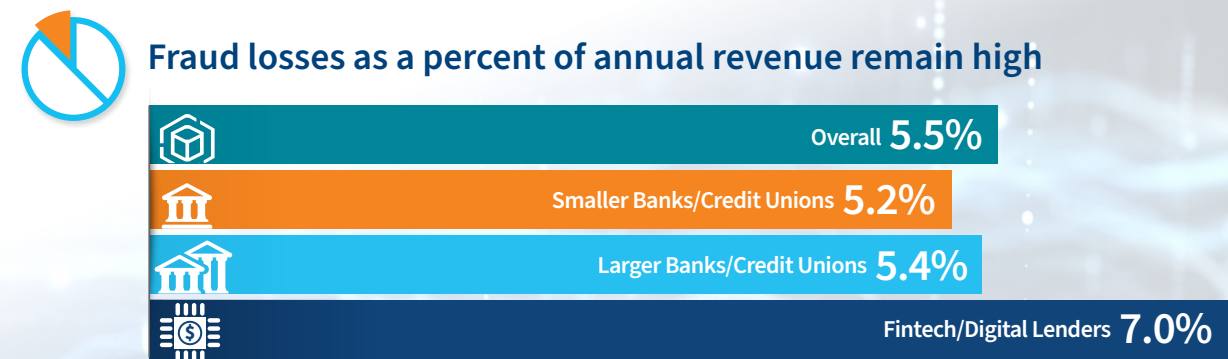




Small Business Lending Fraud Continues to Climb


Fraud risk for small and midsize businesses (SMBs) is surging, making it difficult to balance fraud mitigation practices with the customer experience. The 2023 *SMB Lending Fraud Study* from LexisNexis® Risk Solutions provides the latest statistics and robust practices to combat fraud.



Overall SMB **lending fraud grew 14.5%** since 2021
The dramatic shift to remote channels accounted for **46%** of this increase




Remote channels continue to drive fraud losses

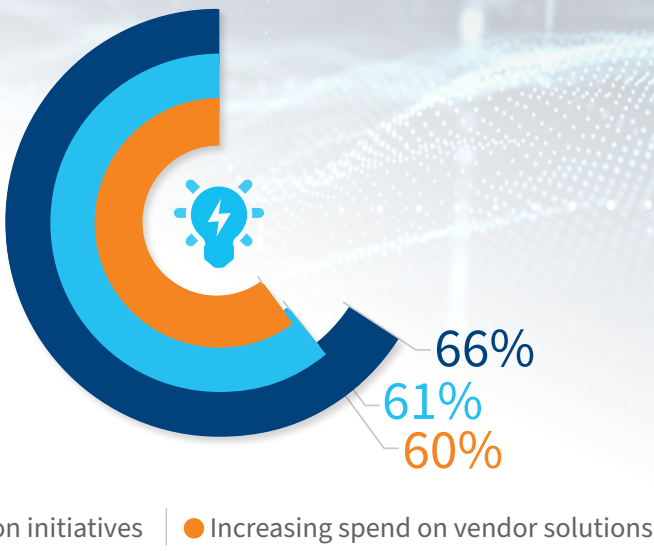
Online and mobile channels account for:

-  **70%** of loans originated
-  **72%** of fraud losses

-  In-person loan originations increased to **19%** as lenders resumed in-bank operations, up from **13%** in 2021
-  **64%** of lenders report changing their approach to remote channel fraud detection and mitigation

How can SMB lenders address fraud?

 **72%** of lenders expect fraud levels to increase this year with an equal percentage planning to increase investments in fraud prevention via:



● Increasing staffing on fraud teams ● Special fraud prevention initiatives ● Increasing spend on vendor solutions

A multi-layered solutions approach can work best

SMB lenders’ usage of digital identity and advanced transaction verification solutions remains limited. However, the findings of this study show that multi-layered solutions that integrate with fraud mitigation and digital channel operations can be more effective at detecting fraud early and can lower the cost of fraud impacts on revenue.

To learn more, download the *2023 Small Business Lending Fraud Study* or call 800.658.5638.

