

How Screening Tools Fail to Catch Fraud

Various technologies claim to assist in detecting fraud, but do they really deliver? When it comes to safeguarding your business and residents against fraud, it is crucial to comprehend the available technologies and their effective application. Let's explore these different tools and evaluate their ability to detect fraud.



Optical Character Recognition (OCR)

Optical Character Recognition (OCR), also known as text recognition, is a technology used to extract and repurpose data from various sources, such as scanned documents, images, and image-only PDFs. This software identifies individual letters within an image, converts them into words, and arranges them into sentences, thereby enabling users to access and edit the original content.

OCR isn't considered comprehensive fraud detection because it can't detect basic tactics employed by fraudsters, such as HTML replacement. Additionally, OCR can be easily fooled by minor changes in the text, making it an unreliable method for safeguarding important information.



Bank and Payroll Linking

Leasing teams often ask applicants to use a bank-linking service, such as Plaid, as a way to verify their income. However, this method can't be enforced. Applicants are allowed to opt out, virtually eliminating the possibility of any verification process. Additionally, bank linking can be easily manipulated by fraudsters who are able to fake bank statements or provide false account information.

Payroll linking, like the company Truv, is an alternate method for verifying income and employment. This involves connecting directly with an applicant's employer through a secure portal to verify their salary and job status. Similar to bank linking, applicants can opt out of this technology, bypassing any sort of verification system.



Employment Databases

Employment databases, such as The Work Number, are commonly used to quickly verify that an applicant actually works where they say they do. While this tool can be a great thing to add to your arsenal, solely checking an employment database is not an effective way to stop fraud. Not all applicants' employers will be in the database, and applicants can still provide false information, use a fake company name, or make edits to their income documents during the application process.



Comprehensive Fraud Detection

Now that we've explored the tools that are often mislabeled as fraud detection, let's review what a real, robust fraud detection system looks like. Effective fraud detection software should examine the metadata of a document - this allows it to detect even the smallest manipulations, most of which are invisible to the naked eye. It should also leverage machine learning and AI technology to analyze patterns and flag any discrepancies or anomalies.

Lucky for you, Snappt does both of these things! Snappt's AI-enabled fraud detection software has scanned over 6 million documents and has a 99.8% accuracy rate in detecting fraud. Our advanced algorithms can detect any changes or edits made to income documents, including those that are often missed by human reviewers.

In addition to document analysis, Snappt also offers comprehensive fraud detection through its built-in ID verification system. This powerful tool verifies the identity of applicants through government-issued IDs and biometric facial recognition technology. This added layer of security ensures that the person applying for an apartment is who they say they are, further reducing the risk of fraud.

To learn more about our comprehensive fraud detection, [visit snappt.com](https://www.snappt.com)

Screening Tools Comparison Matrix

	COMPREHENSIVE FRAUD DETECTION	OCR	BANK LINKING	PAYROLL LINKING	EMPLOYMENT DATABASE
Description	Verifies if a document submitted by an applicant is legitimate and unedited	Automatically pulls data from PDF statements	Verifies applicant bank account balance	Verifies applicant's employment and salary	Database of current employment and salary
Limitations	If offer letters are accepted forms of income documentation, they still need to be manually verified	Does not detect if document is fraudulent	Applicant can easily opt out	Applicant can easily opt out	Only works if applicant is in the database (75% of Fortune 500 companies)
Estimated % of applicants who can use this	100%	100%	50%	50%	35%
Detects edits and fraud on the document	✓	✗	N/A	N/A	N/A
Can be required by leasing team for application	✓	✗	✗	✗	✗
Verifies employment	✓	✗	✗	✓	✓
Verifies salary	✓	✗	✓	✓	✓
Direct link to data source (secure)	✗	✗	✓	✓	✓
Data extraction capabilities	✗	✓	N/A	N/A	N/A