How Digital Payments Can Help Protect Against Fraud

With a rise in remote work, more businesses are experiencing B2B payment fraud.1 Learn how they are adapting and what steps you can take to help protect your business and your customers.

The Problem

Security and fraud concerns today

Swiftly sending and receiving payments digitally is now essential for companies looking to stay afloat.2 Of surveyed corporations in 2021:3

- 52% have higher or significantly higher payment security concerns
- 49% feel serious fraud attempts or losses

The Response

How businesses are responding to fraud concerns

Taking payments digitally instead of relying on manual methods is often one of the first steps affording B2B firms some protection against fraud threats, but many companies are falling behind in this regard.4

Many businesses are already digitizing their payments:

- 60.5% of surveyed CFOs expect that digitizing payments will increase payment security.5
- 65% of companies surveyed make more than 50% of all B2B payments electronically.6
- 36% of companies surveyed still make more than half of their B2B payments by check.7

Steps to take to safeguard your business

See how adopting more electronic payments and digitizing your payment acceptance processes can help decrease fraud and security risks.

Your B2B payment security checklist:

- Require customers to set up online accounts versus using guest checkout.8
- Capture additional transaction data (such as email address, IP address, shipping information, etc.) to help assess the risk of transactions by using tools such as Enhanced Authorization, a free solution from American Express. 
- Merchants who use Enhanced Authorization typically see increased approval rates and fraud reduction of up to 60% while maintaining a seamless customer experience. Learn more at americanexpress.com/enhanced-authorization.
- Use login challenges or two-factor authentication, such as push notifications and one-time passcodes, to protect against account takeovers.11
- Look out for red flags when processing online transactions, such as larger-than-normal orders, orders with many big-ticket items, orders with an international shipping address or transactions placed on multiple cards with the same shipping address.12
- Install software updates and run antivirus software on computers and terminals to protect your business from malicious attacks and compromised data.13
- Validate telephone and mail orders by asking for additional information and directing customers to enter payment and billing information via a digital channel. 
- With American Express Verify-It® you can quickly validate customer information before shipping an order. Learn more at merchant-channel.americanexpress.com/merchant/en_US/verifyIt.

Businesses are digitizing payments with virtual cards. Why?

Virtual cards allow corporate buyers to secure payments by generating one-time codes for each transaction.8

Security

- Transparency

Businesses using a virtual card can track their payment in real time as well as gain insight into overall cash flow.9

The Checklist

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