Consumers recognize the risk of fraud when shopping online:

- Nearly half of consumers who shop online report they have been the victim of payment fraud (48%) — representing nearly 80 million online shoppers.

Payment fraud and security concerns impact business:

- 42% of shoppers have abandoned an online purchase due to payment security concerns. This increases to half for Millennials (50%) and Gen X (48%).

Online shoppers are willing to take extra security steps that merchants can capitalize on to boost digital sales and customer trust:

- 70% of online consumers are prepared to use security questions, like ‘What was the make and model of your first car?’

- 68% of online consumers are willing to create a one-time password to complete a purchase online.

- 63% of online consumers are open to creating a customer profile on the merchant’s website to complete a purchase.

- 78% want visible security cues on the merchant’s site.

- 52% report using data encryption on their website.

- 43% of merchants have security questions available on their websites.

- 37% of merchants require a one-time password for added security.

- 46% of merchants provide the option to create an online customer profile.

- Less than half of merchants (43%) report fraudulent online sales and on average, they are investing 28% of their IT budgets on payment data security.

The 2016 American Express Payments Security Survey was conducted among U.S. consumers and businesses that offer online/mobile payment options to their customers. The anonymous survey was conducted online September 6-13, 2016. Unless otherwise noted, responses among consumers represent those who have made an online purchase three or more times in the past 12 months based on self-report. The sample size of n=718 has a margin of error of +/- 3.7 at the 95% confidence level. The consumer portion of the study is based on an overall sample of 1,021 respondents weighted to be representative of the U.S. census based upon gender, age, education, race and region. The business portion of the study is based on a sample of 401 businesses in the U.S. Respondents have responsibility for making decisions regarding customer payment options, IT/data security, or online sales strategy and planning. The business sample has a margin of error of +/- 4.9 at the 95% confidence level.