Merchants Facing Increasing Challenges in Mitigating Fraud Losses

LexisNexis Fraud Multiplier[SM] calculates the cost of fraud shouldered by merchants. For every $1 in fraud loss, the LexisNexis Fraud Multiplier[SM] calculates the cost to the merchant.

In 2015, every

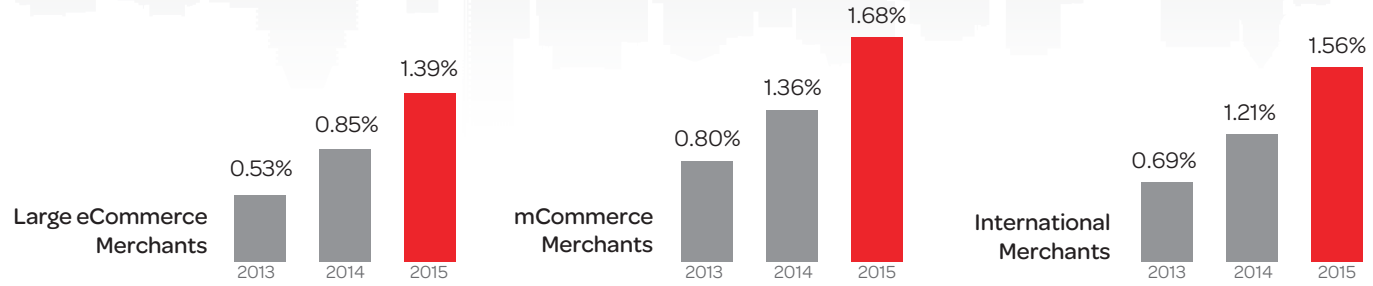
$100

of fraud, costs a merchant

$223

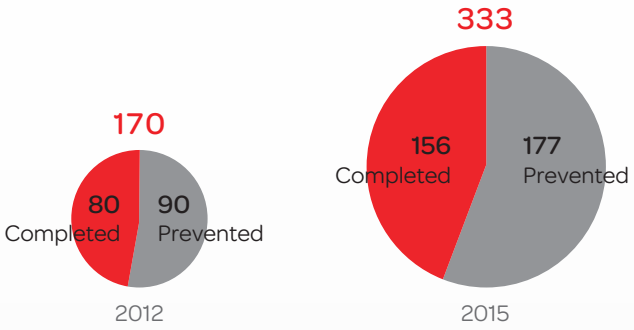
mCommerce and International Merchants Take Greatest Hit to Revenue From Fraud

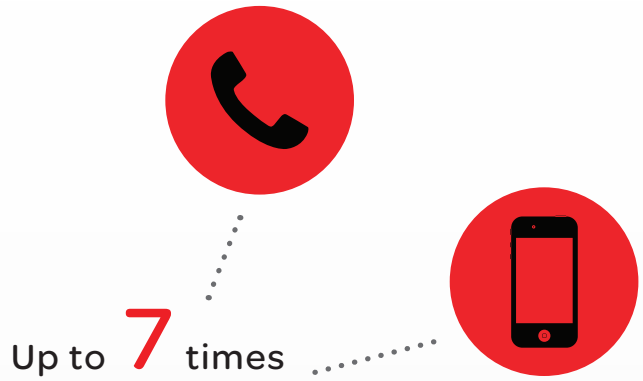
(fraud as percent of revenue)



Merchant Stopping More Fraud, But Still Losing Ground

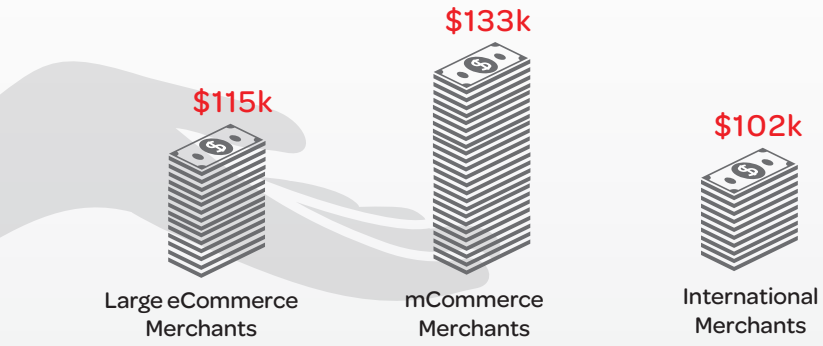
Attempted Fraudulent Transactions per Month





Spending on Fraud Mitigation

(including fraud prevention solutions, manual reviews, and physical security)



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Fraud is defined as fraudulent and/or unauthorized transactions, fraudulent requests for a refund/return, bounced checks, and lost or stolen merchandise, as well as redistribution costs associated with redelivering purchased items (including carrier fraud). This research covers consumer-facing retail fraud methods and does not include information on insider fraud or employee theft. This study, conducted for LexisNexis® Risk Solutions by JAVELIN in March 2015, establishes the actual cost of fraud as borne by U.S. merchants and provides specific guidance for the industry. LexisNexis and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. True Cost of Fraud is a service mark of LexisNexis Risk Solutions Inc. LexisNexis Fraud Multiplier is a service mark of Reed Elsevier Properties Inc. Copyright © 2015 LexisNexis. All rights reserved. NXR11182-00-0815-EN-US