

How does fraud affect companies in the UK?

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 the UK 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.

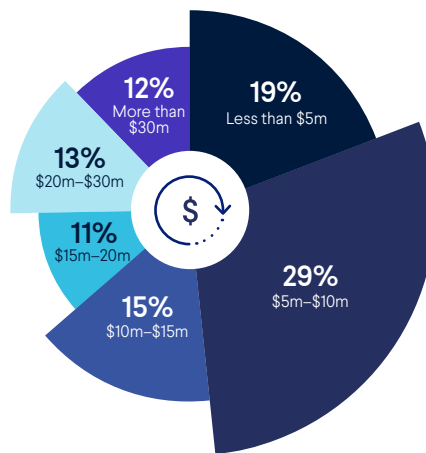
Key takeaways

- 1 UK fraud is soaring, with more fraud managers reporting an increase in fraud than any other country we surveyed.
- 2 In terms of payments, UK merchants are both the most likely to challenge a dispute and the most likely to be successful.
- 3 For the future, UK merchants predict more fraud than those in other countries – especially payment fraud, chargebacks and refund abuse.

Top consequences for UK companies in the past year

1	Lost revenue	47%
2	Low customer satisfaction	38%
3	Stolen customer PII	37%
4	Bad press and brand damage	35%
5	Stolen employee PII or company data theft	34%

Annual cost of fraud for UK companies



Which company metrics does fraud affect?

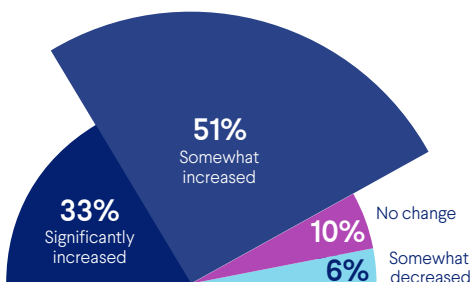
62% said it affected growth; 56% that it affected revenue; 47% that it affected customer loyalty; 41% that it affected brand image/reputation; 33% that it affected operational efficiency

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

Yes	Several	14%	Once	47%
No				39%
Global result				
Yes	Several	18%	Once	43%
No				39%

Did fraud increase in the past year?

UK



Payment fraud	82%	said it increased
Chargeback fraud	63%	said it increased
Account takeover attacks	56%	said it increased
Promo/voucher/policy abuse	63%	said it increased
Refund abuse	62%	said it increased
Supplier fraud	55%	said it increased

*The above are part of the Fraud & Payments Survey 2024 by Ravelin – a global survey of fraud and payments professionals from ten countries working in four key sectors. For more findings, [download the full survey report by clicking here.](#)

Are fraudsters already using AI against UK merchants?



Which type of fraud poses the most risk?

The UK said:

- 1 CNP fraud
- 2 ATO attacks
- 3 Chargebacks

Has friendly fraud increased?

51% in the UK said it increased.

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

Payments trends

- > On average, merchants challenge 50.3% of **chargeback** requests in the UK (vs 42.1% globally)
- > And they are successful with approximately 52.7% of chargebacks they challenge (vs 48.5% globally)
- > Most UK merchants said that they tend to receive **refund** requests on 5–10% of their sales in the UK (it's 5–10% globally)
- > And most expect 5–10% of those to be a result of policy abuse (it's 2–5% globally)

Top fraud prevention tech according to UK merchants

- 1 Machine learning
- 2 2FA (including 3DS)
- 3 Device ID/device fingerprinting

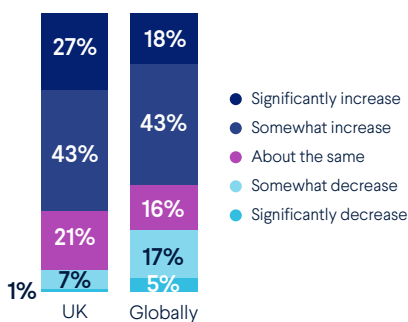
Promo abuse measures

81% of UK merchants are taking measures against refund abuse, promo abuse and other policy abuse (vs 80% globally).

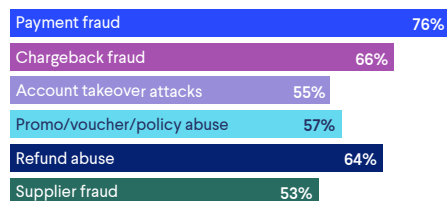


In the UK, merchants see more fraud – and more refund abuse – than their international peers.

Will fraud increase?



Predicted increases



Expectations about the consequences of AI-powered fraud on companies

60% said it will hurt **growth**; 49% said it will hurt **customer loyalty**; 47% said it will impact **brand image/reputation**; 45% said it will impact **revenue**; 28% said it will impact **conversions**

Should we do more to battle fraud?

- > 54% of UK merchants think their company should be doing more to battle fraud.

Why don't we?

- 46% said **budget stops us**
- 39% said because of concerns about **customer conversion/friction**
- 37% said there's lack of **financial decision maker buy-in**

Will AI make any types of fraud more prominent?

- > 60% said **payment fraud**
- > 42% said **ATO attacks**
- > 42% said **fraudulent chargebacks**



1.7 billion fraud scores a year calculated

£48 billion in transactions processed

300+ merchants protected

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