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KYC Verified Accounts Make Up 76.5% of Crypto Fraud According to nSure.ai Research, Raising Alarms for Q4

KYC accounts, once thought of as completely trustworthy, now account for an alarming 76.5% of fraudulent transactions on average on some crypto exchanges. nSure.ai is helping with tools to help block KYC fraudsters while reducing friction.



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nSure.ai, the world's first fully automated chargeback guarantee platform is working with online crypto exchanges to fully secure their on-ramp transactions and allow them to remove unregulated parts of their friction heavy know your customer (KYC) processes. This will introduce lower friction to organizations that must onboard large volumes of users while filtering out difficult-to-identify fraudsters.

Today's leading fraud-protection services were not developed to manage the demands of high-paced digital goods marketplaces, where money is converted into assets within milliseconds. As a result of strong fraudulent activities, merchants of digital goods, crypto, fintech services, and legacy payment fraud prevention companies tend to be over cautious and decline a large number of legitimate transactions without knowing the underlying reason they were flagged

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marketing costs. To make matters worse, 76.5% of fraudulent transactions came from know-your-customer (KYC-verified) accounts.

In response, nSure.ai has developed an industry-first digital-good-specific algorithm that combines user behavior, contextual analysis, and multivariate anomaly detection to identify if a purchase is fraudulent or legitimate. “Fraud should not be accepted as a standard part of conducting business. By removing this barrier, we reduce the friction caused by existing anti-fraud measures and boost revenues,” said Alex Zeltcer, Co-founder and CEO of nSure.ai. “Familiar with the crypto space, purchasers will immediately benefit from a more streamlined authentication process allowing companies to recognize a much higher transaction volume.”

Any charged-back transactions that do gain approval will be fully backed by nSure.ai’s 100% ultimate chargeback guarantee solution, regardless of it is fraudulent or service related. This elimination of friction and part of KYC, has seen cryptocurrency exchanges and NFT marketplaces rapidly increase transaction volume by 40% on average with an even greater rate of growth expected for Q4 of this year.

This comes on the heels of billions of dollars already being stolen across various exchanges. nSure.ai is helping organizations by meeting merchants where they need help most— all without burdening them with friction and chargeback responsibilities. This technology is being received positively by crypto exchanges, following their success in the gaming, travel, and digital goods sectors, where they face fraudsters with arsenals of techniques to mislead merchants.

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