

Overall Top Ten Scams

Rank	Scam	% of Total
1	Internet: Gen Merchandise	29.39%
2	Fake Check Scams	18.54%
3	Prizes/Sweepstakes/Free Gifts	18.35%
4	Recovery/Refund Companies	8.56%
5	Advance Fee Loans, Credit Arrangers	5.22%
6	Phishing/Spoofing	4.33%
7	Computers: Equipment/Software	2.89%
8	Scholarships/Grants	2.60%
9	Friendship & Sweetheart Swindles	1.54%
10	Charitable Solicitations	1.34%

Top Internet Scams

Rank	Scam	% of Total
1	Internet: Gen Merchandise	39.91%
2	Fake Check Scams	25.33%
3	Prizes/Sweepstakes/Free Gifts	8.93%
4	Advance Fee Loans, Credit Arrangers	5.26%
5	Phishing/Spoofing	3.43%
6	Recovery/Refund Companies	2.80%
7	Computers: Equipment/Software	2.66%
8	Friendship & Sweetheart Swindles	2.56%
9	Scholarships/Grants	1.26%
10	Investments: Other	1.16%

Top Offline Scams

Rank	Scam	% of Total
1	Prizes/Sweepstakes/Free Gifts	31.36%
2	Recovery/Refund Companies	16.51%
3	Internet: Gen Merchandise	14.86%
4	Fake Check Scams	9.15%
5	Phishing/Spoofing	5.57%
6	Advance Fee Loans, Credit Arrangers	5.18%
7	Scholarships/Grants	4.45%
8	Computers: Equipment/Software	3.19%
9	Charitable Solicitations	2.03%
10	Family/ Friend Imposter	1.69%

MEET THE SCAMS

A look at the most reported frauds

Internet: General Merchandise Sales (*not auctions*)

Goods purchased are either never delivered or misrepresented

Fake Check Scams

Consumers paid with phony checks for work or for items they're trying to sell, instructed to wire money back to buyer

Prizes/Sweepstakes/Free Gifts

Requests for payment to claim fictitious prizes, lottery winnings, or gifts

Recovery/Refund Companies

Scammers contact victims and claim the consumers owes money on a fictitious debt or offers to recover money lost in a previous scam

Advance Fee Loans, Credit Arrangers

False promises of business or personal loans, even if credit is bad, for a fee upfront

Phishing/Spoofing

Emails pretending to be from a well-known source ask consumers to enter or confirm personal information

Computers: Equipment and Software

Scammers claim to offer "technical support" for computer problems and charge a fee to fix a nonexistent problem

Scholarships/Grants

For a fee, a "search company" offers to conduct customized search for scholarships or grants for students. Scammers take money and run or provide a worthless list

Friendship & Sweetheart Swindles

Con artist nurtures an online relationship, builds trust, and convinces victim to send money

Charitable Solicitations

Scammers claiming to represent charities or non-profit organizations ask for donations

Fake check scams making a comeback while refund/recovery scams decrease

In 2017, the top scams reported to NCL's Fraud.org campaign remained Internet merchandise scams, fake check scams, bogus prize/sweepstakes scams, and refund/recovery scams. Interestingly, while complaints about refund/recovery scams remained a top category, their prevalence dropped precipitously in 2017. In 2016, these scams made up 15.77 percent of complaints received versus only 8.56 percent in 2017, an 84 percent decrease year-over-year.

While this may seem like good news for consumers, other trends are not so encouraging: fake check scams increased 12.55 percent, and phishing/spoofing scams increased by 27.28 percent year-over-year, respectively. The growth of fake check scam complaints is particularly worrisome, given that the 12.55 percent increase in 2017 followed a 15.16 percent increase in 2016.

Phishing/spoofing scam increase raises worries of breach-fueled fraud

With each major data breach—think Yahoo!, Equifax, Uber, and others—fears increase among cybersecurity experts that the information criminals glean from such breaches will help them craft more convincing phishing and spoofing campaigns. While it may be too soon to make a definitive link, complaints involving phishing and spoofing scams appear to be on the rise. In complaints where the consumer was first contacted online, we received a 55.81 percent year-over-year increase in complaints. This follows a 17.22 percent increase in such complaints in 2016.

Phone as method of first contact continues to decrease

The phone's days as the top gateway for fraudsters to their victims may be numbered. While the telephone remained the method of first contact for scammers in more than a third (34.29 percent) of complaints, web-based initial contact is gaining: 34.11 percent of complainants said their first brush with scammers in 2017 was on the Web. Another 15.18 percent said they first heard from a scammer via email. Both methods of contact were on the rise in 2017 (6.07 percent and 22.9 percent year-over-year increases, respectively, versus 28.94 percent year-over-year decrease for phone).

Older adults may be at increased risk

Complaints from adults ages 46+ made up an increased percentage of complaints to Fraud.org in 2017, while complaints from younger adults (ages 45 and below) decreased year-over-year. While it's difficult to generalize about fraud trends affecting older consumers, this is a trend we'll be keeping an eye on in 2018.

Method of Contact	% of Total
Phone	34.29%
Websites	34.11%
Email	15.18%
Postal mail	8.78%
Other (in person, tv/radio, print, fax, etc.)	7.64%

Consumer Age	% of Total
Under 18	0.46%
18-25	11.83%
26-35	18.23%
36-45	15.65%
46-55	17.21%
56-65	20.29%
Above 65	16.33%

Payment Method	% of Total
Wire transfer	36%
Credit card	33.22%
Other*	12.27%
Bank debit card	8.06%
Check	5.73%
Bank account debit	4.72%

* Includes payment via cash, cashier's check, money order, cash advance, trade, and telephone bill

Note: Fraud.org's Top Ten Scams report is compiled annually from complaints received directly from consumers. We do not attempt to verify the authenticity of these complaints, nor do they represent a scientific sample.

To get more information on these scams or report suspected fraud, please visit www.fraud.org.

NCL's Fraud.org is supported by your donations. Consumers can make a secure online pledge by [clicking here](#).



Fraud.org is a program of the National Consumers League