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Rippleshot Monthly Fraud Intelligence Report

Derived from Rippleshot's Consortium Data

5,000+ Contributing Financial Institutions, 50M+ Daily Transactions

AUGUST 2025

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Contents

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Introduction

Fraud never slows down – and this summer is no exception. As consumers ramp up spending on travel, entertainment, and seasonal purchases, fraudsters are adapting in real time, embedding attacks within everyday spending patterns and exploiting categories where fraud can be quickly monetized.

Rippleshot's proprietary consortium – covering over 5,000 financial institutions and analyzing 50 million daily card transactions – gives a unique lens into where fraud is growing fastest and how it compares to legitimate spend.

For the August Report, three categories stand out as key seasonal risks:

- Travel Agencies & Tour Operators (MCC 4722) – Fraud surging as travel bookings spike.
- Miscellaneous General Merchandise (MCC 5399) – High-volume resale-friendly purchases fueling illicit gains.
- Amusement Parks & Carnivals (MCC 7996) – Entertainment fraud spiking alongside summer attendance surges.

These categories illustrate how fraud risk is shifting toward seasonal, discretionary spending – and why proactive detection and intervention are critical.

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Value Rippleshot provides to bankers

Rippleshot solutions help your team put this data into action. With up to 7x ROI, our clients strengthen existing rules and proactively block more fraud.

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Key overall insights

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Key insights

● Travel and entertainment categories are prime fraud targets

There was a sharp rise in fraud in seasonal spending categories, with Travel Agencies (MCC 4722) experiencing a +58.17% jump in fraudulent activity. While legitimate travel spend increased only +6.61%, fraud grew nearly nine times faster, underscoring how fraudsters capitalize on high-ticket, low-verification transactions during peak travel months. This pattern reinforces the need for targeted, seasonal rules that account for unique fraud vectors tied to vacation bookings.

● High-resale goods drive rapid fraud growth

Miscellaneous General Merchandise Stores (MCC 5399) saw fraud more than double (+112.61%) despite a slight drop in consumer spending (-1.69%). The divergence between spend and fraud growth suggests deliberate targeting by fraudsters seeking quick resale opportunities. Because these merchants carry a wide range of easily liquidated items – from gift cards to consumer electronics – they remain a persistent risk.

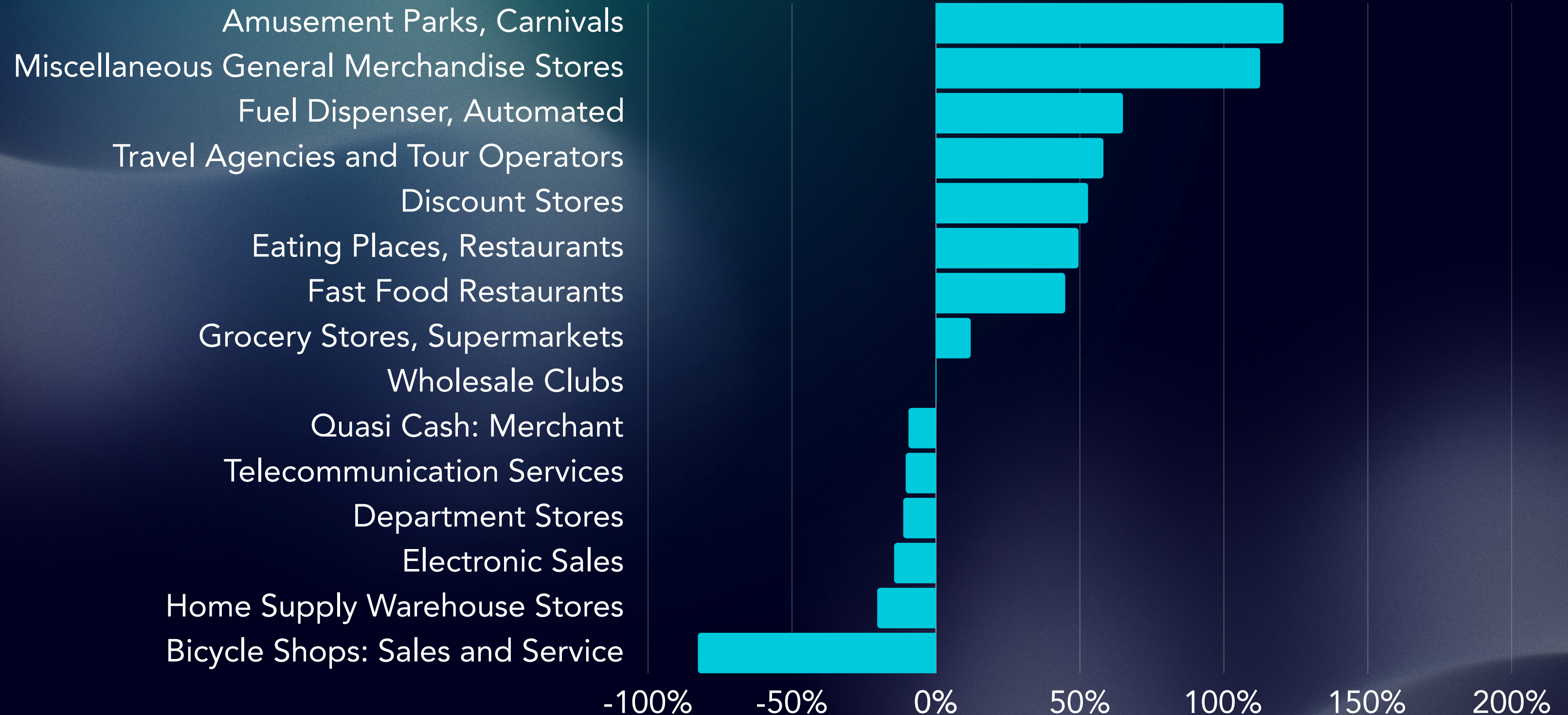● Entertainment venues show extreme seasonal spikes

Amusement Parks, Carnivals (MCC 7996) posted the largest month-over-month fraud growth at +120.71%, accompanied by a substantial +30.90% jump in spending. This indicates that fraud is not just *following* higher attendance – it's exceeding it. Fraudsters may be exploiting online ticket portals and same-day bulk purchase patterns to facilitate resale in secondary markets.
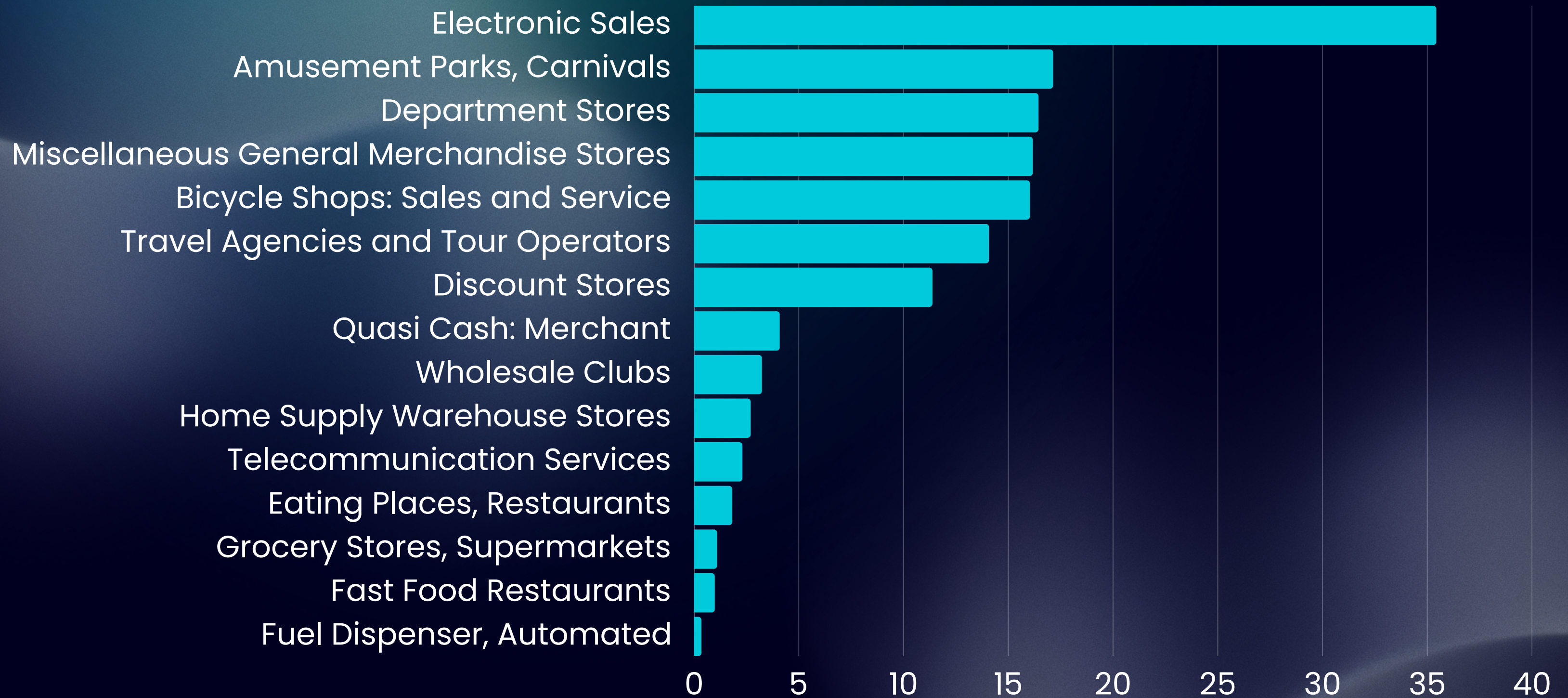
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Rippleshot proprietary data

Data analysis: BPS of fraud
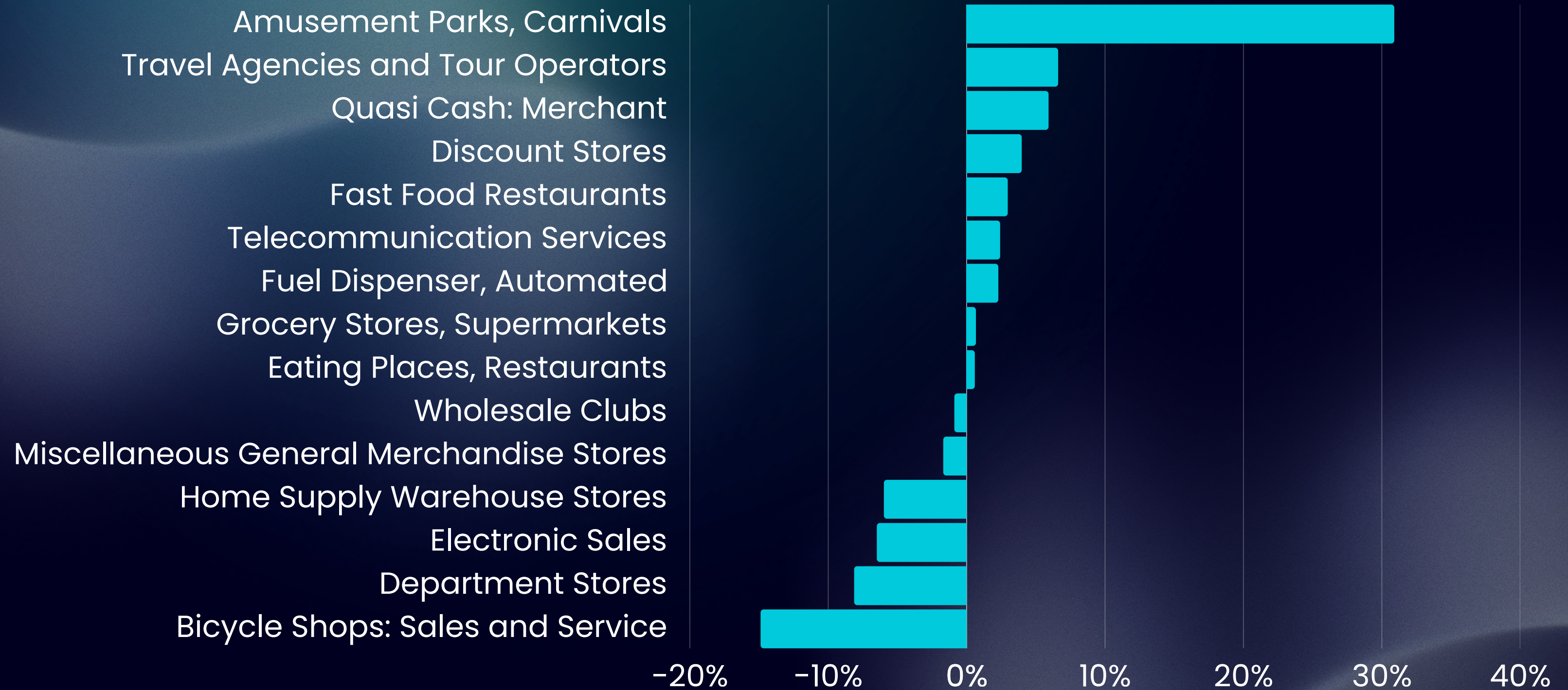
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Category	BPS
Electronic Sales	
Amusement Parks, Carnivals	
Department Stores	
Miscellaneous General Merchandise Stores	
Bicycle Shops: Sales and Service	
Travel Agencies and Tour Operators	
Discount Stores	
Quasi Cash: Merchant	
Wholesale Clubs	
Home Supply Warehouse Stores	
Telecommunication Services	
Eating Places, Restaurants	
Grocery Stores, Supermarkets	
Fast Food Restaurants	
Fuel Dispenser, Automated	

0   5   10   15   20   25   30   35   40

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Data analysis: Change in authorized dollars

Category	
Amusement Parks, Carnivals	
Travel Agencies and Tour Operators	
Quasi Cash: Merchant	
Discount Stores	
Fast Food Restaurants	
Telecommunication Services	
Fuel Dispenser, Automated	
Grocery Stores, Supermarkets	
Eating Places, Restaurants	
Wholesale Clubs	
Miscellaneous General Merchandise Stores	
Home Supply Warehouse Stores	
Electronic Sales	
Department Stores	
Bicycle Shops: Sales and Service	

-20%   -10%   0%   10%   20%   30%   40%

Data analysis: Relationship: Fraud dollars to authorized spend

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- Amusement Parks, Carnivals
- Miscellaneous General Merchandise Stores
- Fuel Dispenser, Automated
- Travel Agencies and Tour Operators
- Discount Stores
- Eating Places, Restaurants
- Fast Food Restaurants
- Grocery Stores, Supermarkets
- Wholesale Clubs
- Quasi Cash: Merchant
- Telecommunication Services
- Department Stores
- Electronic Sales
- Home Supply Warehouse Stores
- Bicycle Shops: Sales and Service

-100%   -50%   0%   50%   100%   150%   200%

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Data analysis: Relative Fraud Growth Index

Highlights how closely spend is linked to fraud, showing each MCC's vulnerability to fraudulent behavior.

Fraud Growth vs. Spend Growth Ratio:

- > 1 → Fraud is growing faster than spending (bad).

- < 1 → Fraud is growing slower than spending (good).

- < 0 → Fraud is growing while spend is decreasing (or vice versa) → signal of unusual risk shift.

Eating Places, Restaurants
Fuel Dispenser, Automated
Grocery Stores, Supermarkets
Fast Food Restaurants
Discount Stores
Travel Agencies and Tour Operators
Bicycle Shops: Sales and Service
Amusement Parks, Carnivals
Home Supply Warehouse Stores
Electronic Sales
Department Stores
Wholesale Clubs
Quasi Cash: Merchant
Telecommunication Services
General Merchandise Stores

-100%   -50%   0%   50%   100%
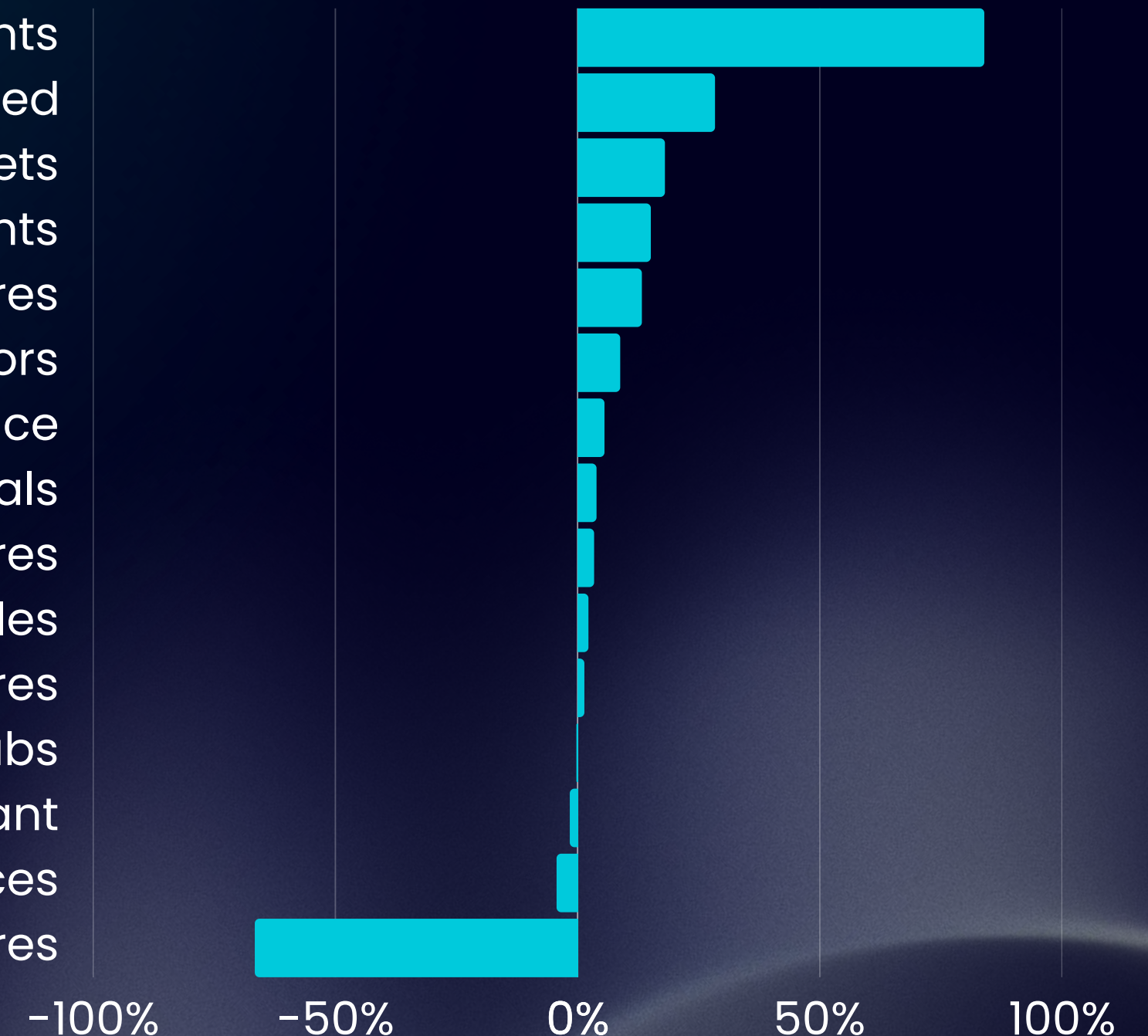
Selected insights by category

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Travel Agencies & Tour Operators (MCC 4722)

% Change in Fraud ↑ 58.17%

Fraud Rate (bps) 14.08

% Change in Spend ↑ 6.61%

ANALYSIS: SPENDING

Consumer travel bookings increased +6.61% as summer travel demand peaked. This aligns with expected seasonal behavior, with higher-ticket transactions occurring in both domestic and international travel segments.

ANALYSIS: FRAUD

Fraud surged +58.17%, far outpacing spend growth. The fraud rate of 14.08 bps reflects a combination of card-not-present vulnerabilities and limited immediate verification in prepaid or package bookings. Stolen cards are often used for international travel purchases where the fulfillment timeline works in fraudsters' favor.

CONCLUSIONS

Fraud in this category is highly seasonal but predictable. Institutions should expect similar spikes every year in early summer and take proactive steps to flag large, prepaid, or international transactions for additional verification.

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Amusement Parks, Carnivals (MCC 7996)

% Change in Fraud
↑ 120.71%

Fraud Rate (bps)
17.14

% Change in Spend
↑ 30.9%

ANALYSIS: SPENDING

Seasonal leisure spend jumped +30.90% as warmer weather drove higher attendance. Online ticket sales and on-site purchases can both be drivers of significant growth.

ANALYSIS: FRAUD

Fraud grew at nearly four times the pace of spend, climbing +120.71% to reach a fraud rate of 17.14 bps. Fraudsters could have purchased bulk tickets for quick resale, exploiting online ticketing systems with minimal pre-purchase authentication.

CONCLUSIONS

Bulk ticketing systems present a recurring seasonal vulnerability. Institutions should consider temporary transaction controls for high-volume ticket purchases during peak attendance periods to intercept fraud early.

Strategic recommendations

Strategic Recommendations (Rippleshot Lens)

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Tighten Controls for Seasonal MCCs

Apply enhanced rules to seasonal high-risk categories like travel, entertainment, and high-resale merchandise during peak months. Layer defenses with card-not-present checks, merchant-specific monitoring, and extra verification for bulk or high-value purchases.

Pair Merchant & Card-Level Monitoring

Combine suspicious merchant data with at-risk card behavior to prioritize intervention. This approach reduces fraud losses, cuts false positives, and ensures resources are focused where they have the greatest impact.

Increase Card-Not-Present Safeguards

Strengthen authentication for online and remote transactions. Use step-up verification, one-time passcodes, or behavioral analytics to block fraud attempts while keeping legitimate transactions flowing.

Monitor High-Resale MCCs Aggressively

Maintain continuous oversight of categories with easy-to-resell goods. Use velocity rules, transaction clustering, and fraud-to-spend growth analysis to quickly identify and stop risky purchase patterns.

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About Rippleshot

Fraud is moving fast. Rippleshot helps financial institutions move faster. We proactively detect and help stop credit and debit card fraud before it strikes.

Trusted by more than 1,700 financial institutions, Rippleshot combines AI, machine learning, our data consortium of over 5,000 participating financial institutions and 50 million daily credit and debit transactions — and the expertise of fraud and data scientists to deliver rapid risk detection, data-based decision rules, and actionable intelligence.

Rippleshot gives fraud managers, analysts, and executives comprehensive visibility and insights to safeguard cardholders, streamline fraud operations, and boost fraud mitigation performance.

Learn more at www.rippleshot.com

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Learn how you can benefit from the full capabilities of Rippleshot's solution

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