

FIND OUT HOW WE ACHIEVED FRAUD REDUCTION THROUGH CLAIM MANAGEMENT

Gallagher Bassett partnered with the #1 global contract logistics provider to meet their goals of identifying and reducing fraudulent claims against the business, achieve cost savings and reinforce priorities for operational excellence and sustainability targets.





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THE CLIENT

GB'S CLIENT, DHL SUPPLY CHAIN, IS PART OF THE DHL GROUP, THE WORLD'S LEADING LOGISTICS PROVIDER. THE DIVISION PROVIDES CUSTOMISED LOGISTICS SOLUTIONS TO IT'S CLIENTS. WITH MORE THAN 188K FULL-TIME EMPLOYEES AND OPERATIONS IN 50+ COUNTRIES, IT'S REALLY IMPORTANT FOR DHL SUPPLY CHAIN TO HAVE EFFECTIVE RISK MANAGEMENT AND LOSS MITIGATION PROCESSES THROUGHOUT THEIR CLAIMS OPERATIONS.

THE CHALLENGE

DHL Supply Chain in the UK has been partnering with Gallagher Bassett as a provider of claim management services for the last 10 years, working closely alongside DHL's supplier partner DWF. In March 2023 as part of a competitive tender, the DHL Supply Chain team presented Gallagher Bassett's experts with fresh targets to combat fraudulent claims made against the business. The aim was not only to achieve cost savings but to also reinforce their strategic priorities for operational excellence and sustainability. The GB team saw an opportunity to link claims performance to something meaningful to DHL - so got creative with the KPIs.

WHAT WAS THE APPROACH

Through close collaboration, in July 2024, Gallagher Bassett and DHL Supply Chain successfully launched a 5-year programme aptly named the "Net Zero Tolerance to Fraud" initiative, with the aim to implement advanced fraud detection and prevention strategies, targeting savings of £500,000 per year - and linked to the planting of up to 500 trees. The initiative aligns with DHL's strategy to focus on accelerating sustainable growth. Their aim to be "Green Logistics of Choice" complements the Group's aim to be Employer, Provider and Investment of Choice. The key components of the Net Zero Tolerance to Fraud initiative are:



Enhanced Data Washing Database: Supported by supplier partners, DWF, this tool meticulously cleanses and verifies data to prevent fraudulent entries



Advanced Key Fraud Indicator KFI Validation: This process was put in place to detect and address potential fraud at the earliest stages



Fraud Specialist Expertise:

A dedicated fraud specialist working within GB to provide an end-to-end review of our framework adding a further layer of expertise within our team



Cutting-edge Tools: Utilisation of Allied Universal's HeadsUp risk profiling, the ANPR portal, and ThirdEye 3.0 to effectively monitor and analyse risk factors

RESULTS

The "Net Zero Tolerance to Fraud" initiative has yielded impressive results within the first few months of its launch, demonstrating a strong commitment to identify and combat claims fraud against the business, and achieve significant financial savings. In a snapshot, the programme has already delivered:

Counter Fraud Savings: In the last contractual year, £1M+ was saved through repudiated and closed files, whilst in the current contract year 2024/25, £398k+ has already been saved with a promising pipeline of cases estimated to secure approximately £3M across 120 claims

Process Improvements: The initiative has led to significant process improvements and an expanded arsenal of counter fraud tools and products, enhancing existing expertise and experience

Russ Harrison, Head of Operations, Chelmsford at Gallagher Bassett UK said:



These results underscore the effectiveness and impact of Gallagher Bassett and DHL's comprehensive fraud prevention and recovery strategies, whilst highlighting significant achievements in combating fraud and promoting sustainability. We are looking forward to working further with the DHL Supply Chain team and achieving even greater results in the future."

FUTURE OUTLOOK

As part of the programme, Gallagher Bassett and DHL Supply Chain committed to improving their environmental footprint through a tree planting initiative. For every £1,000 saved against the £500,000 annual fraud savings target - a tree will be planted - showcasing the dedication to both financial prudence and ecological responsibility from both organisations. This initiative reflects Gallagher Bassett and DHL Supply Chain's shared commitment to achieving Net Zero emissions by 2050, driving meaningful impact in the industry and the world we all live in.

WHAT OUR CLIENT SAID



Helen Robertson, Regional Head of Claims IRM, UK&I, EE, EMA at DHL commented:

Our goal is to protect DHL's claims exposure and enhance the efficiency and effectiveness of our claims processes through collaboration with our supplier partners. By addressing the exposure of the business to fraudulent claims, we can ensure that we deliver the best value for our customers and deliver robust claims management solutions to the business.

Our collaboration with Gallagher Bassett on this initiative provides us with the opportunity to do this and at the same time links to DHL's Sustainable Growth strategy. We are really excited about the results we have achieved with our claims partners so far and looking forward to the results we will achieve by the end of the programme in 2029."



£1m+
**Counter Fraud
Savings made**



£120k
**Fees
Recovered**



500
**Trees planted
per annum**



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