

**worldpay**

# **Protect your business from fraud**

Know it, prevent it, fight it

A guide for small businesses



Among the unending responsibilities and priorities business owners must manage, there's one that is often dangerously overlooked: **fraud**.

It's common for small businesses to assume they'll never be the target of a fraud attack, to think those things only happen to big-name brands. But that assumption is what makes them so vulnerable — and fraudsters love to prey on the vulnerable.



## If you aren't afraid of an attack, you probably aren't preparing for one

As a business owner, it's your responsibility to keep your customers safe. It's also your priority to keep your business growing. Without fraud protection strategies in place, you put both at risk.

In this eBook, we'll review:

- 01** The impact of fraud
- 02** Today's fraud trends
- 03** How to prevent fraud
- 04** How to recover from it

# Fraud is here to stay

## How did we get here?

Where there have been payments, there has been fraud — but in recent years its prevalence has grown. During the COVID-19 pandemic, brick-and-mortars were forced to engage differently with their customers by moving their sales online. Many weren't ready for the sudden shift or prepared to face the fraud risks of eCommerce. This created an opportunity for fraudsters to more easily find their victims and advance their attacks.



According to Juniper Research, merchant losses from online payment fraud will exceed \$362 billion globally between now and 2028.

Fraudsters are unrelenting and their tactics will only grow more aggressive and complex. Assisted by the emergence of AI, fraud has become more sophisticated than ever, making it harder to identify and avoid.



## Why do fraudsters target small businesses?

Once a criminal gains unwanted access to personal information, they can monetize that data by selling it on the dark web. Purchasers of stolen identities can then make fraudulent purchases or set up fraudulent accounts. Small businesses are a means for bad actors to access valuable customer data, but also a source from which they can steal goods and services.



# The impact of fraud can be catastrophic

Without protection from fraud, the financial consequences of an attack can be extremely difficult to recover from. Paired with reputational harm, the damage can threaten the stability of any business.

A 2022 report from the [Association of Certified Fraud Examiners](#) reviewed thousands of fraud cases across 133 countries and found that

**small businesses had the highest median loss of \$115,000 per case, compared to \$138,000 for large organizations.**

This led them to conclude that while the figures are similar, the impact of such a loss "is far more significant at a smaller organization."





# Know the threats you're up against

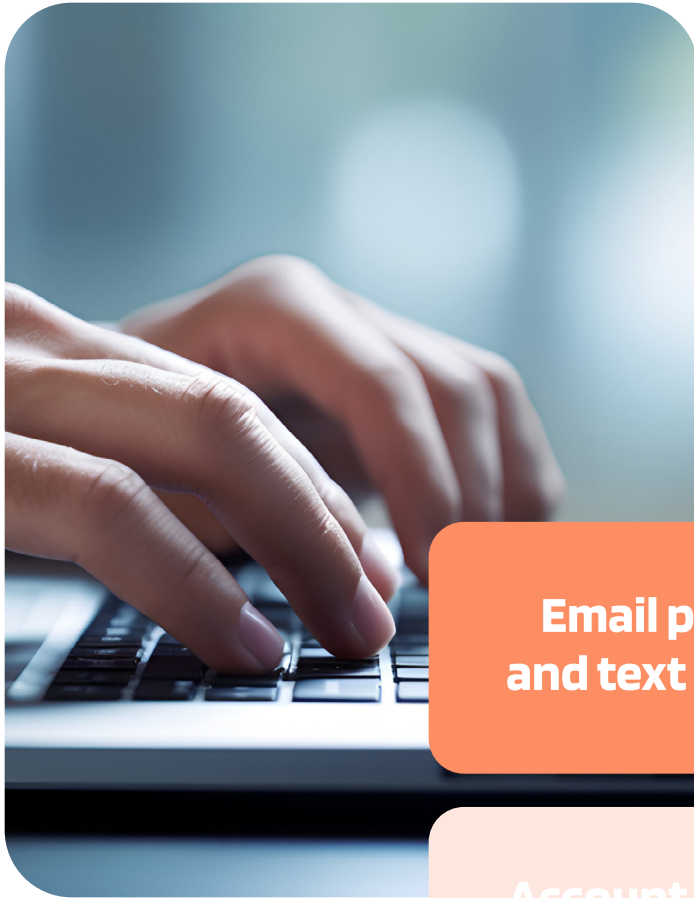
Fraud trends are a threat to both online and in-person payments, and keeping up with them is challenging. One of the most important things to understand is how quickly fraud evolves.



“Even if you master the fraud trends of today, six months down the road, it's an entirely new conversation.”

**Christy Watkins**

Senior Product Manager at Worldpay



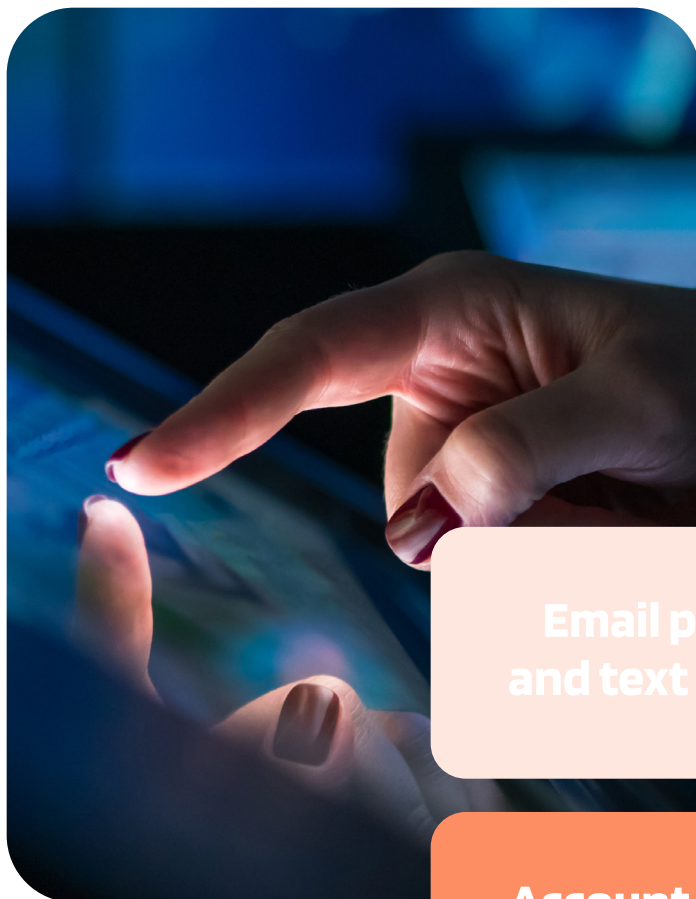
# Today's most common types of fraud

**Email phishing  
and text smishing**

**Account takeover**

**Card testing**

Phishing or smishing messages lure victims to open corrupt links or files that give fraudsters access to inject malware that paralyzes systems. With the help of AI, highly personalized content is being used in these attacks, making it more and more difficult to ascertain its legitimacy.



# Today's most common types of fraud

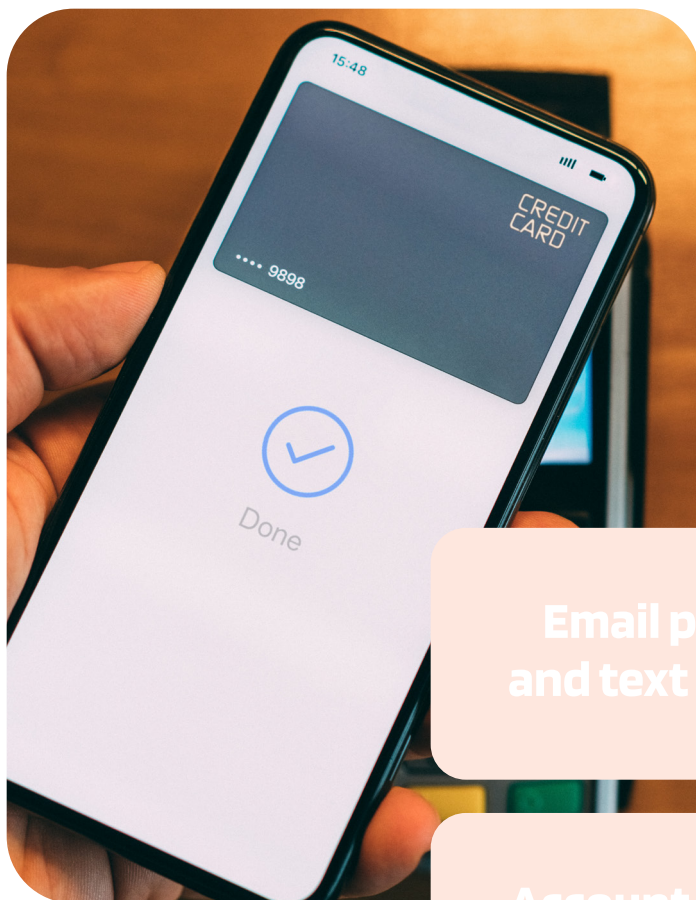
**Email phishing  
and text smishing**

Often as a result of phishing or smishing attacks, bad actors access and take over personal accounts from which they can transfer money, leverage stored credit card data, and change information.

**Account takeover**

**Card testing**





# Today's most common types of fraud

Email phishing  
and text smishing

Account takeover

Card testing

**This tactic is particularly harmful to small businesses.** After running a script on a business's online checkout page, fraudsters will process thousands of small-amount transactions to test and identify active credit cards. This high-velocity testing can not only rack up thousands of dollars in processing fees for the victim, it can result in a business shut-down once card issuers notice the bad traffic and block all transactions — even good ones.



# Fraud is now the cost of doing business

but it doesn't need to  
cost you your business

Running your business without taking the necessary actions to prevent fraud is like going home for the night and leaving your shop's front door unlocked. Not just for one night, but every night. There's a chance nothing will happen, but it's more likely something will. And when it does, you'll be in a position that's difficult to dig out of — one that could have been prevented.



# Protect your business from fraud

There are simple steps you can take, starting today, to help prevent fraud attacks.

- ✓ Regularly update passwords for your systems
- ✓ Educate your employees on fraud trends and how to identify suspicious activity
- ✓ Limit system access to only those who really need it
- ✓ Maintain PCI compliance
- ✓ Deploy solutions that can fight fraud for you



# Protect with **technology**

One of the most powerful ways to fight fraud is with technology that stays one step ahead. Worldpay offers businesses a multi-layered solution that prevents in-store and online fraud.



FraudSight is a real-time fraud decisioning engine that uses machine learning to observe trends, detect anomalies, and stop fraudulent transactions.

## Fraud moves fast, so we must be faster

Every fraudulent transaction and trend detected by Worldpay is fed into FraudSight's machine learning model which enhances its decision flow and enables us to react to risk within milliseconds.

## The goal is to stop fraud, but ensure good business can happen, too

FraudSight can detect and decline fraudulent transactions before they're authorized, so they never reach the card networks who might react by blocking all transactions. That means good customers can still make purchases, even in the midst of an attack.





# Protect with **scale**



## Get enterprise-level protection at a small business price

FraudSight is a scalable solution that protects businesses of all sizes. Small businesses get access to the same technology, data, support, and level of protection as large enterprise businesses — but at an affordable price.

## Get fraud protection that goes everywhere commerce goes

FraudSight is powered by billions of data points from a global database generated by the sheer volume of in-store and online transactions Worldpay processes for businesses of every industry and every size, all around the world.



# Protect with people



Fraud is one of the first things you should worry about, but probably seems like one of the last things you can worry about

You're an expert in your industry, not fraud — you aren't expected to face it alone. You're also perpetually short on time, which makes it difficult to prioritize your fraud prevention strategies. FraudSight is a fully managed solution supported by a team of certified fraud professionals, payments experts, and data scientists all advocating for your protection.



# What if it's too late and I've become a victim?

Discovering you've been the target of fraud without the solutions or strategies in place to protect your business can be an alarming experience. Prevention is always the best way to fight fraud, but if it's too late, you do have options.



# Fight back against fraud

Worldpay helps merchants take back control of their business

by putting aggressive strategies into place and activating FraudSight to immediately stop the attacker and deter further fraudulent attempts.

FraudSight is a zero-integration solution you can activate quickly

For existing Worldpay customers, historical transaction data is already accessible for FraudSight, so there's no ramp-up time needed to train the model — it's ready and waiting to fight for you.

"It's like a security system for a house. You never actually want to have to use it, but just having it gives you peace of mind. If the time comes when you need it, it's going to protect you."

**Sunny Thakkar**

Sr. Director of Product Fraud,  
Disputes & Authentication at Worldpay







# Keep growing your business, uninterrupted by fraud

As a small business owner, you ultimately want to protect your business, protect your customers, and remove all points of friction from the customer experience. Implementing fraud strategies and solutions like FraudSight can help maintain seamless payments, uninterrupted by fraud.

At Worldpay, an attack against your business is an attack against us. Our mission is to unleash the potential of every business, and when that potential is threatened by fraud, we leverage the **technology**, **scale**, and **people** of Worldpay to chase it down and keep it away.

**Connect with our team to start fighting fraud today.**

**Activate FraudSight**