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5 REASONS TO BET ON BIOMETRICS

for safer, faster, and more effective identity authentication on online gambling platforms

The global online gambling market reached \$79.8 billion in 2022 and is poised to reach \$133.9 billion by 2028 due to the rising acceptance of online betting. Protecting your brand and players from fraudsters is paramount.



In 2022, the owner of Ladbrokes was handed the biggest fine in UK gambling history—a record £17 million (\$20.6 million)—for AML and responsible gambling failures.



- Blocked customers were able to open multiple accounts
- Failed to stop gamblers betting hundreds of thousands of pounds without checks
- Failed to block players who could not explain the source of their gambling funds

Source: Bloomberg, Technology of Future of British Business, August 17, 2022

gambling history a record £17 million (\$20.6 million)

As of August 2023, gambling industry penalties £306,993,959 Source:

gamblingindsutryfines.com



Fraudulent activities impacting Online gambling platforms

Multi-accounting – fraudsters creating numerous accounts using fake credentials to increase their odds, abuse bonus offers, or otherwise cheat the system to move the favor of results to one player.

In Q1 2022, there was an 85% increase in fake account registrations compared to Q4 2021.

Source: Arkose Labs Q2 State of Fraud & Account Security Report Q2 2022

Chargebacks – fraudsters use stolen credit cards (carding) to top off their accounts and when legitimate cardholders realize their credit card was used operators must issue a refund.

The gaming industry experiences a chargeback rate of 0.83% from unauthorized transactions, fraudulent activity, or disputes related to virtual goods or game performance.

Source: Clearly Payments



Using multimodal biometrics to match players faces and voices to their personal and unique biometric templates provides the ultimate in protection against financial crimes and fraud losses.

where multimodal biometric authentication, leveraging artificial intelligence (AI) and machine learning (ML), can make online gambling experiences more secure and convenient for players.



Onboarding – capture players' face and voice biometrics as part of the initial verification workflow to reduce future account takeover attacks and friction for players.

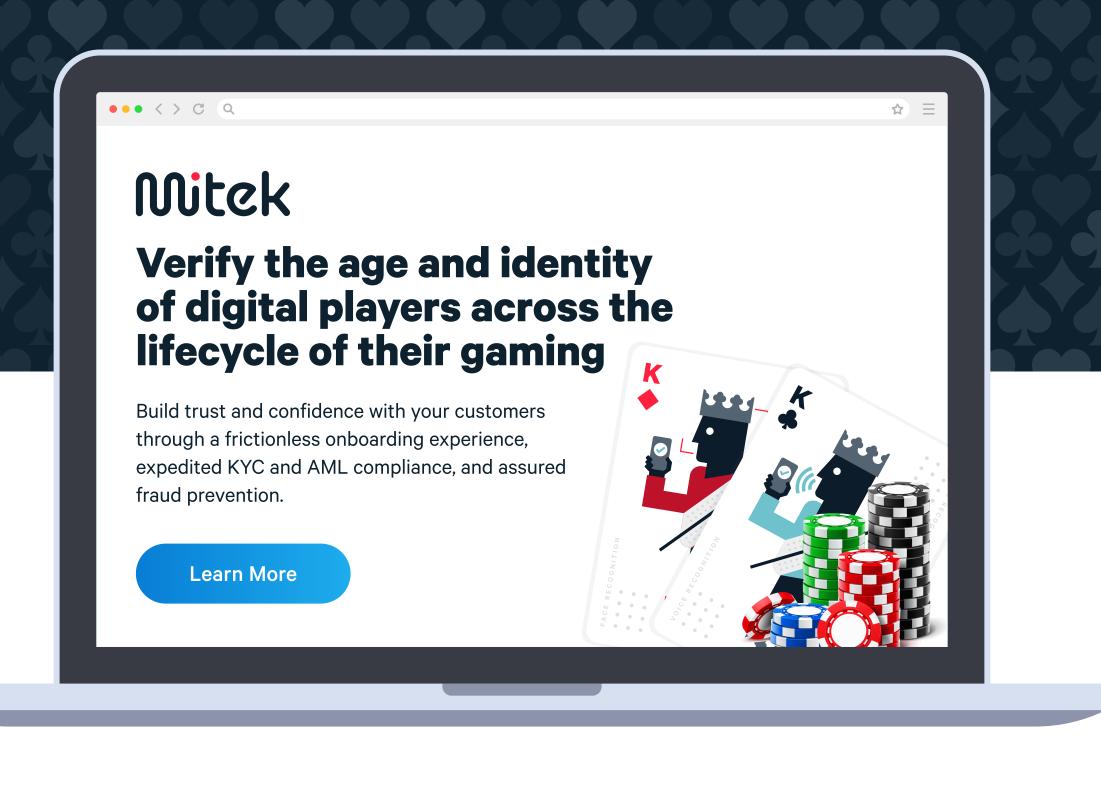
Recurring verification – use a biometric check as an annual process to reverify lapsed or inactive accounts on an annual basis throughout the lifecycle of the relationship.

Complement compliance processes

- match customer information provided during registration as an alternative or supplemental part of EDD (enhanced due diligence).

Password resets – allow users to reaccess their accounts more securely when they forget their passwords, without going through the hassle of one-time passcodes and password resets.

Reduce chargebacks – mitigate chargebacks associated with stolen cards and bad bets using biometric matching with passive liveness.







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Mitek (NASDAQ: MITK) is a global leader in digital identity and digital fraud prevention, with technology to bridge the physical and digital worlds. Mitek's advanced identity verification technologies and global platform make digital access faster and more secure than ever, providing companies new levels of control, deployment ease and operation, while protecting the entire customer journey. More than 7,800 organizations use Mitek to enable trust and convenience for mobile check deposit, new account opening and more.

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