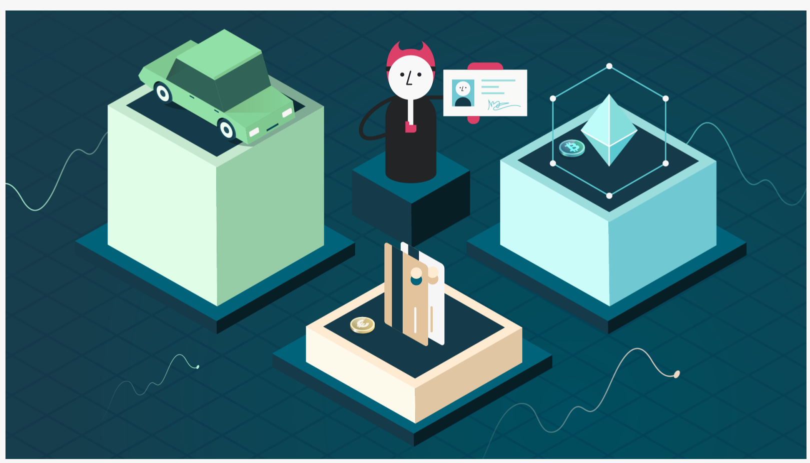
Veriff's 2020 Fraud Report Reveals Global Fraud is on the Rise, with the U.S. Leading in Fraud Attempts

Report highlights increased fraud attempts as a result of the COVID-19 pandemic in the fintech, mobility and crypto sectors

NEW YORK, USA, December 15, 2020 /EINPresswire.com/ -- Veriff, a leading global identity verification provider, released its 2020 Fraud Report today which reveals that a rise in digital activity this year is driving an increase in overall fraud rates. In 2020, the U.S. experienced more fraud attempts than anywhere else in the world. The report also highlights the impact of the COVID-19 pandemic on fraud globally, showing an 11% overall increase in identity fraud attempts in the second half of the year.

Janer Gorohhov, Veriff Co-founder and COO



Fraud Report 2020

"This year, every company was forced to digitally transform. Mandated lockdowns accelerated fraud, creating opportunities for scammers to experiment with new techniques and adapt to a rapidly changing world," said Janer Gorohhov, co-founder and Chief Product Officer at Veriff. "Even after the pandemic, we will see a new digital environment where strong identity verification will be the cornerstone in minimizing fraud across all sectors."

Veriff analyzed millions of verification data points from its global customer base across 190 countries to determine common types of fraud by region and industry. As fraud rates increased

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this year, this data underscores that traditional methods of identity verification, such as social security numbers, have created a false sense of comfort.

Key findings include:

A global view: The United States has the highest fraud rate in the world nearing 10%, followed by Vietnam (9%) and Nigeria (6%).

Pandemic-induced fraud: Due to increased online activities as a result of the pandemic, there was a >3x increase in overall fraud rates in the fintech and mobility sectors this year. The crypto sector remained high, but was more stable with no drastic spikes.

Most common document fraud: When looking at the document types that fraudsters use most often in attempts to steal, falsify or illegally verify an identity Veriff saw that over half use an ID card (51%) followed by a driver's license (27.4%) and a passport (19.1%).

Industry differentiators: The mobility industry saw a 16% jump in fraud rates from H1 2020 to H2. Similarly, the fintech industry experienced a 7% increase and cryptocurrency saw an 11% jump.

Identity fraud rises: Identity fraud is the second most prevalent type of fraud in crypto (40%) and the most common type in fintech (70%). After comparing H1 2020 to H2, Veriff saw an 11% increase in identity fraud rates.

Continued shifts in each of these industries in 2021 are driving the need for strong identity verification. From impending regulation in the cryptocurrency sector, the move to a service-based model in mobility, and an overall rise in adoption of fintech solutions, it's never been more important to know that users are who they claim to be. Veriff's in-house intelligent fraud prevention engine automates the decision-making process and brings in human specialists in case an automatic decision can't be made or is inconclusive. The company leverages device, network, and customer behavioral information as part of its video-first approach to identity verification.

To review more detailed findings per region and industry, visit https://www.veriff.com/reports/the-veriff-fraud-report-2020.

Methodology
Veriff's fraud team analyzed data across millions of verifications in 2020 from 190 countries all over the globe. The company supports close to 9,000 different government-issued IDs when

verifying people. The 2020 Veriff Fraud Report includes insights tracked from verifications between January 1, 2020, and December 7, 2020.

About Veriff
Veriff is a global online identity verification company that protects businesses and their customers from online identity fraud by making sure that a person is who they claim to be. Veriff is building infrastructure for trust, they allow any website and mobile application to match the person with a government issued ID. With the help of artificial intelligence, Veriff analyses thousands of technological and behavioral variables in seconds, verifying people from 190+ countries.
Founded in 2015, Veriff serves a global portfolio of internet businesses, including fintech companies, sharing economy providers, and marketplaces in the USA, Europe, and other places in the world. Veriff employs over 230 people in Estonia and the USA. Veriff is an alumnus of the startup accelerator Y Combinator. As of now Veriff's total financing is 23,8 million USD, including the 8,3 million dollar Series A funding in 2018.

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