

North American Financial Executives More Concerned About Fraud, Yet Actual Fraud Higher Overseas

New ACI Worldwide survey highlights differences in North America and global sentiment when addressing commercial online, ACH and wire fraud

- 40 percent of North American financial executives experienced *attempted* ACH and wire fraud versus 54 percent in rest of the world
- 14 percent of North American financial executives experienced *actual* ACH and wire fraud versus 43 percent in rest of world

NAPLES, Fla.--(BUSINESS WIRE)-- When it comes to wire and automated clearinghouse (ACH) fraud, global financial executives agree that the biggest negative impact is reputational damage. Regionally, North American financial executives are experiencing less fraud than their global counterparts, according to a recent [survey](#) from [electronic payment and banking systems](#) leader [ACI Worldwide](#) (NASDAQ: ACIW), which examines global fraud trends in wholesale/commercial banking.

North American financial executives also perceive an increase in the rate of online account takeover attacks (63%) compared to their global counterparts (50%) in the last 12 months. Yet in the same period, attempted and actual wire and ACH fraud related to account takeover is lower in North America than at the global institutions, based on survey responses.

Fraud Protection Focus

It's no surprise that financial executives surveyed across all geographies are focused on fraud protection. Because of a heightened concern and bleaker view of online account takeover fraud, both North American and global respondents are fighting hard to protect their wire and ACH accounts—with varying focuses. North American financial executives are placing more emphasis on utilizing tools that address device protection, while their global counterparts are more focused on payment-specific transaction monitoring and online session anomaly detection.

- 84 percent of North American banks are utilizing device protection tools (such as device ID, secure browsing and malware protection)
- 89 percent of rest of world banks are utilizing payment-specific transaction monitoring

Although fraud protection is top-of-mind, when it comes to compliance with regulations around the security of commercial accounts, surprisingly 18 percent of all respondents admit to being only mostly or partially compliant with current security regulations. FFIEC (*Federal Financial Institutions Examination Council*) guidelines in the US have brought a spotlight to monitoring online banking activity and are a likely driver as to why most organizations must continue to shore up their defenses.

Confidence in Fraud Management Tools

All respondents report confidence in fraud-fighting tools, although they differ in terms of which tools they believe are most effective. In an effectiveness scale from 1-5 (with 5 being most effective):

- North American respondents rank layered security protocols highest (4.06 ranking), followed by payment transaction monitoring and device protection
- Rest of world, payment-specific transaction monitoring slightly edges device protection as the most effective approach (4.0 ranking)

Real-time settlement in global financial markets has impacted the focus and need for fraud prevention tools. All respondents agree that cross-channel fraud monitoring and online session anomaly detection have the most room for improvement.

"As electronic payment transaction volumes increase, so too do fraud attacks on those transactions. Financial institutions are faced with not only increasing scrutiny and regulatory pressures, but also the risk of reputational damage and loss of customers, which is why they're working tirelessly on preventative measures," said Mike Braatz, Senior Vice President, Payments Risk Management Solutions, ACI Worldwide. "The real-time nature of payments has a direct impact on fraud prevention tactics. Longer ACH settlement times likely contributed to the lower fraud rates in the US compared to their global

counterparts. For example, Faster Payments in the UK has put increased pressure on banks to stop attempted fraud in real time."

To download a copy of the survey results and view the accompanying infographic, please visit aciworldwide.com/wholesalefraudsurvey.

About the Survey

The survey, titled *Strategies to Prevent Attacks on Commercial Accounts*, was conducted by Gatepoint Research on behalf of ACI Worldwide. Respondents were comprised of 100 senior finance, fraud and operations decision makers from financial institutions across the globe (76% director-level or above, 50% vice president-level, 3% CxO-level).

About ACI Worldwide

ACI Worldwide powers electronic payments and banking for more than 5,000 financial institutions, retailers, billers and processors around the world. ACI software enables \$13 trillion in payments each day, processing transactions for more than 250 of the leading global retailers, and 21 of the world's 25 largest banks. Through our comprehensive suite of software products and hosted services, we deliver a broad range of solutions for payments processing; card and merchant management; [online banking](#); mobile, branch and voice banking; [fraud detection](#); trade finance; and [electronic bill presentment](#) and payment. To learn more about ACI, please visit www.aciworldwide.com. You can also find us on Twitter @ACI_Worldwide.

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