

83% of Americans are worried about AI-powered fraud, but many also trust AI to help stop it

Survey finds challenges and opportunities for financial institutions as consumers shift to digital transactions.

AUSTIN, Texas — June 24, 2025 — A growing number of Americans are sounding the alarm on AI-driven fraud with many feeling unprepared and lacking adequate protections, according to a new survey from Abrigo, a leading provider of compliance, credit risk, and lending solutions for financial institutions. The survey found that over 83% of respondents have concerns about AI-powered fraud and nearly 60% are either “extremely” or “very” concerned about AI-based fraud, presenting significant concerns for the future of banking and payments.

Financial fraud is on the rise nationwide, driven by the growing volume of digital transactions, increasing data breaches that expose personal information, and the emergence of more sophisticated social engineering tactics and AI-powered attacks. In 2024 alone, more than \$12.5 billion was lost to fraud — a 25% jump from the prior [year](#).

Despite the concern about AI-based fraud, a significant number of Americans still see AI as part of the solution. More than 43% of Americans say AI-powered fraud detection would increase their confidence in their financial institution. In fact, nearly 72% of Americans are either “somewhat,” “very” or “extremely” interested in AI-powered fraud detection tools.

Fraud continues to have a powerful impact on consumers’ relationship with their financial institutions. While 81.6% of fraud victims were satisfied with their bank’s response to combat fraud, 62% would still be likely to minimize their banking relationship—e.g., reduce use of a card or reduce accounts—if they became fraud victims.

Meanwhile, consumer habits are increasingly shifting towards digital payments, with 64.1% of Americans no longer writing checks. Among digital payments providers, PayPal is the most trusted — with 54.5% of consumers.

“Americans are facing increasing threats from fraud, due to increasingly sophisticated AI-based attacks and social engineering schemes,” said Jay Blandford, chief executive officer at Abrigo. “Consumers often rely on their local community financial institutions as the first line of defense against fraud. At Abrigo, we are committed to equipping these institutions with cutting-edge technology, including AI, to help these institutions fight back against fraud.”

Other findings from the Abrigo survey include:

- Despite the interest, 51.4% say they “need to learn more” about AI-powered fraud detection. This offers an educational opportunity for financial institutions to demonstrate the benefits of AI-based solutions.
- Fraud is a particular concern among Americans age 65 and older, with 69.9% extremely or very concerned, while younger groups had 55 to 57% extremely or very concerned.
- Just 10.1% of consumers feel "extremely prepared" against emerging fraud techniques, such as AI-based attacks.
- Only 34.1% of Americans feel "very safe" with their current bank or credit union

Methodology

An online survey of 1,009 consumers was commissioned by Abrigo and conducted by Propeller Insights from April 4-April 8. Respondents opted into an online database and from there were targeted based on demographics. To further confirm qualifications, respondents were asked to verify their information in the survey itself. The maximum margin of sampling error +/- 3 percentage points with a 95 percent level of confidence.

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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