



## Case study

# Industrial manufacturer reduces warranty claim fraud with timely insights

The Fosfor Decision Cloud empowered users with immediate insights on warranty claims to prevent major revenue loss

# An overview

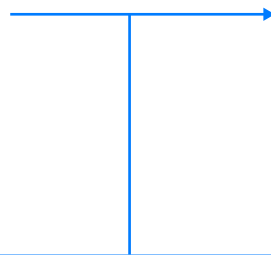
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Discover how Fosfor helped a leading industrial manufacturer of refrigeration systems



## Go from waiting for analysis

Manually curating data leading to high time-to-insights and low coverage for audits



## To insights at will

Giving field engineers key insights on fraud claims in an easy-to-consume manner to catch unwarranted service center behavior

### Using the Fosfor Decision Cloud

Setting up data on Snowflake to run gap analysis and deriving insights using a conversational interface

# The results

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**\$500K**

saved by identifying fraudulent claims

**90%**

reduction in time and effort taken for data

**80%**

increase in coverage area of service centers

# Challenges

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## Slow and tedious manual analysis of sales-claim gaps

Warranty management can help original equipment manufacturers (OEMs) improve customer satisfaction, but without effective processes, it can quickly drain resources and revenue. In fact, fraudulent warranty claims account for nearly 15% of warranty costs. They happen when the service centers raise claims for more parts than those they have purchased or when service centers procure parts from the grey market and bill the OEMs for them. Companies are, however, unable to catch them in time because of a lack of adequate data analysis.

Most OEMs conduct audits for warranty entitlement, defects, and fraud detection manually. This process is slow and cumbersome, and claims that should be refused are allowed because details can be missed. The imperative for OEMs now is to use intelligent automated systems to cut down on costs associated with fraudulent activities. By enabling instant insights on claims for all stakeholders, they can ensure better vigilance and make it impossible for scammers to slip through the cracks.



Our client, a large industrial manufacturer of cooling solutions, wanted to detect fraudulent claims from its third-party service centers. In the process, they also wanted to improve the decision cycle for their warranty and after-market parts sales divisions. However, they faced challenges with:



## Manual interventions

They had to manually curate and cleanse data from sales and warranty systems, which delayed the process of tracking claim frauds that resulted in cost leakages and losses.

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## Limited coverage

Due to the manual process of checking claims data, they could audit only a select set of service centers (~20%) every quarter, letting a large set of claims pass unchecked.

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## Delayed insights

The auditors took 10 days to generate insights from the manual task, and it was done only once a quarter due to the demanding nature of the effort.

# Solution

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## Insights on demand with the Fosfor Decision Cloud

The client needed to move to a system that would give them the transparency they needed to make swift decisions by:

- Reducing the time to insights on claims from days to a matter of minutes
- Eliminate the manual effort of collecting data for analysis to avoid mistakes
- Create a single source of truth for the field engineers to access relevant and essential data by themselves without depending on data analysts at every step

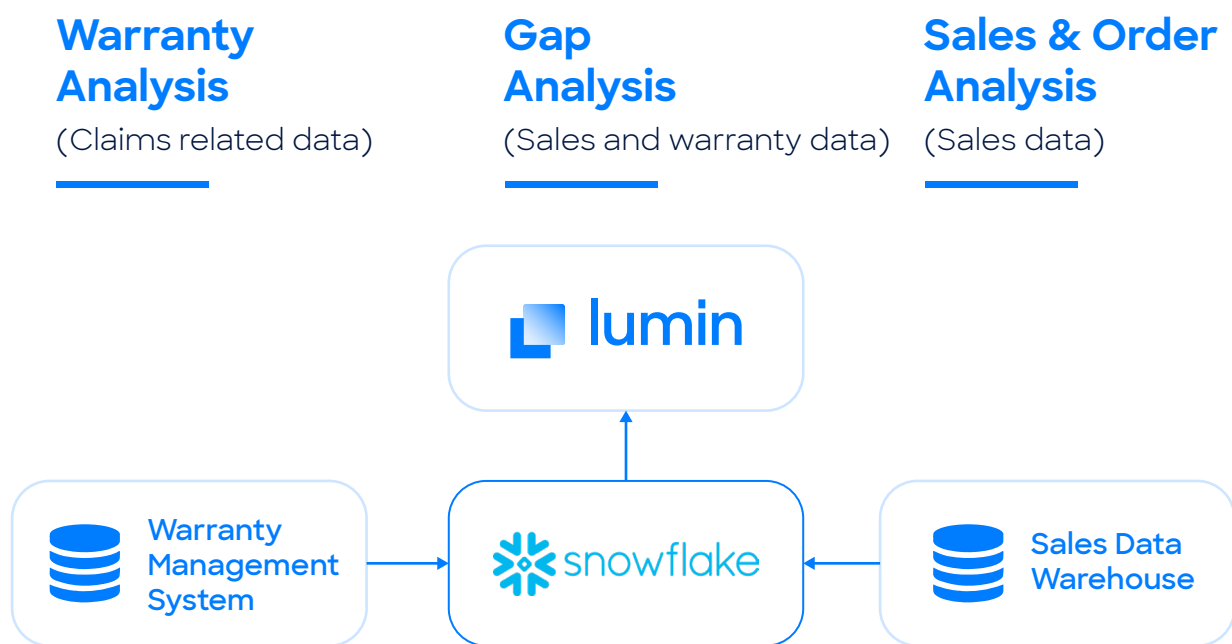
Using Lumin, the Fosfor Decision Designer, allowed the manufacturer to tackle all these challenges.



# How the Decision Designer works

The Decision Designer empowers everyone in the organization to quickly discover insights from their data. It combines AI, ML, and NLG technologies with an intuitive conversational interface. This allows users to ask questions about their business data, analyze large datasets in seconds, and gain comprehensive, automated insights – without waiting for an analyst to assist or write codes.

Here, Fosfor integrated data from claims and sales databases and set up views on Snowflake for the Decision Designer to analyze in seconds. The entire process, from requirement gathering to insights, took less than 6 weeks, made possible by the no-code creator interface provided in the Decision Designer.



The Fosfor Decision Cloud integrated with Snowflake helped the client:



Improve overall data quality processes with recommendations from functional experts



Provide access to 100+ concurrent users with the Decision Designer's pushdown optimization on Snowflake



Enable insights at will for field engineers to understand the sales-claims gap with the Decision Designer's Ask Bar, a natural language search-based interface

The solution was implemented successfully because of three factors:

### Identifying the right problem

- Understanding the impact of the problem on the business
- Analyzing reasons for low insight visibility
- Replacing the manual analysis process

### Engaging the right team

- Creating a tripartite persona team from the business, IT resources, and Fosfor experts
- Working together to create a joint solution

### Ensuring the right data

- Identifying clean datasets
- Creating a data health check process
- Ensuring continuous improvement of data quality so the business stays focused on the outcome

## The impact

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Instant and on-demand insights with productivity gains

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fraudulent claims

**90%**

reduction in time and  
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**80%**

increase in coverage  
area of service centers

Using the Fosfor Decision Cloud, the client was able to identify wrong claims raised by a service center for parts given free of charge under sales concessions and was also able to recover their cost.

Their excitement about the possibilities enabled by Fosfor is evident in their appreciation:

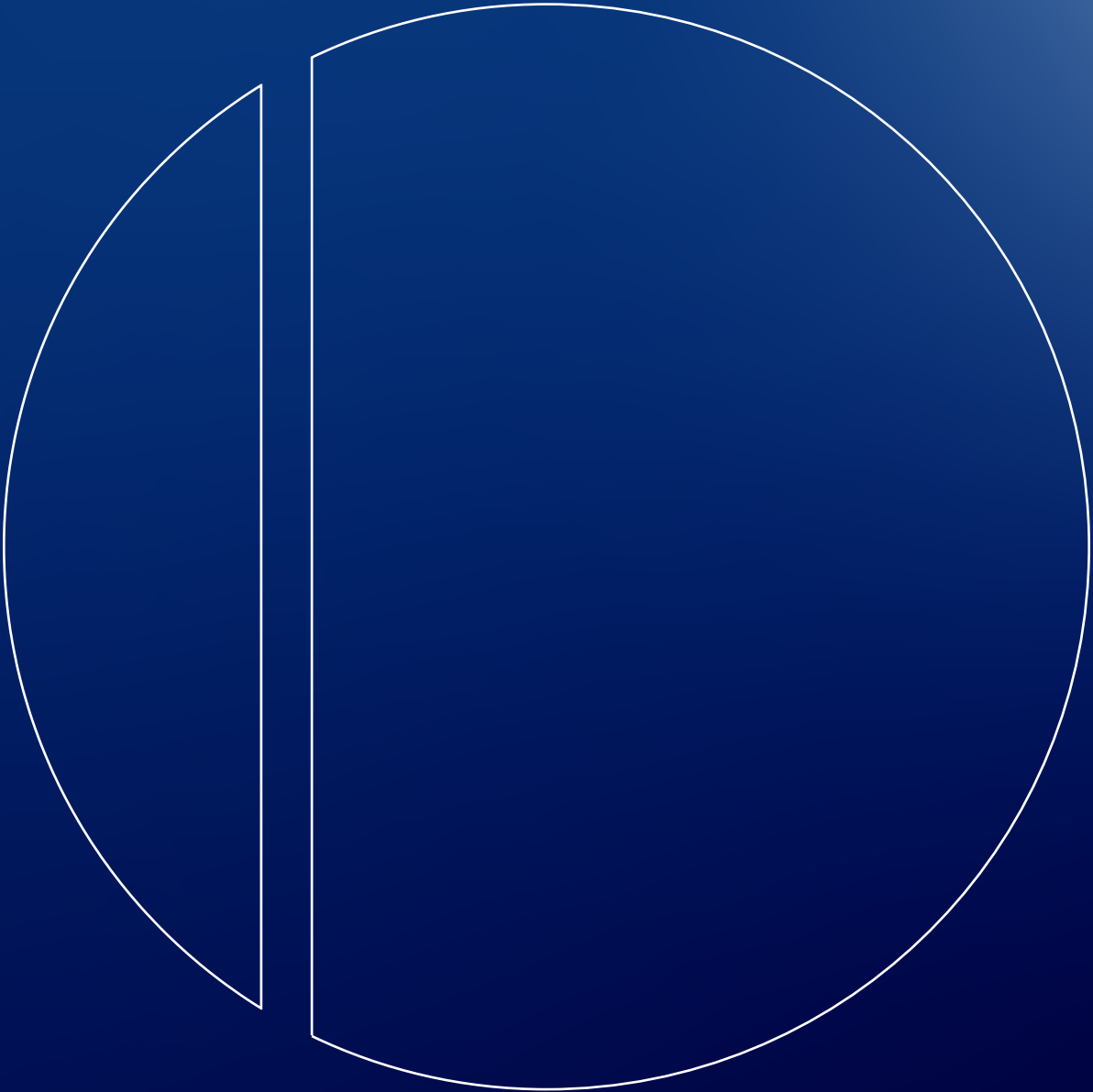
“What I like is that a story can be made, which will be saved and automatically updated. I like the nudges, the analytics, and the way you can dive into the answers. The service teams will be able to use this every time they plan a visit and get real and live data. We look forward to using the tool in our daily jobs and further streamlining the audit process.”

- VP, Supply Chain



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The Fosfor Decision Cloud is a connected fabric that unifies and amplifies the value promised by the modern data ecosystem, which is made up of infrastructure, data, and application clouds. Fosfor enables organizations to effectively curate data, generate impactful insights, and formulate effective decisions to deliver the long-sought promise of data and AI: optimal business outcomes. Fosfor is part of LTIMindtree, a global technology consulting and digital solutions company. For more information, visit [www.fosfor.com](http://www.fosfor.com).