

How does fraud affect companies in Germany?

Released in May, Ravelin’s Fraud & Payments Survey 2024 revealed the true consequences of fraud, the latest trends, and merchants’ expectations for the future.

Now, it’s time to home in on Germany’s results in particular, to better understand the fraud landscape in the country, how it differs from the rest of the world, and how we can better protect our bottom lines, image and growth.

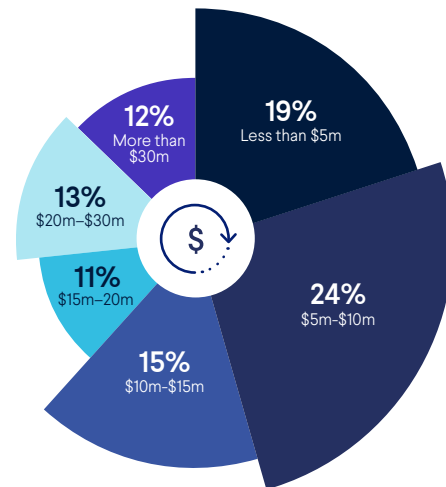
Key takeaways

- 1 German merchants expect more fraud than their international peers – with 74% expecting an increase in fraud in the future
- 2 The impact of fraud on customer satisfaction, growth and brand image/reputation is key to German merchants
- 3 Payment fraud, ATO attacks and refund abuse increased the most in Germany in the past year

Top consequences for German companies in the past year

1	Low customer satisfaction	47%
2	Bad press and brand damage	40%
3	Stolen employee PII or company data theft	40%
4	Compliance costs and fines	32%
5	Stolen customer PII/customer identity theft	32%

Annual cost of fraud for German companies



Which company metrics does fraud affect?

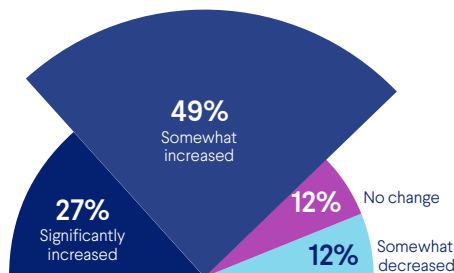
55% said it affected growth; 38% said it affected brand image/reputation; 36% that it affected conversions; 35% that it affected revenue; 35% that it affected customer loyalty

Most companies in Germany have featured in the media or social media as a result of fraud

Yes	Several times	48%	Once	22%
No		30%		
Global result				
Yes	Several	18.1%	Once	43%
No		39%		

Did fraud increase in the past year?

GERMANY



Payment fraud	61%	said it increased
Chargeback fraud	52%	said it increased
Account takeover attacks	55%	said it increased
Promo/voucher/policy abuse	52%	said it increased
Refund abuse	52%	said it increased
Supplier fraud	50%	said it increased

*Findings from the Fraud & Payments Survey 2024 by Ravelin – a global survey of fraud and payments professionals from 10 countries and four key sectors. For more, [please download the full survey report by clicking here.](#)

Are fraudsters already using AI against German merchants?



Which type of fraud poses the most risk?

Germany said:

- 1 CNP fraud
- 2 ATO attacks
- 3 Chargebacks

Has friendly fraud increased?

59% in Germany said it decreased.

In the rest of the world: 45% said it increased (only 38% saw a decrease).

Payments trends

- > On average, merchants challenge 39.7% of chargeback requests in Germany (vs 42.1% globally)
- > And they are successful with approximately 45.5% of chargebacks they challenge (vs 48.5% globally)
- > Most German merchants said that they tend to receive refund requests on 2–5% of their sales in Germany (it's 5–10% globally)
- > And most expect 1–2% of those to be a result of policy abuse (it's 2–5% globally)

Top fraud prevention tech according to German merchants

- 1 Machine learning
- 2 2FA (including 3DS)
- 3 IP analysis

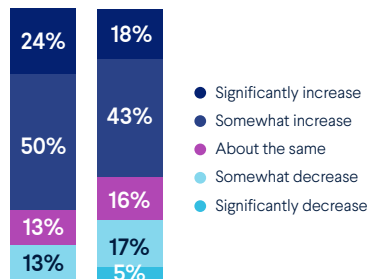
Promo abuse measures

70% of German merchants are taking measures against refund abuse, promo abuse and other policy abuse (vs 80% globally).



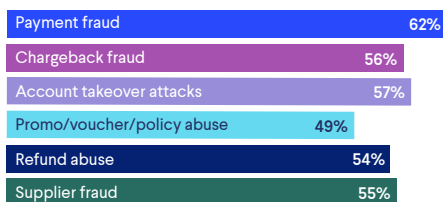
German merchants expect more fraud than their international counterparts.

Will fraud increase?



Germany Globally

Predicted increases



Expectations about the consequences of AI-powered fraud on companies

60% said it will hurt growth; 40% said it will hurt customer loyalty; 38% said it will impact brand image/reputation; 32% said it will impact conversions; 27% said it will impact revenue

Should we do more to battle fraud?

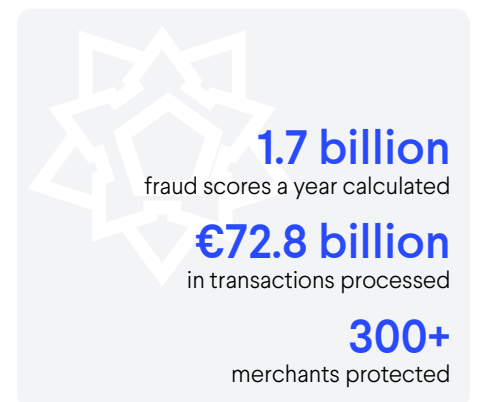
- > 60% of German merchants think their company should be doing more to battle fraud.

Why don't we?

- 46% said budget stops us
- 43% said there's lack of awareness from other teams
- 42% said because of concerns about customer conversion/friction

Will AI make any types of fraud more prominent?

- > 61% said fraudulent chargebacks
- > 39% said ATO attacks
- > 38% said payment fraud



1.7 billion fraud scores a year calculated

€72.8 billion in transactions processed

300+ merchants protected

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