



The Risky Business of Building Your Own Machine Learning Platform



One Platform to Manage Financial Crime
feedzai.com

Imagine recommending the purchase of a \$5 million machine learning tool to fight fraud that your organization would never be able to use. Crazy, right? And yet, that's akin to what a major streaming service did.

The Streaming AI Platform Build Project

In 2006, a major streaming platform announced a machine learning and data mining competition. They offered \$1 million to any person or team who improved the accuracy of their movie rating prediction machine.

It took three years for a team to build the platform and win the prize. But by that time the engineering costs involved with implementation were too prohibitive to use the new algorithm. If this was an Aesop fable, the lesson would be clear: there are more things to consider when looking at machine learning than just KPIs.



To Get Machine Learning Right, You Have to be a Machine Learning Company

Machine Learning technology is a far cry from standard computer programming. Basically, to build a machine learning platform for risk, your organization needs to be, at its core, an AI company. This means you have deep expertise in artificial intelligence, commit the resources to build out a team of data scientists (in and of itself a challenging task as there is a worldwide shortage of these skills), build and maintain a massive infrastructure — along with the team to maintain and scale it — and assure regulatory compliance across the platform.

Yes, a small number of organizations have been able to do it. But overwhelmingly, organizations fail at building their own platform for risk.

How Long Does it Take to Build a Machine Learning Platform for Risk?

You should expect it to take about five years to build your own machine learning platform. Now, consider how your business use cases evolve in the next five years. You'll have to build for that.

Make Sure to Build a Useable Machine Learning Platform for Risk

As Margarida Ruela, Director of Product, AI, at Feedzai cautions young data scientists in workshops, “Buildable does not equal usable, which does not equal really usable.”

In order to be “really usable” in the financial industry, you must ensure you have the right data, the data is pristine, and that decisions made based on your machine learning models are explainable to regulators. There is no wiggle room here. Your models must generate trustworthy and accurate explanations.

Rather Than Build vs. Buy, Think Machine Learning Partner

Still, you have legitimate reasons for wanting to build your own machine learning platform for risk. And, they’re good ones. But instead of risking your personal reputation on building a machine learning project, why not use those reasons to vet your machine learning risk platform partner?

The right partner can actually teach you how to build and manage your own platform. But how do you choose the right machine learning platform partner?

Choose a Machine Learning Partner that Provides You With:



Control

You want control over the data schema, different integrations, all the layouts, formats, which models to use, and the cadence that you can update profiles. Make sure you are able to self-manage your dashboards and reporting so you can see the right metrics and KPIs relevant to fighting fraud at your organization.



Flexibility

Make sure your partner has the ability to take on new use cases so you can deal with tomorrow's problems and today's opportunities. Also, look for a partner that allows you to run multiple models. Fraudsters behave differently depending on where they are and what they're doing. Your machine learning risk platform should be as flexible as the criminals are.



Freedom from Vendor Lock

A lot of risk platforms require financial institutions to use specific vendors, and that can be a hassle.



Production Speed

Partnering with experts in machine learning platforms for risk allows you to condense five years of engineering work — the realistic time frame for building your own ML risk platform — into five months.



Process

Building a machine learning platform is an iterative process. Planning and timelines won't mimic other projects your team has managed. Your platform partner should help you develop processes and documentation so that your system works regardless of employee turnover, organizational pivots, or other unforeseen changes.



One Platform to Manage Financial Crime

Build Your Business. We'll Protect it.

Every day, Feedzai's enterprise risk management platform scores trillions of dollars of transactions to protect the world's largest companies. Architected to be fully AI-enabled to stay ahead of emerging financial crime and money laundering patterns, Feedzai mitigates even the most deceptive criminals so that merchants, issuers, and acquirers can focus on growth.

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