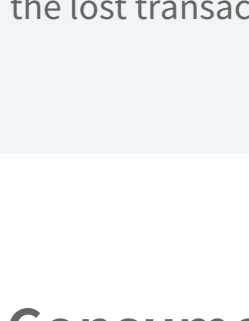


True Cost of Fraud
UAE FocusExplore insights from
the LexisNexis® True Cost of Fraud™
Study

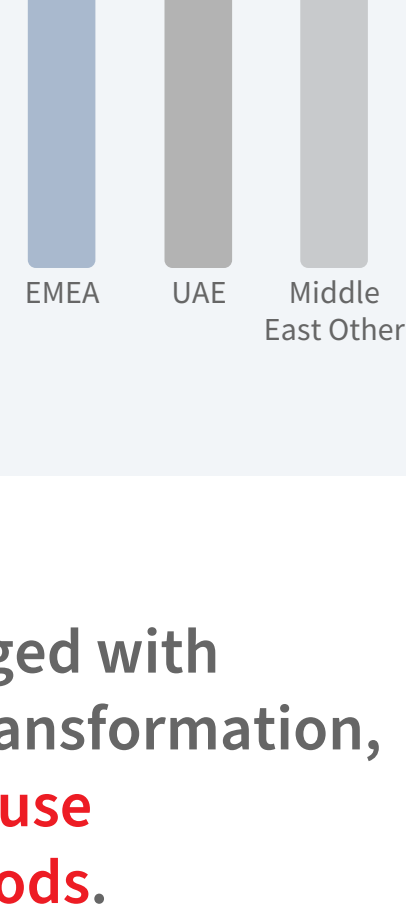
As digital transformation continues apace in financial services and retailing the latest LexisNexis® True Cost of Fraud™ report reveals that cybercriminals are attacking a wider set of payment methods and driving up the cost of fraud to new highs.

The 2021 LexisNexis® Fraud Multiplier™ for UAE is lower than other countries in Middle East



Every fraudulent transaction costs
3.38 times
the lost transaction value on average

LexisNexis Fraud Multiplier™



Consumer behaviors have changed with the acceleration of the digital transformation, including **more remote channel use** and **more digital payment methods**.

- Use of **mobile/digital wallets** represents a similar share of transaction volume as credit and/or debit cards.

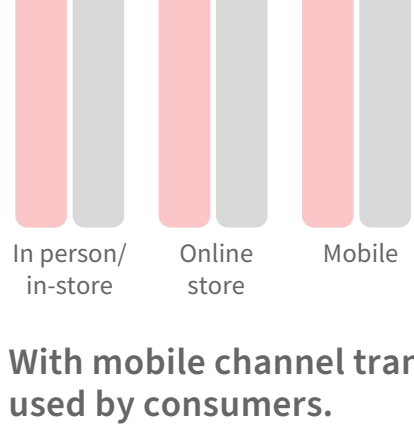
UAE Middle East (Excl. UAE)



Cash transactions in Middle East (Excl. UAE) has the highest share of distributions compared to other EMEA markets

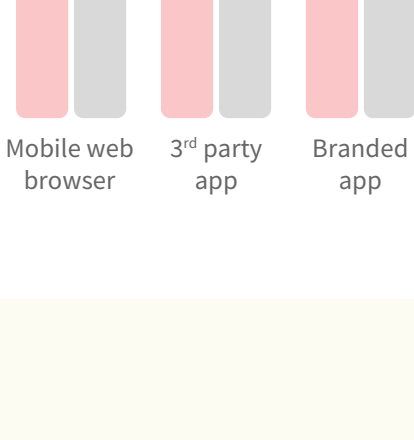
- e-Commerce merchants have increasingly embraced an **omnichannel approach** through either opening their own physical locations or partnering with retailers for pick-up.

UAE Middle East (Excl. UAE)



- With mobile channel transactions, **apps** are a key method used by consumers.

UAE Middle East (Excl. UAE)



The digital transformation is presenting **opportunities for fraudsters**, contributing to the increase in fraud costs.

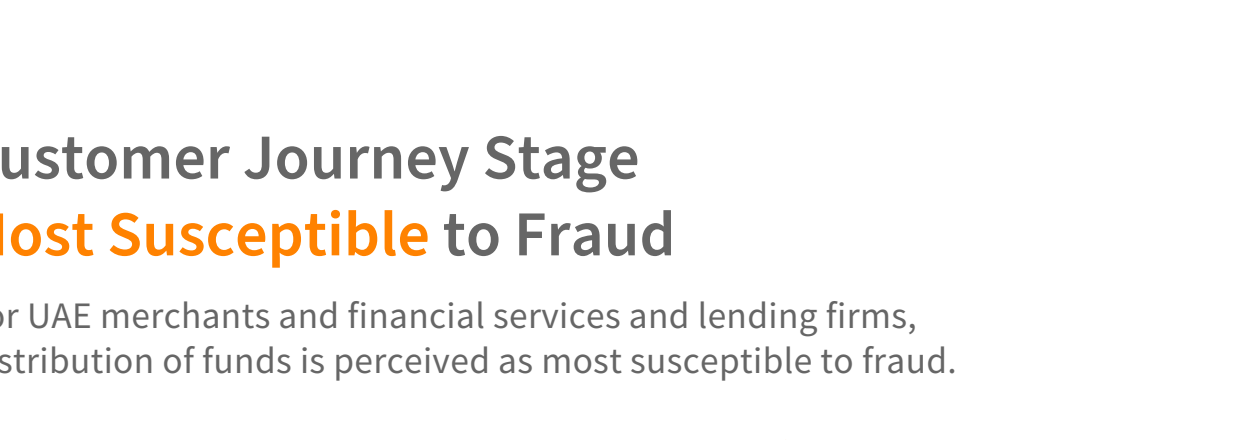
Monthly malicious bot attacks have increased by



- % of transactions that are malicious bot attacks

10% EMEA 10% UAE

- Compared to 12 months ago, monthly malicious bot attacks have...



Customer Journey Stage Most Susceptible to Fraud

For UAE merchants and financial services and lending firms, distribution of funds is perceived as most susceptible to fraud.

Customer Journey Stage MOST Susceptible to Fraud

New account creation Purchase transactions/Distribution of funds Account login

- Significantly or directionally higher journey stage in other industry segment within country

Retail & e-Commerce



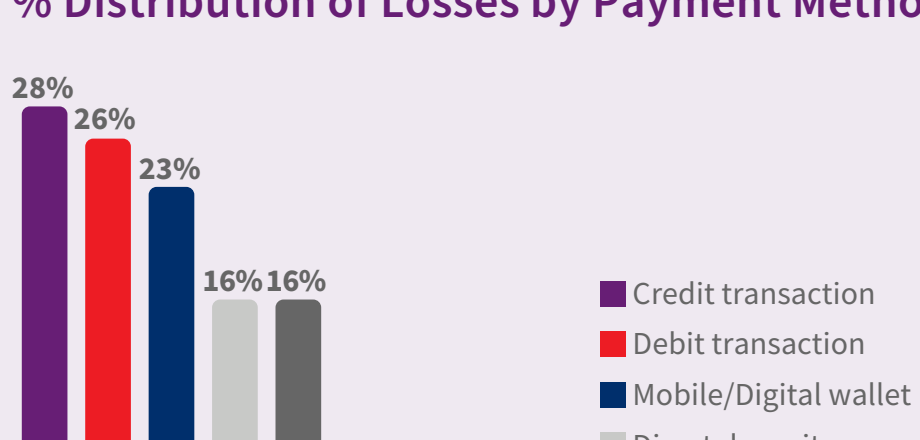
Financial Services & Lending



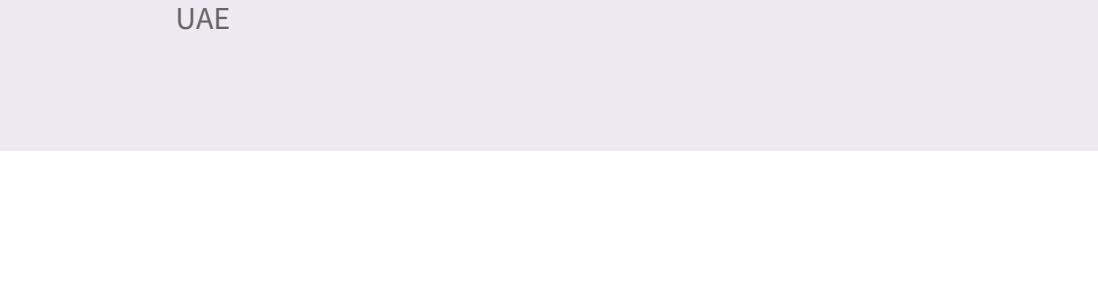
While mobile apps and browsers continue to be a sizeable portion of mobile channel fraud costs, **contactless payment methods** are also contributing to fraud losses.

Fraud Costs by Mobile Channel

Fraudsters have stepped up their attacks on the mobile channel.

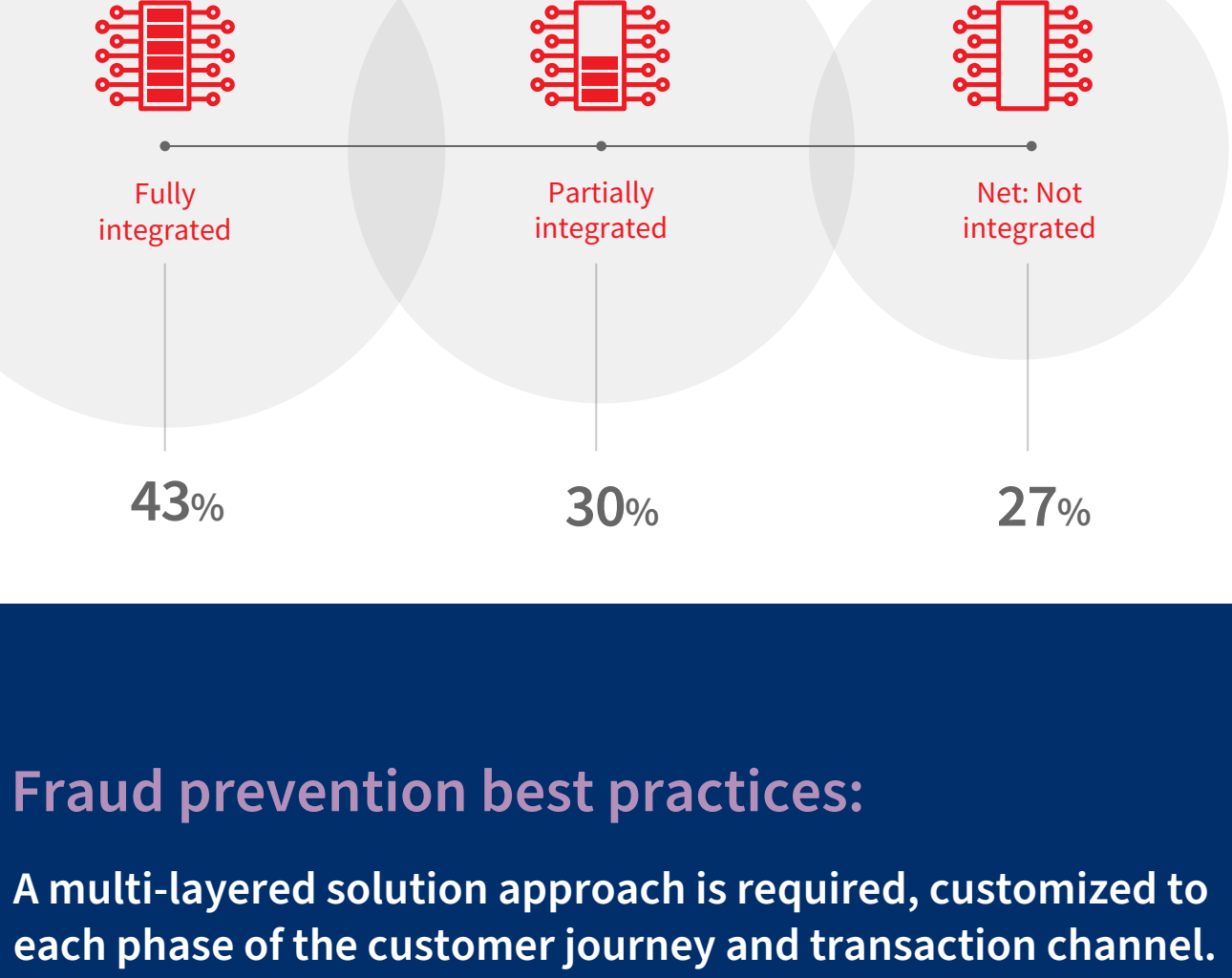


% Distribution of Losses by Payment Method



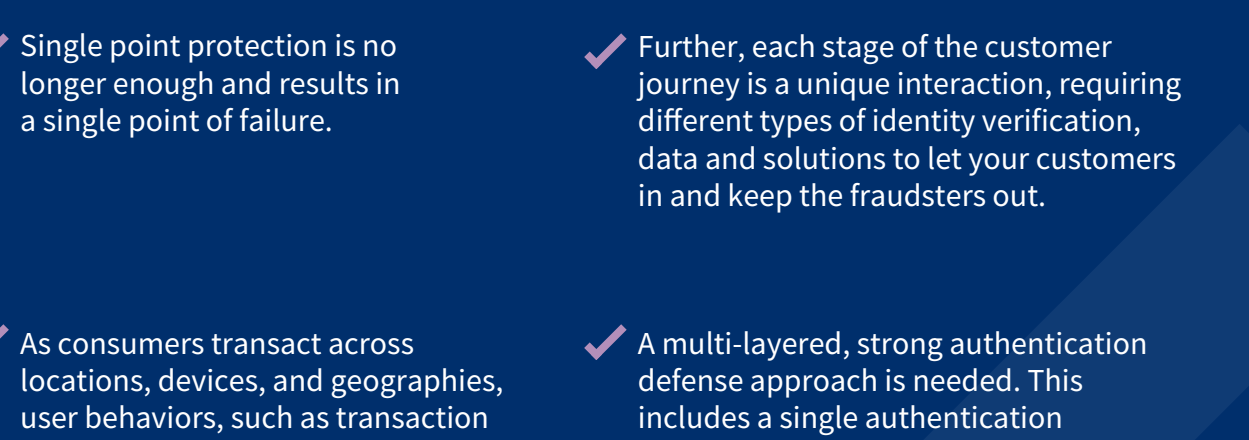
27% of UAE financial institutions and merchants surveyed have not integrated fraud prevention programs yet.

Integration of Digital/Customer Experience Operations with Fraud Prevention



Fraud prevention best practices:

A multi-layered solution approach is required, customized to each phase of the customer journey and transaction channel.



- Single point protection is no longer enough and results in a single point of failure.

- Further, each stage of the customer journey is a unique interaction, requiring different types of identity verification, data and solutions to let your customers in and keep the fraudsters out.

- As consumers transact across locations, devices, and geographies, user behaviors, such as transaction patterns, payment amounts, and payment beneficiaries, are becoming more varied and less predictable.

- A multi-layered, strong authentication defense approach is needed. This includes a single authentication decision platform that incorporates real-time event data, third-party signals, and global, cross-channel intelligence.

Effectively manage complex fraud threats with a multi-layered fraud defense.

Our solutions combine physical, digital and behavioral insights with advanced decisioning, authentication and behavioral biometric technology to enable your business to identify fraud.

Download our full **True Cost of Fraud™ – EMEA edition** for a deep dive and see how UAE compares to other countries surveyed.