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## Kiwis lose nearly \$19m to online scams in FY20

**Online safety organisation Netsafe says people of all ages are now falling for scams more than ever before as scammers use more sophisticated techniques to lure them in.**

Kiwis reported a combined loss of nearly \$19 million dollars from online scams and fraud to Netsafe from 1 July 2019 to 30 June 2020. The largest single loss reported was approximately \$840,000 and the average loss was \$4,776.83. While the overall financial loss decreased by nearly 19 percent compared to the previous year, the destruction caused to people harmed by them can be significant.

“We know the number of losses reported to Netsafe represent only a small percentage of the money lost each year,” said Martin Cocker, Netsafe CEO. “Sometimes people can be embarrassed to seek help, or they simply don’t know where to go for support which can further add to the harm they experience.”

Netsafe figures show that people between the ages of 18-40 make up nearly 50 percent of the total scam and fraud report losses to Netsafe with a collective amount of \$5.5 million. While people aged 41 and over make up 38 percent of the reports and have lost more than \$12.4 million.

There are also gender differences in terms of the amount of money lost. Females make up 47 percent of the reports to Netsafe, but it is males that have lost the most amount of money with over \$12 million reported as lost to scammers. Females report losing \$5.6 million and gender diverse people report losing \$418,900.19.

Online scams and fraud also remain a pervasive issue throughout New Zealand. Auckland remains the location with the most significant scam losses at \$5.4 million, but the Bay of Plenty has seen a 196 percent increase in financial loss with a figure of \$1.2 million and Wellington has seen an 81 percent decrease at \$498,484.64.

The release of these figures comes in Fraud Awareness Week, a cross-sector initiative led by Consumer Protection, to get people and organisations talking about scams and how to protect themselves. This is especially important as online scams and fraud are a difficult issue to police which makes it almost impossible for scam targets to recover any money they lose.

For a long time, people relied on the adage of “if it seems too good to be true, it probably is” to protect themselves from scams. This message is outdated and no longer reflects the sophisticated nature of how scammers operate.

“It is clear from Netsafe’s report that scammers are investing the time to find personal data people share online”, says Cocker. “They are then creating scams that appear authentic and mimic well-known organisations and processes that people trust to lure them in.”

People can report a scam or get free help with an online challenge by visiting [netsafe.org.nz](https://netsafe.org.nz).

### Online scam and fraud losses reported to Netsafe by region

Aucklanders again reported the highest financial loss, but there was movement in the order of the other regions. The table below provides a breakdown for each region in New Zealand.

Region	Losses
Auckland	\$ 5,440,747.80
Bay of Plenty	\$ 1,255,643.47
Canterbury	\$ 1,118,880.92
Waikato	\$ 532,706.43
Wellington	\$ 498,484.64
Otago	\$ 171,455.81
Manawatu-Wanganui	\$ 158,783.40
Hawke's Bay	\$ 104,168.53
Southland	\$ 79,026.73
Northland	\$ 65,590.79
Tasman	\$ 64,886.46
Nelson	\$ 53,529.92
Taranaki	\$ 48,813.17
Marlborough	\$ 21,809.98
Gisborne	\$ 2,556.78
West Coast	\$ 566.33
Chatham Islands	\$ 0

These reports were made to Netsafe from 1 July 2019 to 30 June 2020

### Online scam and fraud losses reported to Netsafe by category

Netsafe receives reports about a variety of scam and fraud losses. The table below provides the results for the five biggest categories reported to Netsafe.

Category	Number of reports	Total losses	Average loss
Investment fraud	367	7,053,577.47	19,377.96
Relationship and trust fraud (romance scams)	252	4,721,250.53	18,735.12
Products and services fraud	2,509	3,309,104.36	1,318.89
Prize and grant fraud	280	1,121,599.54	4,005.71
Phantom debt collection fraud	32	696,390.01	21,762.19

These reports were made to Netsafe from 1 July 2019 to 30 June 2020

### Netsafe's 10 tips to scam spotting

An online scam is any scheme designed to trick people out of money or steal their personal information that uses, or is delivered via, digital communications. Here are a few tell-tale signs you might be being scammed:

1. **Contact that is out of the blue** – even if the person says they're from a legitimate organisation like the bank, an embassy or your internet provider
2. **Getting told there's a problem with your phone, laptop or internet connections** – often they will offer to fix your device or say they are from your phone or internet company
3. **Being asked for passwords** – legitimate organisations will never ask for the passwords to your online accounts
4. **Needing to verify your account or details** – don't respond or click on any links in the communication even if it looks like it's from a real organisation
5. **Trying to get you to move outside of an online trading or booking website or app** (like Air BnB) – don't pay outside of the normal website or app processes
6. **Offering money or a prize in exchange for something up front** – they might say that it's a processing fee or something similar
7. **Being asked for money by friends/partners you've met online** – this is a common tactic, and you should never pay the money without getting advice from someone first
8. **Unusual ways to pay for something** – scammers try to use payments that can't be traced such as pre-loaded debit cards, gift cards, bitcoins, iTunes cards or money transfer systems
9. **Asking for remote access to your device** – never do this unless you have actively sought out the service they are providing
10. **Pressuring you to decide quickly** – this could be to avoid something bad (e.g. an account being closed) or to take advantage of something good (a deal or investment)

Netsafe can't open investigations or track scammers. We can provide advice for people who have lost money in a scam or may be about to. You can find more or report a scam [netsafe.org.nz](https://www.netsafe.org.nz)

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### **About Netsafe**

Netsafe is an independent non-profit organisation with an unrelenting focus on online safety. We keep people of all ages safe online by providing free support, advice, and education. Visit [netsafe.org.nz](https://www.netsafe.org.nz) for useful resources or call 0508 638 723 seven days a week for help with an online incident including scams, online bullying, digital parenting and much more.

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