



MEDIA RELEASE

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Kiwis lose over \$10m to online scams in 2017

Online safety organisation Netsafe says scam tactics are becoming increasingly sophisticated, and New Zealand's national response needs to evolve accordingly.

Kiwis reported a combined loss of \$10.1 million dollars from online scams and fraud to Netsafe in 2017. The largest single loss reported was \$480,000, and the average loss was \$10,771. The reported losses likely only represent a small percentage of total losses, as many people feel a sense of embarrassment or hopelessness about reporting scams.

Netsafe CEO, Martin Cocker, says that New Zealand should not accept scam losses as inevitable and that more can be done to stop the losses.

"The first step is to stop thinking of scam victims as greedy or foolish," says Cocker. "We need to correct that misconception, get more creative with prevention education, and improve coordination between the agencies and organisations that can disrupt scam and fraud activity.

Cocker says that some scammers have moved on from traditional scam models that use cheap communications technology to reach large volumes of people in order to find the small percentage of people who are vulnerable to a particular approach at that time. Netsafe now sees scammers taking the time to set victims up, often by leveraging the huge volumes of personal data now floating about on the web.

"Scammers are taking advantage of technology and digital marketing techniques to create scams that appear authentic. These scams are multi-faceted, often using several well-executed marketing elements designed to mimic well-known organisations and processes that people trust. The recent scams imitating Air New Zealand and Whittakers are good examples of this.

The simple message of 'If it seems too good to be true, it probably is' no longer reflects the reality of the online scam and fraud landscape. It would be more accurate to say 'Even if it seems like a reasonable deal, it could still be a scam,'" says Cocker.

The scams most commonly reported to Netsafe are tech support scams. Scammers make contact about a fake issue with a computer and offer to fix it by requesting remote access to the device. The largest loss reported to Netsafe in 2017 was \$480,000 to an investment scam. Kiwis lost \$1.4m to online romance scams in 2017.

People in New Zealand can get advice or report a scam to Netsafe by calling 0508 NETSAFE or visiting www.netsafe.org.nz

Tips to protect yourself from scams:

- Don't respond to phone calls or contact about your computer asking for remote access to fix it. No one will contact you out of the blue about a problem with your computer.
- Use good, strong passwords on your online accounts and don't tell anyone what they are. Legitimate organisations will never ask for your passwords. Use two-factor authentication on accounts where you can.
- Always keep your personal information secure. Think carefully before entering your details online, or giving them to someone.
- If someone offers you money or another offer, but you have to make a payment up front, ignore it. This is a common tactic of scammers.
- Use a good antivirus and keep your software up to date. This will help to protect your device from someone trying to access it.
- Be wary of unusual payment requests. Scammers try to use payments that can't be traced such as pre-loaded debit cards, gift cards that can be used online, iTunes cards or money transfer systems.
- If you're using a trusted trading or booking website or app, always complete the deal using the payment system in the platform.
- If you're not sure if something is legitimate you can contact Netsafe for free advice seven days a week on 0508 NETSAFE or visit www.netsafe.org.nz

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About Netsafe

Netsafe is New Zealand's independent, non-profit online safety organisation. Netsafe provides online safety education, advice and support for people in New Zealand. Taking a technology-positive approach to the opportunities and challenges digital tech presents, Netsafe works to help people in New Zealand make the most of technology by providing practical tools, support and advice for managing online challenges.

Netsafe's helpline is open 8am-8pm Monday to Friday, and 9am-5pm weekends and public holidays.

Netsafe.org.nz - 0508 NETSAFE (0508 638 723) - help@netsafe.org.nz