

Virtual cards vs. ACH payments: Security at a glance

Findings from the [2024 AFP Payments Fraud and Control Survey Report*](#)



When choosing a payment method for your business, security is top priority. Compare virtual cards and ACH payments to help you understand their differences and better protect your business.



Prevalence of fraud

- **Virtual cards:** only 3% of fraud attempts reported in 2023 involve virtual cards.
- **ACH payments:** 33% of fraud attempts target ACH debit payments, with 19% targeting ACH credit payments.



Targeted by fraudsters

- **Virtual cards:** low incidence of targeting. Only 3% of respondents report virtual card exploitation.
- **ACH payments:** high incidence of fraud, especially from Business Email Compromise (BEC). A 13% increase in ACH fraud was reported in 2023, up from 34% in 2022.



Fund recovery

- **Virtual cards:** fraud recovery is generally faster through built-in dispute and chargeback protections from card networks.
- **ACH payments:** 30% of businesses report being unable to recover funds lost due to payments fraud, with ACH ranking among the top five most targeted payment methods.



Vulnerability to fraud

- **Virtual cards:** safer due to customizable features like one-time use, spending limits, and instant deactivation. These controls help reduce exposure to fraud.
- **ACH payments:** more susceptible to fraud due to batch processing and the lack of real-time controls, especially in BEC scams. Once authorized, ACH payments are difficult to reverse.



Information security

- **Virtual cards:** encrypted or tokenized card details help protect sensitive payment information and reduce fraud risk. No need to store banking information.
- **ACH payments:** requires sharing sensitive bank account information, increasing the potential for data breaches if systems are compromised.



Real-time detection

- **Virtual cards:** fraud can be detected and blocked in real-time, giving businesses the ability to prevent losses before they happen.
- **ACH payments:** ACH payments are processed in batches, often making it harder to detect and stop fraudulent activity in time.

Key takeaways

- Virtual cards and ACH payments both serve important roles in business transactions but differ significantly in fraud risk and security measures.
- ACH fraud rates have increased, while virtual card fraud has declined due to greater controls and faster response.
- Businesses should assess their security needs when choosing between these payment methods.

*2024 AFP Report is based on 2023 data

Take the next step in payment security with virtual cards.
[Contact us](#) today to get started!

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