

FROM MILES TO MAYHEM

How account takeovers are plundering airline loyalty programs

ACCOUNT TAKEOVERS IN THE AIRLINE INDUSTRY ARE ESCALATING.



30-40%

increase in airline industry ATOs¹

Why is this happening?
SOME KEY FACTORS

AGENTIC AI HAS LOWERED THE BARRIER TO ENTRY FOR CYBERCRIMINALS.

97%

of enterprise leaders expect an AI-agent-driven attack within the year²

THESE MALICIOUS ACTORS HAVE GREATER ACCESS TO LOGIN CREDENTIALS AND OFTEN-REUSED PASSWORDS.

312%

increase in data breach victims year-over-year³



Why are cybercriminals focusing on airlines?

1 Airlines have historically prioritized operations over digital security, leaving IT investment lagging behind an increasingly sophisticated threat landscape.

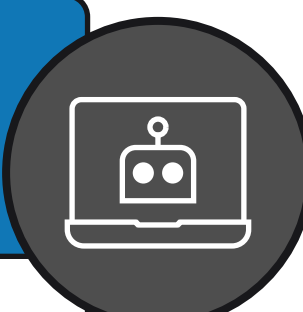
Airline IT spend sits at just 3.8% of revenue,⁴ compared to 6-10%+ in financial services⁵ — an industry that faces similar fraud threats.

2 There has been a massive increase in branded credit cards, which are tied to loyalty programs with enormous value. Airlines have a strong track record in preventing credit card fraud, so ATOs are an easier target.

The five largest US airlines now generate \$28B in loyalty revenue from co-branded credit cards.⁶

How do the cybercriminals illicitly access these accounts?

BAD ACTORS USE BOTS TO CREDENTIAL STUFF THEIR WAY INTO LEGITIMATE CUSTOMER ACCOUNTS.



46%

of malicious airline traffic is from advanced bots⁷

CYBERCRIMINALS THEN SELL ACCESS TO THESE ACCOUNTS - AND THE BUYERS OF THE ACCOUNTS CASH OUT.

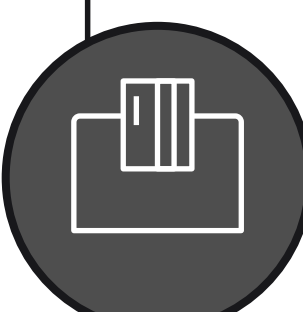
1 Fraudsters leverage AI at scale to compromise multiple accounts far beyond the initial breach.⁸

2 Points stolen from one program are transferred to a second, where redemption appears legitimate — doubling financial exposure.⁹

THE IMPACT IS ENORMOUS, WITH THE TOTAL VOLUME OF PAYMENT FRAUD SHIFTING FROM CREDIT CARD FRAUD TO ATOs.

\$1B

in losses per year to payment fraud for the airline industry¹⁰



¹<https://www.forbes.com/sites/jeremybogatsky/2024/06/28/airline-miles-hotel-points-hacking/>

²<https://www.arkoselabs.com/resource/2025-ai-maturity-cybersecurity-report/>

³<https://www.idtheftcenter.org/post/2024-annual-data-breach-report-near-record-compromises/>

⁴<https://www.phocuswire.com/sta-airline-it-insights-2024>

⁵<https://avasant.com/report/it-spend-as-a-percentage-of-revenue-by-industry-company-size-and-region/>

⁶<https://ideaworkscap.com/wp-content/uploads/2025/08/2025-Yearbook-of-Ancillary-Revenue-Excerpt-1.pdf>

⁷<https://www.arkoselabs.com/resource/loyalty-fraud-account-takeover-survey-report/>

⁸<https://www.iddataweb.com/top-fraud-prevention-challenges-airlines/>