E-COMMERCE SHOPPERS DIGITALLY CONNECTED CONSUMERS ARE AT HIGHER RISK COMPARED TO OTHER SEGMENTS FREQUENTLY SHOP ONLINE AND SHARE ACTIVITY ON SOCIAL NETWORKS ARE 30% MORE LIKELY TO BE FRAUD VICTIM MORE OF THESE CONSUMERS ARE FEMALE BUT 78% VICTIMS DETECTED FRAUD QUICKLY, WITHIN A WEEK OF IT OCCURRING

FOUR DIGITAL CONSUMER PERSONAS IMPACT FRAUD RISK

OFFLINE CONSUMERS

SOCIAL NETWORKERS

TAKE 40+ DAYS TO DETECT FRAUD

ARE EXPOSED TO LESS RISK, BUT INCUR HIGHER LOSSES THAN OTHER FRAUD VICTIMS

HIGHER RISK OF ACCOUNT TAKEOVER FRAUD

ACCOUNT TAKEOVER (ATO) LOSSES INCREASED BY 60%

IN CARD-NOT-PRESENT (CNP) FRAUD RATES SIGNIFICANTLY RISE 40%

COST OF FRAUD IN 2016 COSTS WERE DOUBLE TO POS FRAUD

INCREASE 40%

ACCOUNT TAKEOVER (ATO) LOSSES INCREASED BY 60%

NEW-ACCOUNT FRAUD (NAF) CONTINUES UNABATED

NAF VICTIMS DISCOVER FRAUD BY REVIEWING THEIR CREDIT REPORT OR WHEN CONTACTED BY A DEBT COLLECTOR

TOTAL ACCOUNT TAKEOVER (ATO) LOSSES INCREASED BY 60%

FRAUDSTERS TAKE ADVANTAGE OF EVERY OPPORTUNITY

CHANGES CONTACT INFORMATION

ACCOUNT TAKEOVER LOSSES INCREASED BY 60%

IN CARD-NOT-PRESENT FRAUD SIGNIFICANT SPIKE

IDENTIFY SEGMENTS OF CONSUMERS MOST AFFECTED BY FRAUD

UNCOVER WHERE FRAUDSTERS ARE MAKING PROGRESS

ASSESS THE IMPACT OF FRAUD

EXPLORE CONSUMERS’ ACTIONS AND BEHAVIORS THAT INCREASE OR DECREASE RISK OF FRAUD

RECOMMENDATIONS FOR INDUSTRY TO FIGHT FRAUD

CONSUMERS’ DIGITAL PERSONAS SIGNIFICANTLY IMPACT FRAUD RISK

TO SUCCESSFULLY FIGHT FRAUDSTERS, THE INDUSTRY NEEDS TO CLOSE THE SECURITY GAPS, CONTINUE TO IMPROVE AND CONSUMERS MUST BE PROACTIVE.

AL PASCUAL
senior vice president, research director and head of fraud & security, Javelin Strategy & Research

METHODOLOGY

Address-based survey of 5,028 of U.S. consumers.

Javelin studies identity fraud to identify segments of consumers most affected by fraud, uncover where fraudsters are making progress, assess the impact of fraud, explore consumers’ actions and behaviors that increase or decrease risk of fraud and recommend solutions for the industry to fight fraud.

Source: 2017 Identity Fraud Study, Javelin Strategy & Research.

www.javelinstrategy.com

About Javelin Strategy & Research

Javelin Strategy & Research (@JavelinStrategy), a Greenwich Associates LLC company is a research-based advisory firm that advises its clients to make smarter business decisions in a digital financial world. Our analysts offer unbiased, actionable insights and unearth opportunities that help financial institutions, government entities, payment companies, merchants, and other technology providers sustainably increase profits.

About The Study

The annual 2017 Identity Fraud Study is a comprehensive analysis of identity fraud trends, independently produced by Javelin Strategy & Research and made possible by LifeLock, Inc., a leading provider of proactive identity theft protection services for consumers. Now in its fourteenth consecutive year, it is the nation’s longest-running study of identity fraud, with 69,000 respondents surveyed since 2003.

www.lifelock.com

About LifeLock

LifeLock, Inc. (NYSE: LOCK) is a leading provider of proactive identity theft protection services for consumers and consumer risk management services for enterprises. LifeLock’s threat detection, proactive identity alerts, and comprehensive remediation services help provide peace of mind for consumers amid the growing threat of identity theft. Leveraging unique data, science and patented technology from ID Analytics, LLC, a wholly owned subsidiary, LifeLock offers identity theft protection that goes significantly beyond credit monitoring. As part of its commitment to help fight identity theft, LifeLock works to train law enforcement and partners with a variety of non-profit organizations to help consumers establish positive habits to combat this threat.