

Fraud Protection and Resolution Become Critical Components of Customer Experience for Banks and Credit Card Issuers, J.D. Power FindsChecking, Savings or Debit Fraud Affected 29% of Bank Customers and 22% of Credit Card Customers in Past 12 Months

TROY, Mich.: 7 Nov. 2024 — More than one-fourth (29%) of bank customers and 22% of credit card customers have experienced some instance of fraudulent activity on their accounts in the past 12 months, according to the inaugural J.D. Power U.S. Financial Protection Satisfaction Study,SM released today. As financial fraud continues to escalate the way in which financial institutions play an active role in helping customers protect themselves as well as how they respond to incidents, the financial protection they provide has become a key component to overall customer satisfaction, brand loyalty and advocacy with those institutions.

The study evaluates the experiences of customers of the largest retail banks and credit card issuers with the account protection and fraud resolution services provided by their financial institutions.

"Financial fraud is a big problem for banks and credit card issuers, but it also presents an opportunity from a customer experience perspective when it is handled well," said **Jennifer White, senior director for banking and payments intelligence at J.D. Power**. "In fact, customer likelihood to reuse their bank or credit card company and then recommend that entity to friends is actually higher after an institution helps prevent or resolves a fraud incident than when there is no fraud incident at all. However, many institutions still have a lot of work to do when it comes to educating customers on how to protect themselves."

Following are some key findings of the inaugural study:

- **Bank and credit card fraud affects many, especially younger customers:** Overall, 29% of bank customers and 22% of credit card customers have experienced some form of financial fraud on their accounts in the past 12 months, with many experiencing more than one instance of fraud in that period. Among bank customers under age 40, 42% have experienced some form of checking, savings or debit fraud in the past 12 months.
- **Fraud prevention and resolution efforts rewarded by customers:** Nearly half (46%) of bank customers and 49% of credit card customers say they have a more positive impression of their bank or credit card issuer after experiencing an instance of fraud, and 92% of bank customers say they are likely to reuse their bank after experiencing a fraud issue and having it resolved.
- **Customers want to help fight fraud, but many do not know how:** More than one-fourth (26%) of bank customers and 31% of credit card customers say they have not taken any recent measures to secure their account. Among those who have taken proactive measures, the most frequently used strategy is reviewing recent transactions for suspicious activity, which is not preventative. When it comes to true fraud prevention

tactics, such as adding two-factor authentication, setting up account alerts or using face ID or fingerprint authentication to log into accounts, are being taken by customers no more than 20% of the time.

- **Banks and credit card issuers need to be more proactive:** Among bank customers, 46% say they've been prompted by their bank to act on fraud prevention measures in the past 90 days. That number falls to just 40% among credit card customers.

Individual scores and rankings are not provided in this benchmarking study. Firms included in the study are (in alphabetical order):

American Express
Bank of America
Barclays
BMO
Capital One
Chase
Citi
Citizens Bank
Comerica Bank
Credit One Bank
Discover
Fifth Third Bank
First Citizens Bank
First Horizon Bank
Flagstar Bank
FNBO
Goldman Sachs
Huntington
KeyBank
M&T Bank
Merrick Bank
Navy Federal Credit Union
PNC
Premier Bankcard
Regions Bank
Santander
Synchrony
TD Bank
Truist
U.S. Bank
USAA
Wells Fargo

The U.S. Financial Protection Satisfaction Study measures the experiences of customers of the largest retail banks and credit card issuers with the account protection and fraud resolution services provided by their financial institutions. Customer satisfaction with account protection is based on communication; fraud resolution; security settings and security updates; and monitoring. Customer satisfaction with fraud resolution is based on ease of resolution;

helpfulness; timeliness; and concern for my needs. The study is based on 22,982 responses across the four modules and was fielded from March through September 2024.

For more information about the U.S. Financial Protection Satisfaction Study, visit <https://www.jdpower.com/business/financial-protection-satisfaction-study>.

See the online press release at <http://www.jdpower.com/pr-id/2024144>.

About J.D. Power

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J.D. Power has offices in North America, Europe and Asia Pacific. To learn more about the company's business offerings, visit [JDPower.com/business](https://www.jdpower.com/business). The J.D. Power auto-shopping tool can be found at [JDPower.com](https://www.jdpower.com).

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