key developments are shaping the future:

1. **Personal ID Cards:** A universal digital ID linked to payments across operators, reducing fraud risks.
2. **AI Evolution:** AI can be both a threat and a solution in fraud detection. It's crucial to leverage AI tools to stay ahead of fraudsters.



Fraud Prevention & Social Responsibility: A Shared Approach

Fraud prevention and social responsibility go hand in hand. Both require behavioral analysis and intervention to protect customers and maintain a fair, responsible gaming environment.

Q&A & Closing Remarks

That's a quick overview of fraud prevention in gaming. You'll also hear more about social responsibility, which aligns closely with fraud detection strategies.

Thank you very much!



INSIGHT