The 2021 LexisNexis® True Cost of Fraud report found fraud losses in South Africa have increased by 41.5%.

Consumer behaviors have changed with the widespread use of the digital transformation, and more digital payment methods.

This digital evolution is presenting new opportunities and risks as fraudsters continue to evolve in their methods.

Fraud prevention best practices:
- Understand the types of fraud attacks and how they may affect your organization.
- Integrate detection and prevention solutions for each phase of the customer journey and transaction channel.
- Implement a multi-layered approach to fraud prevention.

33% of South African financial institutions have integrated fraud prevention programs yet.

% Distribution of Losses by Payment Method

- Credit cards: 57%
- Debit cards: 27%
- Digital Wallet: 11%
- Mobile/3rd party app: 10%
- Mobile web browser: 7%
- Traded mobile app: 30%
- Bill to phone: 26%
- Text to pay: 10%
- Direct deposit: 5%
- Traditional (cash, check, gift card): 15%
- Debit transaction: 38%
- Credit transaction: 22%
- 3rd party mobile app: 19%
- Mobile call center/app: 11%
- Mobile web browser: 10%

% of South Africa Fraud Costs by Mobile Channel

- Mobile web browser: 21%
- Mobile/3rd party app: 29%
- Mobile call center: 10%
- Mobile web browser: 15%

% of South Africa Fraud Costs by Industry Segment

- Financial Services & Lending: 51%
- Retail & e-Commerce: 26%
- Utilities: 13%
- Government: 9%
- Media/entertainment: 5%

% of South Africa Fraud Costs by Transaction Channel

- Traditional (cash, check, gift card): 44%
- Mobile: 35%
- Digital: 21%

Fraud Prevention Best Practices

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- Integrate detection and prevention solutions for each phase of the customer journey and transaction channel.
- Implement a multi-layered approach to fraud prevention.

The digital transformation is presenting new opportunities and risks as fraudsters continue to evolve in their methods.