

Insights with Accertify

MONTHLY WEBINAR SERIES

Fraud Predictions 2021



Accertify's Insights webinar series are conducted monthly across a variety of different topics including fraud trends, online payments, compliance and regulation, as well as chargeback and dispute management. Accertify's focus is on education and being a "connector" – in short, to bring the community together virtually to share and collaborate. The advance promotion for the monthly webinars, as well as on-demand recordings of each event, can be found in the Webinars section on the Accertify homepage:

www.accertify.com/webinars

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Accertify Fraud Predictions 2021

The global pandemic has had a profound impact on our daily lives. Many questions remain top of mind about what's to come, such as how fraud will continue to evolve and which types of cybercrime attacks will prevail.

Our 2021 predictions are based on developments in financial fraud, the regulatory landscape and the evolving ecommerce space.*1



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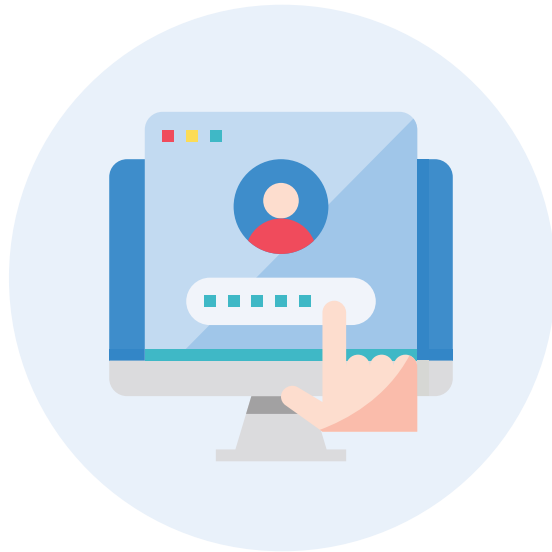
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Fraud Predictions 2021



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Prediction 1



Ripple Effect From Strong Customer Authentication To Be Felt Across Other Global Regions

We predict seeing an increase in ecommerce fraud across non-European regions. An example we can look back at is when the UK launched chip and PIN for card present transactions and the US saw a spike in card present fraud. *1,*2 and *3

There will be an increase in customer service disputes as buyer remorse/ friendly fraud gets reclassified into more appropriate reason codes.

1. <https://www.finextra.com/newsarticle/28466/uk-hits-10-year-chip-and-pin-anniversary>
2. <https://uk.reuters.com/article/britain-fraud/chip-and-pin-driving-card-fraud-overseas-idUKNOA33473820071003>
3. <https://www.forbes.com/sites/tomgroenfeldt/2014/07/17/us-credit-card-fraud-is-spiking-ahead-of-emv-secure-chip-introduction/?sh=2b3e7040229c>

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Prediction 2



Authentication Technology & Data Will Be A *Target For CyberCriminals*

Social engineering attacks will continue to rise resulting in an increase in SIM Swap attacks and compromise of one-time passcodes via SMS.*1 and *2

Organizations who store biometric data, fingerprints, facial recognition, and other data will be targets for compromise.*3 and *4

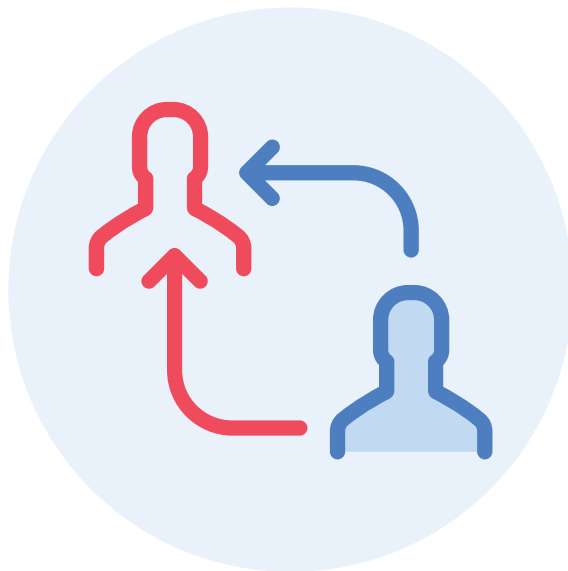
1. <https://www.europol.europa.eu/activities-services/public-awareness-and-prevention-guides/sim-swapping-%E2%80%93-mobile-phone-scam>
2. <https://techcommunity.microsoft.com/t5/azure-active-directory-identity/it-s-time-to-hang-up-on-phone-transport-for-authentication/ba-p/1751752>
3. <https://www.rollcall.com/2020/09/29/privacy-of-biometric-data-in-dhs-hands-in-doubt-inspector-general-says/>
4. <https://www.infosecurity-magazine.com/news/80000-id-cards-fingerprint-exposed/>

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Prediction 3



All Signs point to Online *Account Takeovers Reaching An All-Time High* In 2021

Conversations around Bots, Human-Like Bots and Human Farms will no longer just be had by the security and network teams. Fraud Prevention teams will start investigating the technology to help them make more accurate decisions and detect Account Takeovers.

These bot attacks are no longer limited to large network attacks. Bots with Human traits need to be identified and companies will be required to invest in the technology to identify and prevent evolving Bot and Human Farm behavior.

Whilst breaches were down by 50% year on year, the amount of records lost was 400% greater. With those credentials now available for sale, we expect an increase in credential stuffing attacks, resulting in more ATO. *1

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Prediction 4



The Fulfilment/
Shipping Part Of
The Order Life Cycle
Will Act As The
*New Playground
For Fraudsters*

There is a significant increase in orders being made with the sole purpose to report they have never been received. Companies will invest in solutions to help mitigate item-not-received and merchandise-not received refund claims. *1 and *2

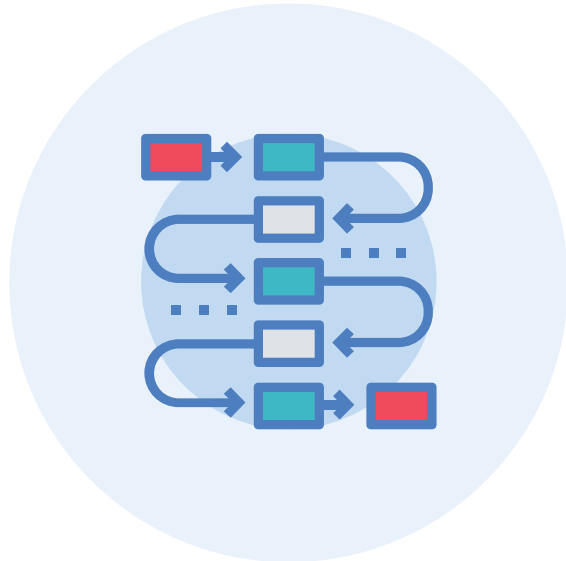
1. Accertify has spoken with a number of large merchants who have all confirmed this is a multi-million \$ problem.
2. <https://www.edinburghlive.co.uk/news/uk-world-news/its-absolutely-criminal-ebay-can-17905118>

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Prediction 5



Behaviorial Biometrics Technology Will Be Focus Of Acquisitions & Continued Mergers Of Large Organizations

Behaviorial Biometrics (BB) will be the newest piece of armory that solution providers will want to acquire to offer a deeper end to end offering. This could include the history of consolidation from fraud solutions; to device finger printing; to fraud alert acquisitions and now BB. At the top end, we'll continue to see the largest players either merge or acquire each other. *1

1. [https://www.pymnts.com/news/partnerships-acquisitions/2020/fis-global-payments-eyed-merger-but-talk-broke-down-report-says/#:~:text=Fidelity%20National%20Information%20Services%20\(FIS,Wall%20Street%20Journal%20\(WSJ\)\).&text=The%20deal%20was%20report-edly%20in,announce%20a%20deal%20this%20week.](https://www.pymnts.com/news/partnerships-acquisitions/2020/fis-global-payments-eyed-merger-but-talk-broke-down-report-says/#:~:text=Fidelity%20National%20Information%20Services%20(FIS,Wall%20Street%20Journal%20(WSJ)).&text=The%20deal%20was%20report-edly%20in,announce%20a%20deal%20this%20week.)

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Intelligence



Payment
Gateway



SCA
Optimisation



e-book

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Accertify Fraud Management is the most comprehensive platform available to address today's threats and is agile and adaptive to detect tomorrow's. With a simple API integration and real-time explainable machine learning based risk decisions, our seamless approach makes it simpler to protect your organization while delivering a differentiated customer experience.

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