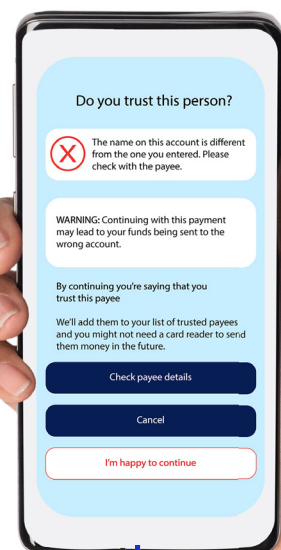


# Let's outsmart APP scams



Countering authorised push payment (APP) scams with the right insights and tools



Did you know that **1 in 3** UK consumers have fallen victim to authorised push payment scams?<sup>1</sup>

In today's digital age, this silent threat is growing, with fraudsters leveraging new technologies to become more sophisticated in their attacks. Our latest research in the UK uncovers the consequences of these scams for consumers and issuers and offers insights to help protect consumers.

**APP fraud** losses totalled **£485M** in 2022<sup>2</sup>

Accounting for **40%** of all UK fraud losses<sup>2</sup>

With a **6%** increase in the number of cases YoY<sup>2</sup>

## What is an APP scam?

Authorised push payment scams involve a fraudster posing as a legitimate payee to trick an individual into authorising the transfer of funds to a fraudulent account.

## Are APP scams getting smarter?

While most consumers are confident in their ability to spot APP scams, a staggering **53%** believe they are getting harder to detect. What's more, we have identified that 1 in 3 consumers fall victim.<sup>1</sup>

### Why?

Fraudsters are exploiting modern channels to target victims:

**21%** were approached through social media<sup>1</sup>

**10%** via messaging platforms such as WhatsApp<sup>1</sup>

## APP fraud can cause financial and emotional distress

**23%** say an APP scam adversely impacted the amount of money available for everyday spending<sup>1</sup>

**1 in 3** victims reported that their mental health suffered as a result of an APP scam<sup>1</sup>

**It was awful.** I had no money to pay my bills for seven weeks.<sup>1</sup>



## Swift, simple reimbursement is crucial

It's often the deciding factor between staying with or switching banks.

Consumers expect banks to take responsibility and implement the right prevention and support strategies.

**52%** of surveyed consumers said they would change banks if they weren't reimbursed after a scam<sup>1</sup>

**15%** of APP scam victims leave their bank after the scam<sup>1</sup>

**Only 25%** of APP scams are identified by the victim's bank<sup>1</sup>

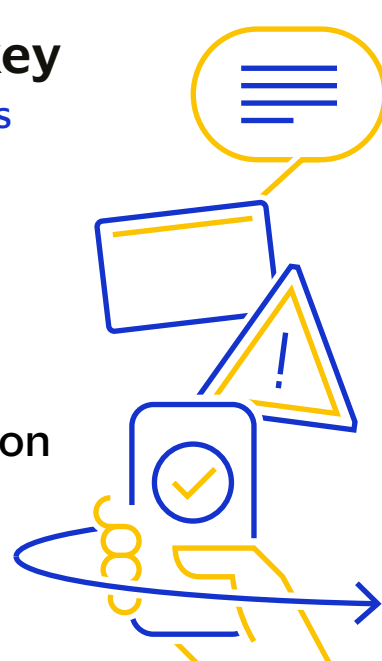
**Nearly 1 in 3** APP scams go completely unaccounted for<sup>1</sup>

## More needs to be done.

### A positive resolution experience is key

Our latest research has identified three core actions to help improve overall victim satisfaction:

- 1 Improve** the speed of resolution and the empathy shown to victims
- 2 Maintain** open lines of communication
- 3 Prioritise** scam identification



**Want to find out more?**  
Get in touch with Visa today

1. The impact of APP scams, Mintel Consulting, commissioned by Visa, June 2023

2. AnnualFraud Report - UK Finance, 2023.