



NEWS RELEASE

2024 Abrigo Fraud Survey: 61% of Americans Still Write Checks and Millions Fall Victim to Check Fraud

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New survey from Abrigo finds more than half (53%) of Americans believe credit card theft is most common, but check fraud may be the bigger liability — especially for small businesses

AUSTIN, Texas--(BUSINESS WIRE)-- Abrigo, a leading provider of financial crime prevention and risk management solutions for U.S. financial institutions, today announced new survey results revealing how Americans and small businesses are struggling with check fraud, along with misperceptions about the growing problem. More than one thousand adults in the U.S., representative across multiple demographics, were surveyed in March 2024. About 45% of respondents report being a victim of financial fraud, and 17% of that group report experiencing check fraud in particular — potentially more than 20 million people, exceeding the combined populations of America's top 5 largest cities.

The survey found almost 61% of Americans are still writing checks. Perhaps surprisingly, Gen Z and Millennials self-reported writing more checks than Gen Xers 45 – 54 years old:

- 59%, age 18 – 24 years
- 57%, age 25 – 34 years
- 60%, age 35 – 44 years
- 48%, age 45 – 54 years
- 61%, age 55 – 64 years
- 77%, age 65+ years

Just over half (51%) of check fraud victims had been targeted two or more times. The survey also found that small business owners more often were victims of financial fraud than others, with 57% reporting they've been targeted. They also dealt with more check fraud too: 60% of small businesses experiencing check fraud reported two or more instances.

While a majority (53%) of respondents believed credit card theft is the most common type of financial fraud and a plurality (43%) said it's what they fear most, check fraud is actually the bigger liability for banks. In fact, the FTC states about **448,000 cases of credit card fraud were reported in 2022 and 426,000 in 2023**, whereas FinCEN reports that Suspicious Activity Report (SAR) filings for check fraud in **2022 alone exceeded 680,000**, nearly doubling the number of filings the previous year. This year, check fraud is projected to reach a mind-numbing **\$24 billion** globally.

"Check fraud and the evolving criminal tactics associated with it are major problems faced by consumers, small businesses, and financial institutions," said Jay Blandford, CEO of Abrigo. "Combating these challenges successfully means banks and credit unions of any size must have access to innovative, reliable technology with AI-powered inspection, check image analysis, and a smart, configurable fraud decision engine. Abrigo's Fraud Detection platform delivers that, detecting fraud efficiently and accurately, to help reduce losses and thwart fraudsters before they hurt consumers and businesses. The survey shows it's likely that more than a hundred million Americans are still using checks and tens of millions are being victimized."

FinCEN further states that "criminals have been increasingly targeting the U.S. Mail and United States Postal Service mail carriers since the COVID-19 pandemic to commit check fraud," and they "typically steal personal checks, business checks, tax refund checks, and checks related to government assistance programs, such as Social Security payments and unemployment benefits." But more than a third of survey respondents (35%) were not even aware of check theft via mail, and almost half (47%) said they put checks in mailboxes or used mail services.

Signature Bank of Georgia Executive Vice Chair Freddie Deutsch has noticed that the fraud scenarios he encounters at work have increased in recent years. "In the past, we didn't see this much check washing or wire transfer fraud. That has all changed. Stealing checks from businesses or mailboxes, using technology to disguise your voice on the phone — it's more than one person can handle."

Americans are still working on best practices and uncertain about technologies

Almost a third of Americans surveyed (31%) also admitted to either not following best practices to avoid check fraud or being unsure whether they do so. And more than half (54%) didn't know whether their banks used advanced check fraud technologies or said their banks did not use such technologies. But a whopping 78% wanted to be involved in the validation process, stating that being involved improves their customer experience.

The survey revealed that small businesses have a greater awareness of check fraud technology (66%) than the general population. Small businesses (50%) are also more proactive than the general population (13%) about signing up for educational sessions or workshops offered by financial institutions to raise awareness about check fraud prevention.

“A bank of our size doesn’t have deep pockets to absorb large fraud losses consistently,” added Deutsch. “When we considered the cost of Abrigo’s anti-money laundering solution BAM+ and Abrigo Fraud Detection and their impact on our fraud processes, the investment was a far cry from the much higher real cost of fraud to our institution. People often underestimate the likelihood of it happening to them, but when it does, they’ll wish they had invested in better defenses.”

Despite technological shifts, using checks persists in America. In addition to 61% of Americans still writing checks each year, 57% send or receive one or more payments by check per month. Respondents used a variety of methods to deposit checks when receiving them, including:

- 44% depositing checks at a physical bank branch
- 37% using a mobile banking app to deposit checks remotely
- 14% depositing checks through an ATM

When Americans are given the choice, a substantial 43% would rather live off the grid than deal with check fraud. Respondents also said they’d rather use a port-a-potty (30%), sit in traffic for two hours every day (27%), lose their luggage (20%), and/or get a root canal (18%), than face check fraud.

Learn more at ACAMS

Learn more about combating check fraud and other financial crimes. Join Abrigo at **ACAMS Hollywood** in South Florida, April 8 – 10, at Booth 508. Or reach out anytime at **abrigo.com** and **get started with a demo**.

About the Survey

Propeller Insights conducted a nationwide survey in March 2024 of 1059 consumers, including 39% self-reported small business owners, sponsored by Abrigo. Respondents were roughly representative of the U.S. adult population in the United States along common demographic characteristics. Propeller Insights is a full-service market research firm based in Los Angeles. Using quantitative and qualitative methodologies to measure and analyze marketplace and consumer opinions, they work extensively across industries such as travel, brand intelligence, entertainment/media, retail, and consumer packaged goods.

About Abrigo

Abrigo is a leading provider of risk management, financial crime prevention, and lending software and services that help more than 2,400 financial institutions manage risk and drive growth in a rapidly changing world. We deliver transformational technology, product innovation, world-class support, and unparalleled expertise so our customers can face complex challenges and make big things happen.

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Source: Abrigo