

Globally, 3 in 10 Consumers Don't Trust Retailers With Securing Their Data

China and India have highest rates of prepaid card fraud, 17 percent and 18 percent, respectively, according to latest global consumer fraud study from ACI Worldwide and Aite

NAPLES, Fla.--(BUSINESS WIRE)-- A global [fraud study](#) of more than 6,100 consumers across 20 countries revealed distrust among global consumers in retailers to protect their data. The new study, "Global Consumers: Concerned and Willing to Engage in the Battle Against Fraud," is the second in a two-part series conducted by [ACI Worldwide](#) (NASDAQ: ACIW) and Aite Group. Among other findings, only slightly more than 50 percent of consumers feel stores where they shop use security systems that adequately protect their financial data against hackers and data breaches.

Retailer Concerns

- Nearly 3 in 10 global consumers (29 percent) do not trust retailers (e.g., stores, online shopping sites, restaurants, etc.) to protect stored personal and financial data against hacking attempts and data breaches.
- 58 percent think financial institutions (large multinational institutions, community banks and credit unions) do a better job of protecting their data than do retailers, or for that matter, government agencies and law enforcement.
- Only 55 percent feel stores where they shop use security systems that adequately protect their financial data against hackers and data breaches, compared to 62 percent who believe that online shopping websites adequately protect this information.

Mobile Customer Engagement

- More than 3 in 4 global consumers (77 percent) are "very interested" in being contacted about suspicious activity on their cards or accounts via a phone call, email or text message.
- Approximately 3 in 4 (73 percent) prefer that their banks not post transactions to their cards until they respond to fraud alerts.

Consumer Awareness

- More than 4 in 10 global consumers (42 percent) do not recall receiving any anti-fraud information from their financial institution.
- More than 3 in 10 (32 percent) think theft by a computer hacker is the greatest fraud risk.

Prepaid Card Implications

- In many countries, prepaid card usage and the rate of fraud on such cards correlates. China and India have the highest rates of prepaid card fraud at 17 percent and 18 percent, respectively, and very high consumer use rates at 93 percent and 91 percent, respectively.
- Conversely, in countries with use rates of 70 percent or less, such as Australia, Canada, New Zealand and the United States, fraud rates are 4 percent or less, indicating that the fraud rate may rise as more consumers use prepaid cards.

Quotes

- "Consumer distrust is exacerbated by the widely publicized retail data breaches over the past year," Mike Braatz, senior vice president, Payments Risk Management Solutions, ACI Worldwide.
- "Retailers have their work cut out for them—to change consumer perception that shopping, be it online or in-store, is unsafe," Mike Braatz, senior vice president, Payments Risk Management Solutions, ACI Worldwide.
- "Consumers want to engage in the battle against fraud. Financial institutions must take a proactive role in not only engaging customers in fraud-alerting activities, but educating them on preventative measures to take to most effectively combat it," Shirley Inscoe, senior analyst, Aite Group.
- "Communication is key when it comes to financial institutions making customers aware of the tools available to fight fraud. This can have a big impact in customer satisfaction and loyalty," Shirley Inscoe, senior analyst, Aite Group.

To receive a complimentary copy of the two-part report, please click [here](#) or visit www.aciworldwide.com/2014fraudsurvey.

Survey Methodology

ACI Worldwide conducted online quantitative market research via a March 2014 survey of 6,159 consumers; approximately 300 consumers, divided equally between men and women, participated in each of the 20 countries. Of the total, 6,041 own one or more type of payment card (i.e., credit card, debit card, prepaid card). The study was conducted in a total of 20 countries in the following regions:

- The Americas (North and South America): Brazil, Canada, Mexico, and the United States
- EMEA (Europe, the Middle East, and Africa): France, Germany, Italy, the Netherlands, Poland, Russia, South Africa, Sweden, the United Arab Emirates, and the United Kingdom
- Asia-Pacific: Australia, China, India, Indonesia, New Zealand, and Singapore

About ACI Worldwide

ACI Worldwide, the [Universal Payments](#) company, powers electronic payments and banking for more than 5,000 financial institutions, retailers, billers and processors around the world. ACI software processes \$13 trillion each day in payments and securities 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 payment 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.

About Aite Group

Aite Group (www.aitegroup.com) is an independent research and advisory firm focused on business, technology, and regulatory issues and their impact on the financial services industry. With expertise in banking, payments, securities & investments, and insurance, Aite Group's analysts deliver comprehensive, actionable advice to key market participants in financial services. Headquartered in Boston with a presence in Chicago, New York, San Francisco, London, and Milan, Aite Group works with its clients as a partner, advisor, and catalyst, challenging their basic assumptions and ensuring they remain at the forefront of industry trends.

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