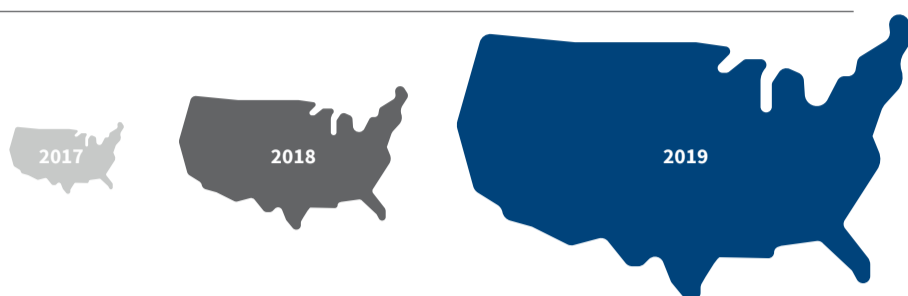


# Retailers are Creating More Opportunity for Fraudsters

## Highlights from the LexisNexis® Risk Solutions 2019 True Cost of Fraud<sup>SM</sup> Study - Retail Edition

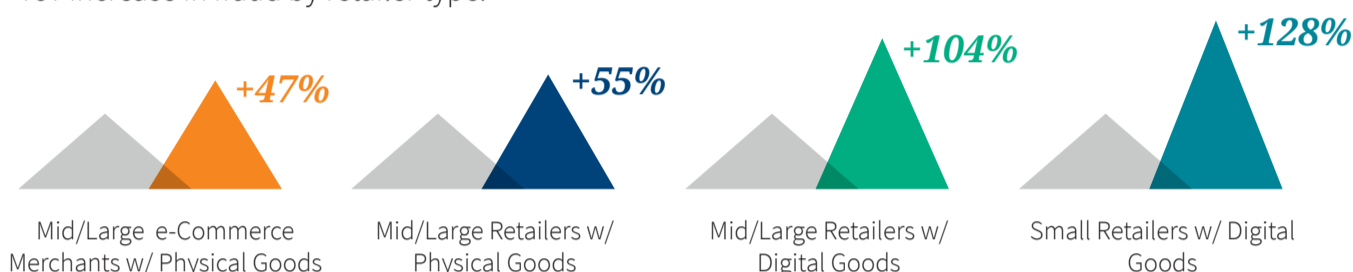
Retailers are expanding their presence and wading into new offerings within eCommerce. While these opportunities can increase revenue, they lead to increased fraud attempts.

U.S. retail fraud attempts have **doubled YoY—and tripled since 2017.**



**Fraudsters are targeting a more diverse set of retailers.**

YoY increase in fraud by retailer type:



**It's not just the volume of fraud that's rising, it's also the cost:**

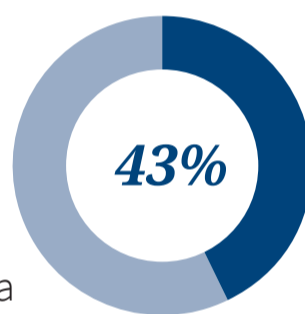


**\$3.13:** Average total loss per \$1 of fraud. Up 6.5% from 2018<sup>1</sup>

### What's driving the fraud increase?

- Increased mobile transactions
- More digital goods/services sold
- More cross-border transactions
- More automated botnets
- Sophisticated synthetic IDs

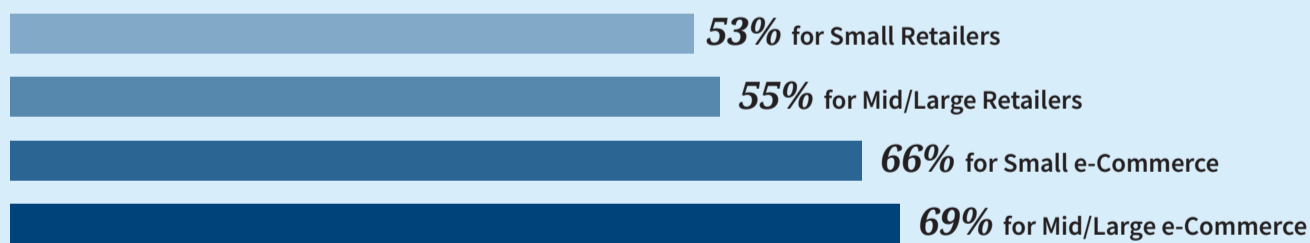
**43%** say verifying customer identity is a top challenge.



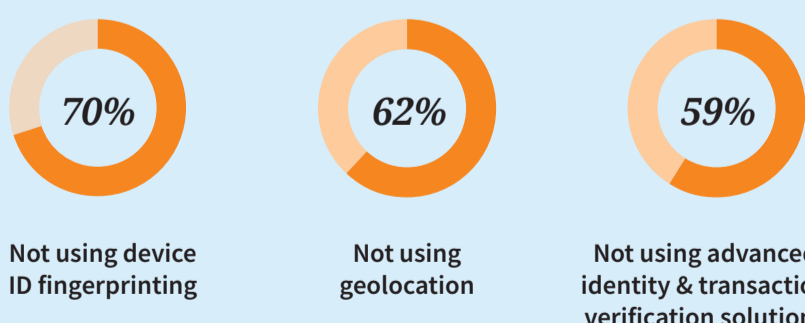
“Balancing fraud and friction” and “Distinguishing between human and malicious bot transactions” round out the top 3 challenges.

**This has created more identity verification challenges, especially among those using m-Commerce**

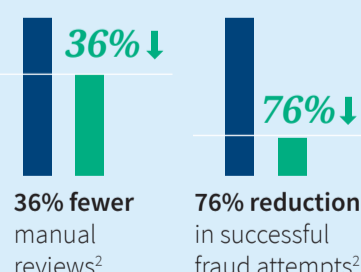
**Account takeovers and fraudulent account creations** combined represent the majority of identity-related fraud activity.



**Many retailers may not be optimized to fight newer, more complex types of fraud.** Even mid to large retailers with digital goods:



**Those who do use multi-layered solutions with digital identity data are seeing the upside:**



LexisNexis Risk Solutions can help. Learn how our physical and digital identity data and layered solution offerings can help you improve your bottom line.

**1-800-869-0751 | [risk.lexisnexis.com/FraudandIdentity](https://risk.lexisnexis.com/FraudandIdentity)**

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<sup>1</sup> Based on the LexisNexis Fraud Multiplier<sup>SM</sup>, which includes the chargeback/face value of the transaction, as well as costs associated with fees, merchandise redistribution, and labor/investigation.  
<sup>2</sup> Compared to those using only basic solutions.