

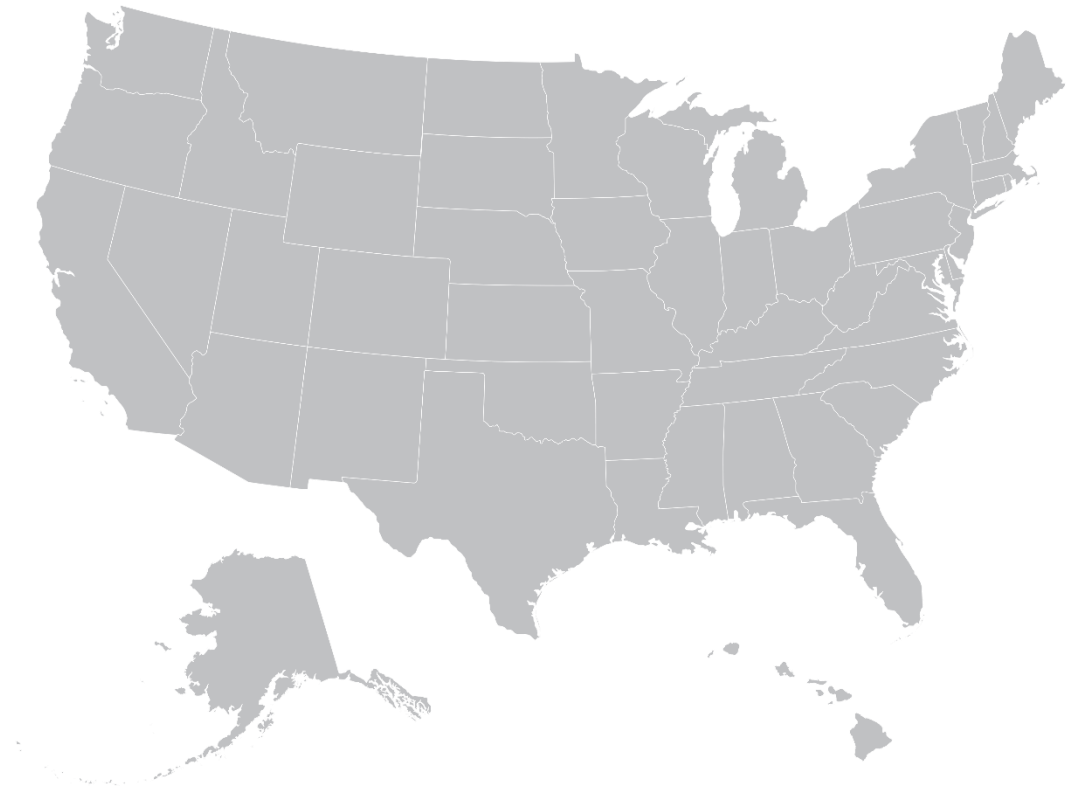
2021 Global Identity and Fraud Report

The impact of COVID-19 on digital
consumer experience and fraud
prevention

April 2021 Release



North America survey results

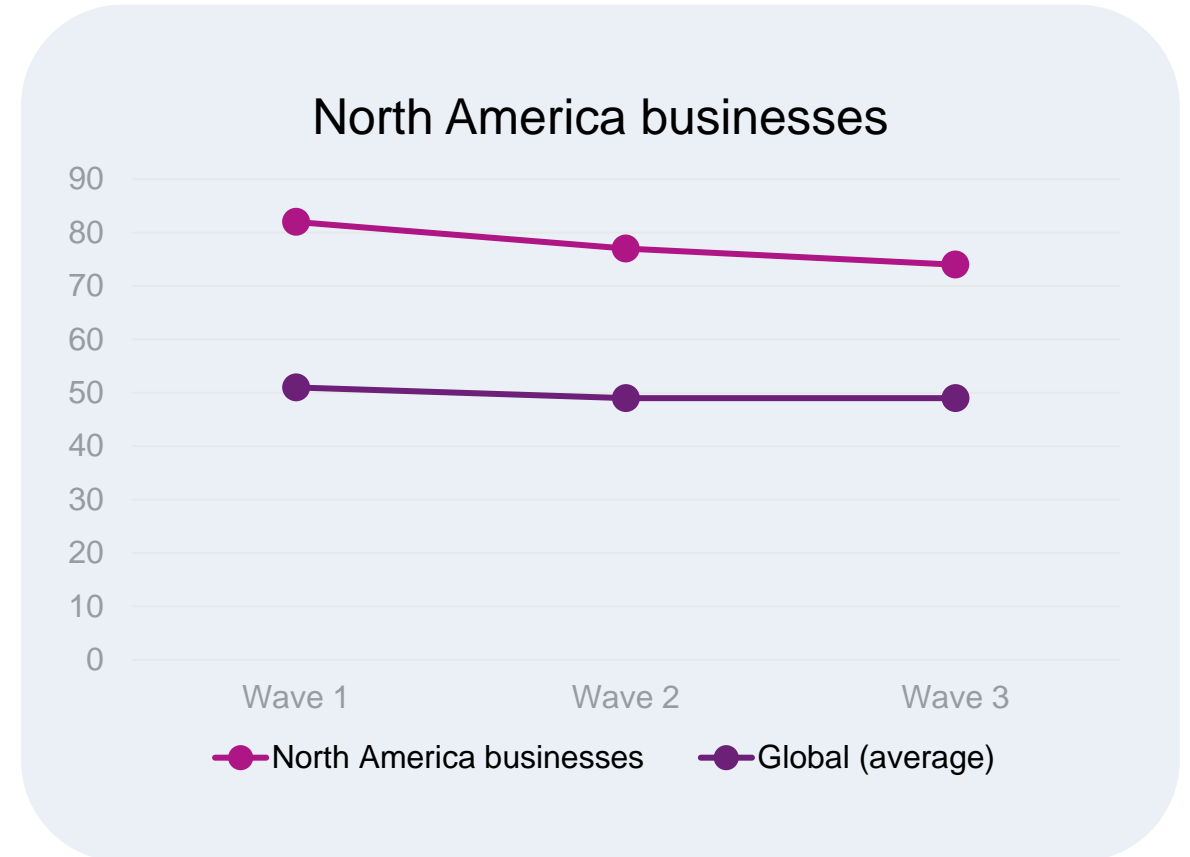
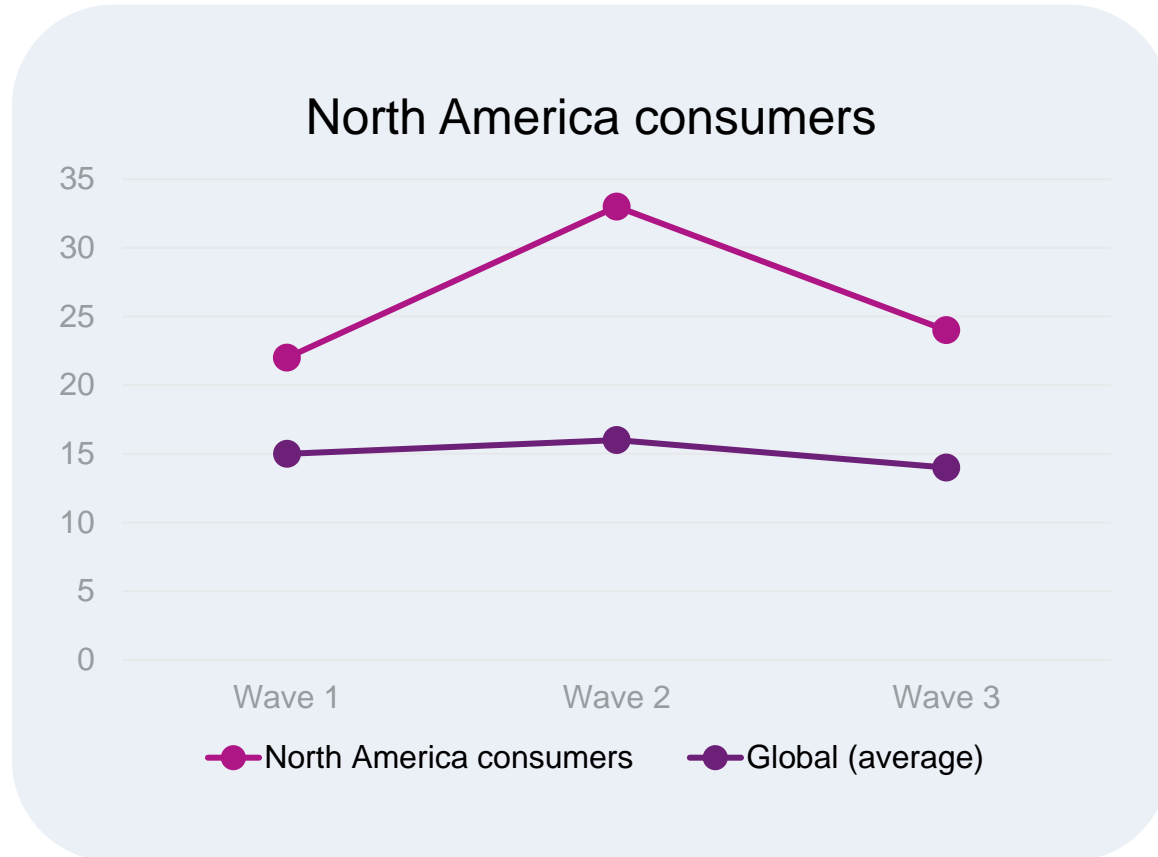


Our 2021 Identity and Fraud Report draws on three waves of data collected throughout the pandemic. We surveyed **9,000 consumers** and **2,700 businesses** across 10 countries from June 2020 to January 2021. The breadth of data reveals notable changes in consumer and business behavior and priorities as each navigated the crisis. These findings are based on the North America data collected from the 2021 Global Identity and Fraud Report.

[Click here](#) to view the full report.



North America businesses and consumers are most optimistic about the economy compared to global sentiments



How would you best describe the current state of your country's economy relative to the COVID-19 pandemic?



Consumer expectations have changed

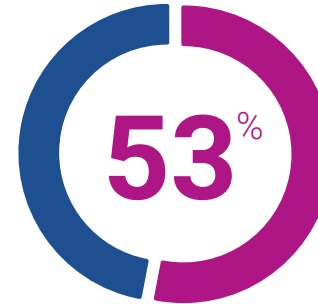
North America consumers have higher-than-ever expectations for security and privacy

Consumers ranked the following methods based on their perceived security:

1. **89%** physical biometrics
+ **28%** since June 2020
2. **82%** behavioral biometrics
+ **29%** since June 2020
3. **71%** PIN codes sent from mobile devices
+ **22%** since June 2020



Consumers' increasing comfort and preference for **physical and behavior-based** – or invisible – methods of security.



of consumers said security is the most important aspect of their online experience, which stayed consistent throughout the three waves of research.

Consumers increasingly expect that businesses will:

59%

Implement strong, invisible security measures.

56%

Use more security steps while online.

54%

Provide more information on how data is used and stored.

51%

Have more visible security measures in place online.

43%

Provide more information about why they're requesting personal information.

Over 50% of consumers said
online security is their top concern
– and they prefer biometrics and
one-time passcodes

CrossCore with OTP and biometrics, Precise ID and Fraud Analytics



Consumers moved rapidly online and embraced digital conveniences



Nearly 20%–30% of global consumers are only willing to wait up to 30 seconds before abandoning an online transaction.



54% of consumers have higher expectations about consumer experience delivered online by businesses.

31% say their expectations are being met by businesses.



53% of consumers use a mobile wallet, a **4%** increase from pre-pandemic.

Mobile wallets offer **distinct benefits** that are particularly relevant now:

- Reduces the need to touch a point-of-Sale device or hand a card to a cashier
- Encrypts payment data into the device, sending tokenized data to merchants only
- Usually unlocked by a physical biometric, further improving the safety of the payment method.

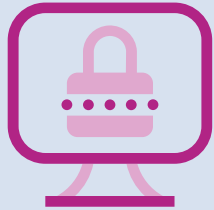
Consumers are transacting online
more than ever before, and they
have high user-experience
expectations

CrossCore workflow orchestration, Precise ID and Fraud Analytics



Consumers feel increasingly concerned about their online activities

The move to online added more consumer information to the digital marketplace



Top 3 concerns for consumers regarding their online activity:

44% online privacy
+ **12%** since June 2020

41% stolen credit card information
+ **7%** since June 2020

39% identity theft
+ **7%** since June 2020



38% of consumers said they were most concerned about credit cards and bank account details.

31% were concerned about protecting personal data, such as their date of birth, address and Social Security numbers.



44% of U.S. consumers said they were worried about their digital privacy, compared to 23% of Europeans.



4% decrease in consumer loyalty to current service providers from June 2020 to January 2021.



11% decrease in consumer tolerance of online service delays/inconvenience due to COVID-19 from June 2020 to January 2021.

Decrease in trust for online businesses compared to June 2020: **7%** decrease in tech providers (Apple, Samsung, Google, etc.) and **10%** decrease in government agencies

Over the past year, consumers
have grown more concerned with
online privacy and protection from
identity theft

*CrossCore ATO, Strong analytics (Precise ID Model Suite,
FraudNet, email solution partners) to protect consumer
transactions without adding friction*



Businesses are looking for new ways to keep up with consumer expectations



Top focus areas for fraud prevention for businesses:

29%

Security questions

29%

Security measures in consumers' devices when attempting to access your business

22%

Passwords

22%

Document verification



Top 2021 priority for businesses is improving digital consumer service by increasing staff/support at call centers.



The most companies said they planned to hire more people to support digital operation – a departure from other regions.



\$36 of the \$360 billion in U.S. CARES Act unemployment benefits was lost, primarily due to fraudulent claims.



Businesses plan to invest in fraud prevention and customer support this year – but their priorities seem misaligned with consumer preferences

Experian Advisory Services; CrossCore with Precise ID model suite and backing applications

Fraud prevention is foundational to the digital experience

Incorporating continuous authentication and advanced recognition into a digital strategy that considers the complete consumer journey



- Eliminate silos to create secure, seamless, end-to-end consumer experiences.
- Layer security methods to meet consumers' expectations.
- Blend AI and ML tools with your high-performing processes to add value and improve the consumer experience.
- Look to other industries for innovative solutions and new paths to success.
- Double-down on recognition to improve decision-making and consumer trust.

