

Alarming number of online payment services not secure

A global study* by Kaspersky Lab and B2B International reveals that 33% of financial services organisations don't offer customers a secure channel for all their online payments, despite the fact that 62% have noticed a significant rise in customers making online financial transactions and 50% believe online financial fraud is increasing.



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The survey found that many banks and payment companies are struggling to fully protect themselves and their customers from financial fraud at a time when customers are using an ever-wider range of devices to conduct a growing number of financial transactions online.

Two-thirds (65%) say that customers are increasingly using different devices to make online payments, yet just 53% have implemented two-factor authentication and only 50% have introduced a specialised, real-time anti-fraud solution - even though 22% believe this is the most effective form of protection available. Less than half (42%) extend such a solution to customer devices and only 67% implement a secure connection for all online payments.

Not surprisingly, 48% accept that they are only mitigating risk rather than removing it altogether; and 29% say it is cheaper to deal with online financial fraud incidents as they arise rather than to try to prevent them from happening.

Omni-channel landscape a challenge

"The study shows that banks and payment organisations are finding it difficult to manage online financial fraud in today's connected omni-channel consumer landscape. 38% of the organisations we spoke to admit that it is increasingly difficult to tell whether a transaction is fraudulent or genuine, with a worrying one in three opting for a 'we'll deal with it as it happens' approach to fraud protection." said Ross Hogan, head of SafeMoney Business Development, Kaspersky Fraud Prevention, Kaspersky Lab.

The study found that general internet-security software solutions are not widely regarded as an effective method for preventing the increasingly well-disguised phishing and malware attacks that can lead to financial fraud.

If you consider that our own research uncovered 22.9 million financial malware attacks in 2014, targeting 2.7 million customers worldwide, it is clear that dealing with each incident individually is not a viable, long-term option. Customers deserve better and so does the financial services organisation," he added.

**The IT Security Risks Survey 2015, conducted by Kaspersky Lab and B2B International, involved more than 5,500 company representatives, including 131 banks' and payment services' representatives, from 26 countries.*

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