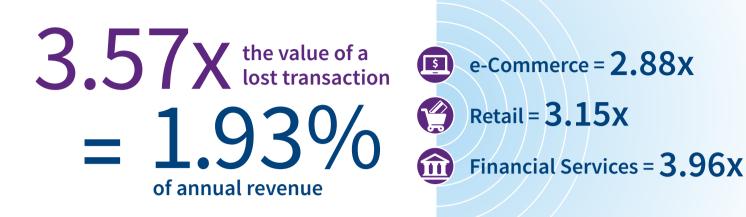
## 2019 LexisNexis<sup>®</sup> True Cost of Fraud<sup>™</sup> APAC Study: Focus on Malaysia



LexisNexis<sup>®</sup> Risk Solutions surveyed risk and fraud decision-makers about fraud trends in the Malaysian retail, e-commerce and financial services markets. Below are the highlights.

#### The average cost of fraud in Malaysia



Remote channels including e-commerce and m-commerce present the highest fraud risk:

grew **121%** YOY 2017-2018<sup>1</sup> for m-commerce

Malaysia ranks 5th among the fastest growing e-commerce countries in 2019<sup>2</sup>

47% of m-commerce transactions are through mobile apps



🚽 Historically less secure • Targeted by fraudsters at a global level<sup>3</sup> And yet increasingly more accepted by businesses to remain competitive and grow

## #1 challenge for all transaction channels: Verifying customer identity

Selling digital goods increases the risk of fraud but the channel is too important to ignore. So how do you...



Balance transaction speed/approval vs. customer friction?



Fraud: comes from online channels



# Credit/debit transactions = 76% of fraud losses; 29% are "card not present" fraud

#### Factors contributing to increased fraud risk by channel:



Mobile – Botnet attacks and consumer risk behaviors like using open WiFi networks



Cross Border – Uncertainties regarding transaction origination and new payment methods



**Digital – Speed of** transactions, bots testing stolen cards and use of synthetic identities

### Identifying and reducing fraud:

of transactions are flagged by an automated system

60% are sent for manual review

3% of declined transactions turn out to be false positives

LexisNexis<sup>®</sup> Risk Solutions provides a powerful solution for identity intelligence and authentication-visit risk.lexisnexis.com/global/en/products/threatmetrix for a free demo.

To learn more about the true cost of fraud in Malaysia, download the complete report at risk.lexisnexis.com/apactcofm



<sup>1</sup> https://www.digitalnewsasia.com/insights/malaysias-ecommerce-still-going-gangbusters

<sup>2</sup> https://www.statista.com/statistics/266064/revenue-growth-in-e-commerce-for-selected-countries/

<sup>3</sup> https://www.appsflyer.com/resources/the-state-of-mobile-fraud-q1-2018/

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