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The State of Scams in New Zealand 2024

GASA
Global Anti-Scam Alliance



New Zealand consumers bear the brunt as scammers make off with NZ\$2.3 billion in the last 12 months

The 2024 State of Scams in New Zealand report was conducted by the Global Anti-Scam Alliance (GASA) in partnership with Netsafe, New Zealand's online safety organisation. This report sheds light on the escalating scam landscape in the country. With insights from 1,071 respondents, the report highlights both the growing threat of scams and the steps that need to be taken to combat them.

Scam recognition is improving, with 70% of New Zealanders reporting confidence in their ability to identify scams, a 2% increase from the previous year. However, scams remain prevalent, with nearly 60% of respondents encountering scams at least once a month, and 50% experiencing a rise in scam encounters over the past 12 months. Only 13% saw a reduction in scam attempts, signalling that scam activity is still on the rise.

Awareness of scammers' use of artificial intelligence is high, especially regarding AI-generated text and chat, though fewer people are familiar with AI-generated videos and voices. The majority of scams are delivered via emails and text/SMS messages, with a 7% increase in SMS scams compared to 2023. Platforms like Gmail and Facebook remain popular among scammers, with Facebook scams seeing a 5% rise in the last year.

Scam underreporting continues to be an issue, with 68% of New Zealanders opting not to report scams to law enforcement. The main reasons for not reporting include uncertainty about whether the incident qualifies as a scam and the perception that reporting won't lead to any meaningful resolution. Among those who did report scams, banks and the NZ police were the primary channels, followed by national complaints websites and friends or family.

Shopping scams have overtaken identity theft as the most common type of scam in New Zealand, with 46% of scams completed within 24 hours of first contact. Many victims shared stories of being contacted via text messages or phone calls with fraudulent claims, such as fake lottery winnings or bank impersonation scams. Notably, 70% of New Zealanders realised on their own that they had been scammed, while others were alerted by banks, friends, or family.

Financially, scams have taken a significant toll on New Zealanders, with total losses amounting to NZD 2.3 billion (US 1.4 billion), representing 0.6% of the country's GDP. The average amount lost per victim was NZ\$3,104. Despite the high losses, only 17% of scam victims were able to fully recover their money, while 43% tried but were unsuccessful, and 23% did not attempt recovery.

Emotionally, the impact of scams is also significant, with 21% of respondents reporting a strong emotional toll, while 28% stated they now have less

trust in the internet as a result of scams.

Over half of New Zealanders use the "if it seems too good to be true, it probably is" rule as a protective measure, with many reporting that they verify spelling, grammar, and email addresses when scrutinising suspicious messages.

In conclusion, the findings of the 2024 State of Scams in New Zealand report demonstrate that while awareness of scams is increasing, the prevalence and sophistication of scams continue to rise. Stronger efforts from the government, law enforcement, and financial institutions are needed to protect citizens, streamline scam reporting processes, and enhance recovery support for victims. Improved public education and greater emphasis on digital literacy will be key in the fight against scams in New Zealand.



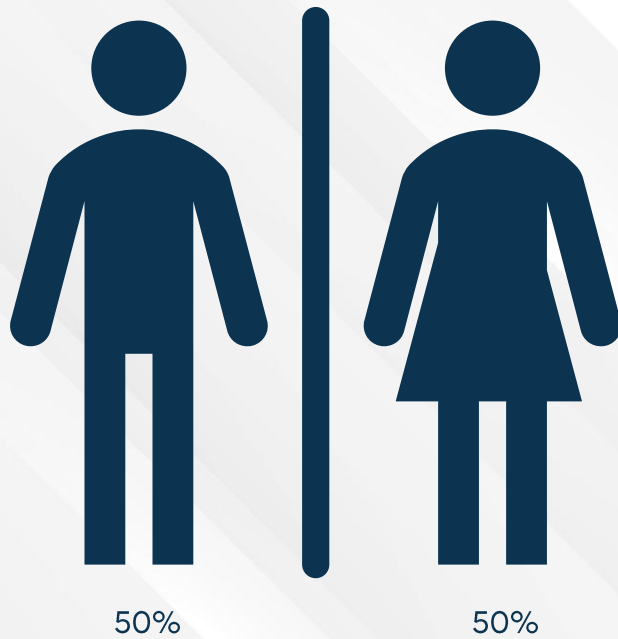
Jorij Abraham
Managing Director



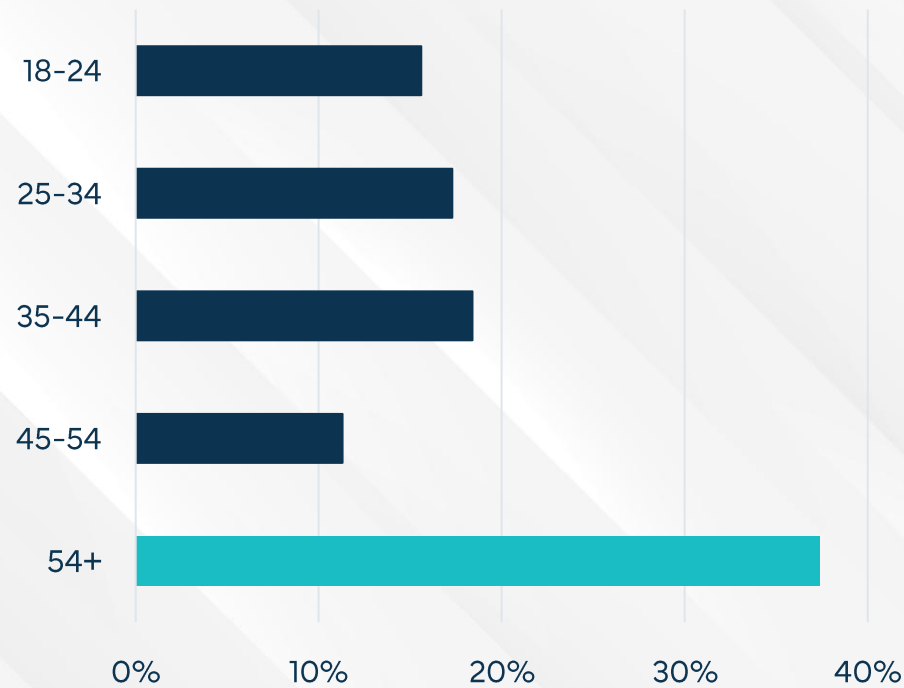
Sam Rogers
Director of Marketing

1,071 New Zealanders completed the State of Scams in New Zealand survey

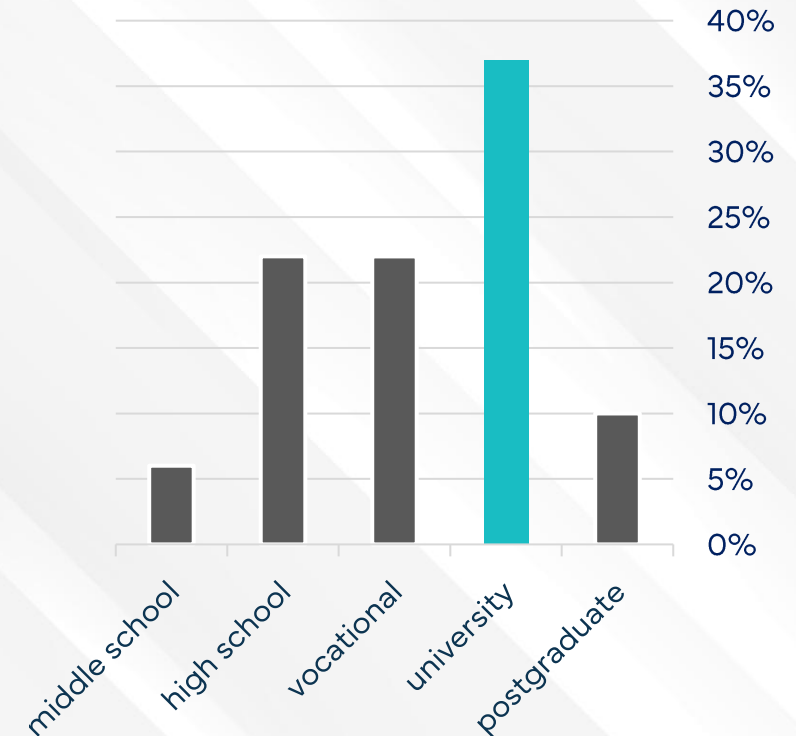
Gender



Age Range

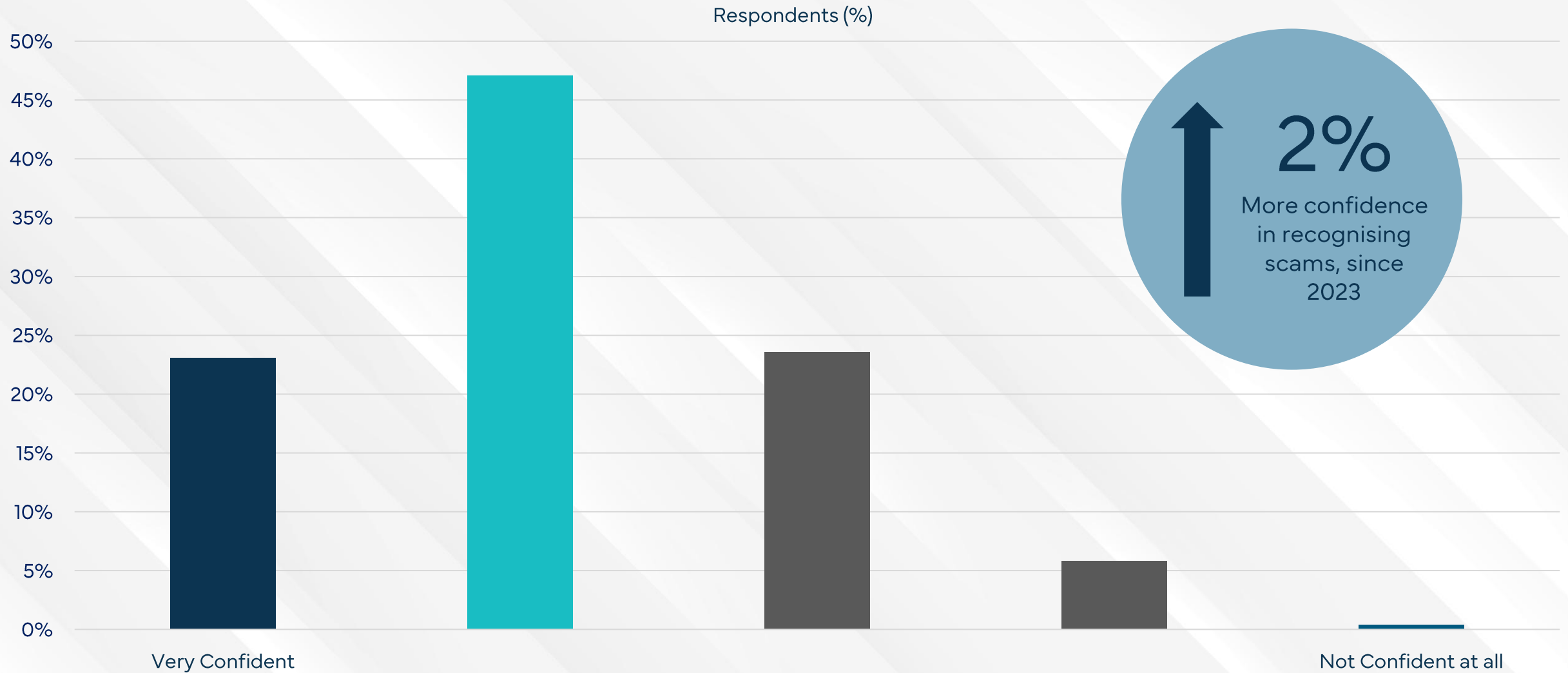


Education



The demography of respondents to the State of Scams in New Zealand 2024 survey consists of a 50-50 split between men and women. A large proportion were over 54 years of age, with a university degree.

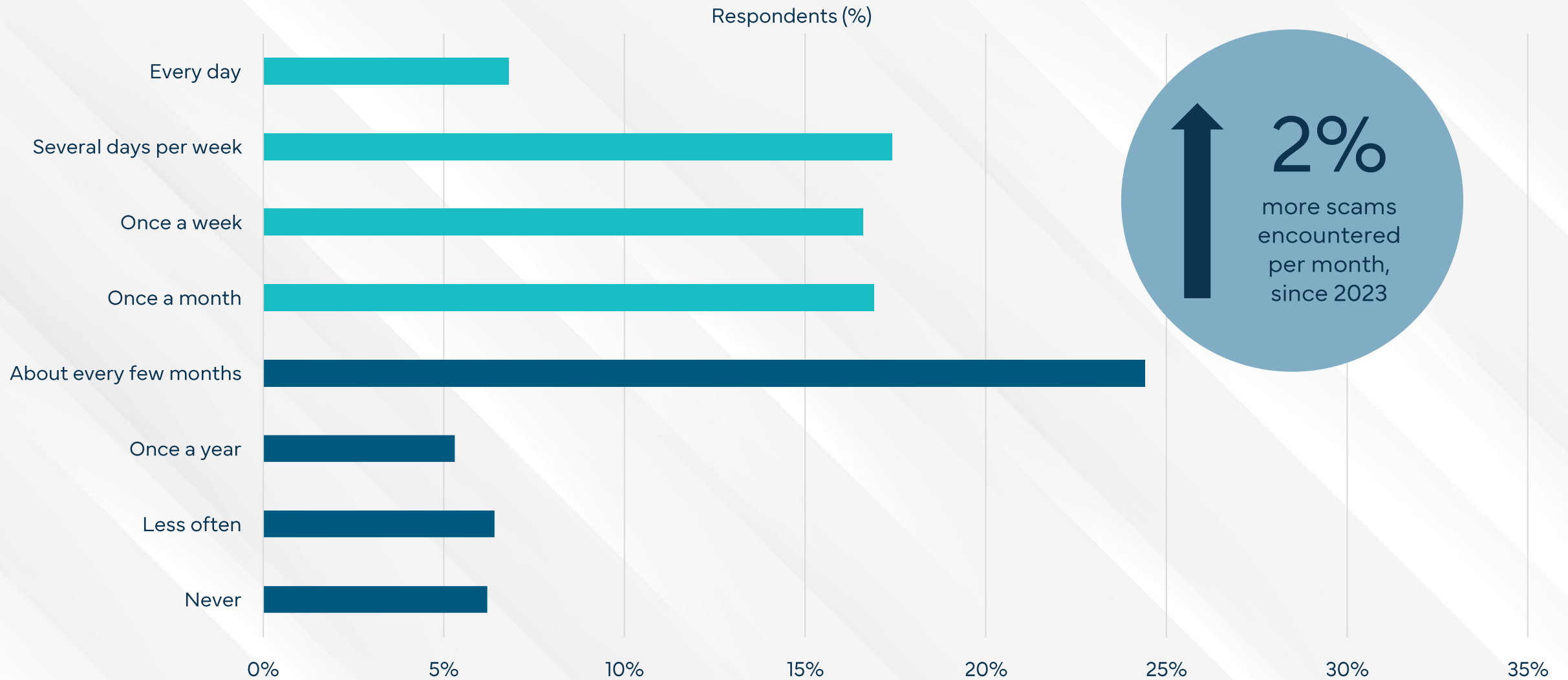
70% of New Zealanders are (very) confident recognising scams



Only 6% of New Zealand respondents are not (very) confident in recognising scams at all.

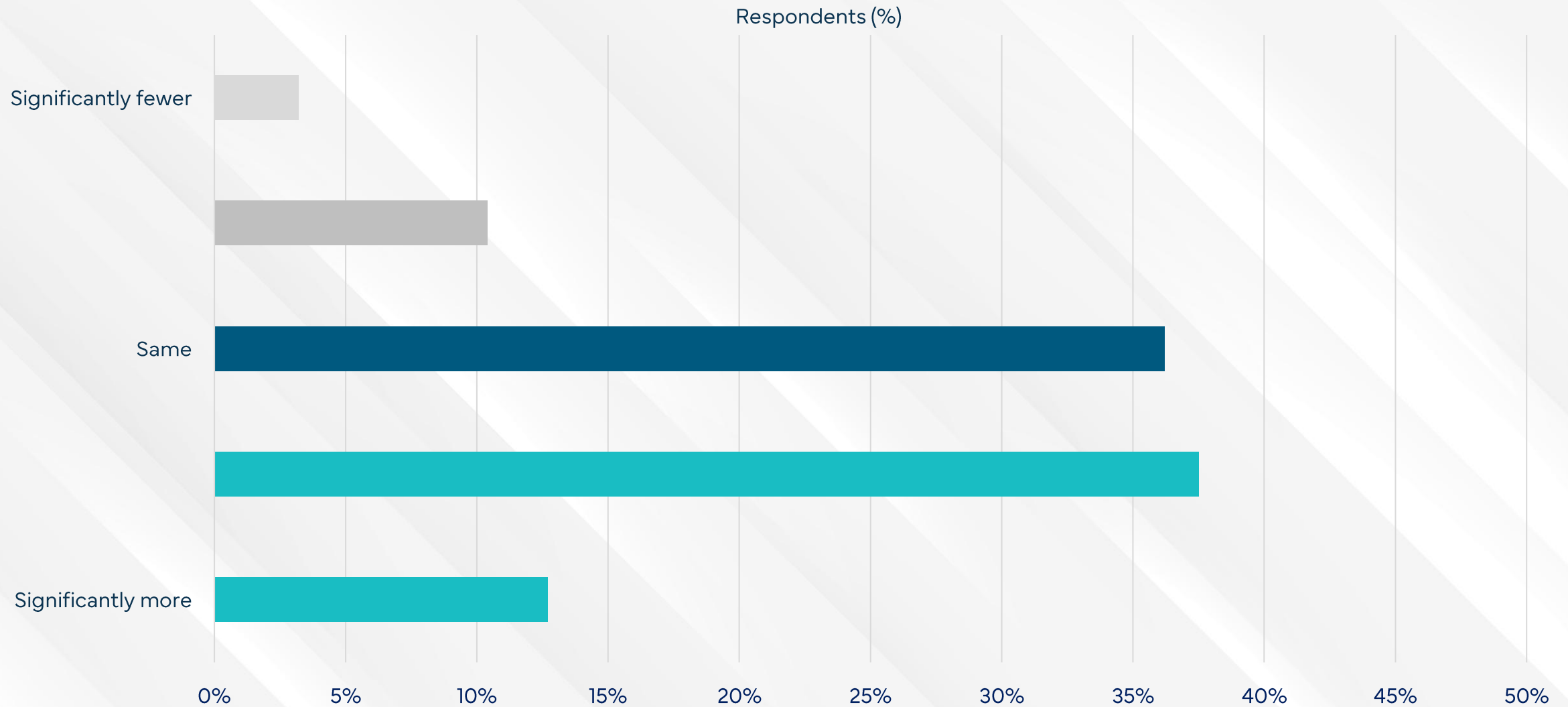
Q2 - How confident are you that you can recognise scams?

Nearly 6-in-10 New Zealanders deal with scams at least once per month



A modest 14% of New Zealand respondents revealed they had limited encounters with scams in the past year.

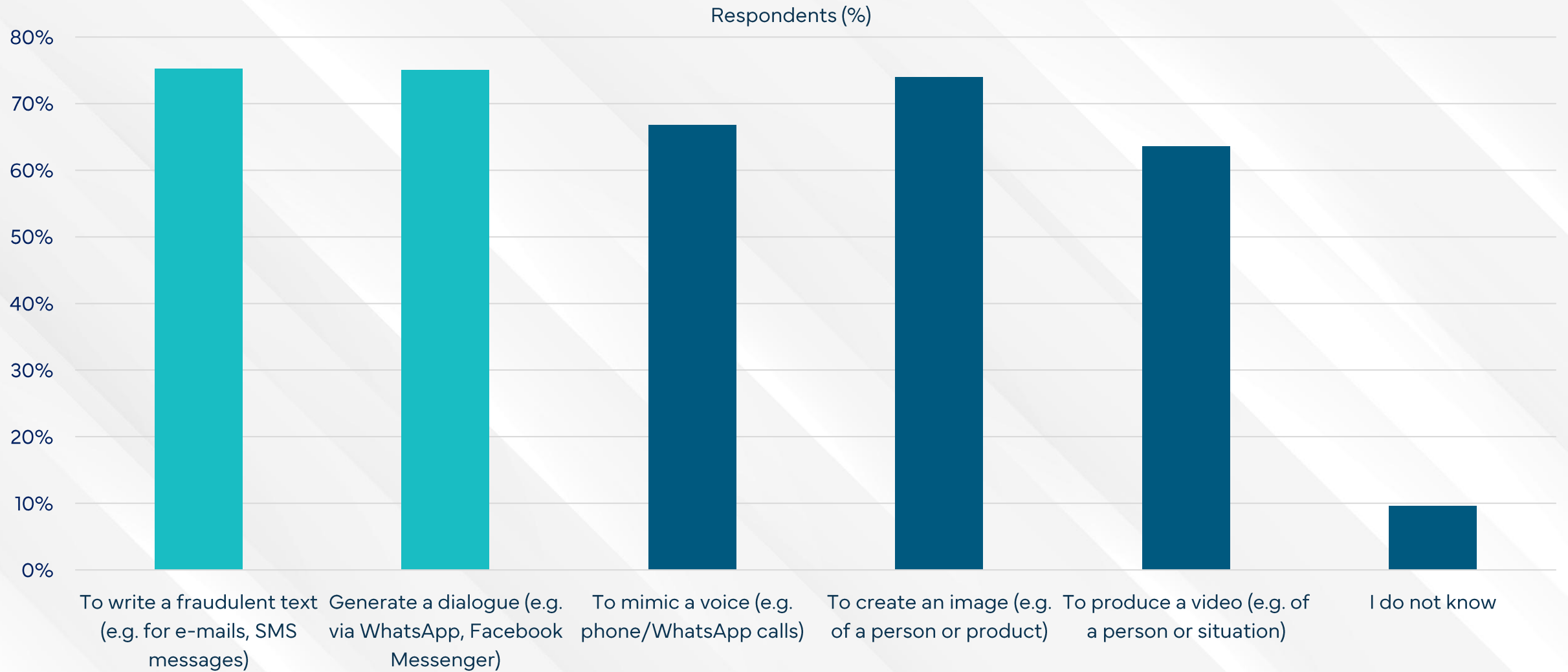
Q3 - In the last 12 months, how often have you been exposed to scam attempts? This includes receiving suspicious content, as well as seeing deceitful advertising.



Only 13% of New Zealand respondents experienced a reduction in scam encounters.

Q4 - Compared to the year before, do you feel you have been exposed more or less frequently by an individual/company that tried to deceive you in the last 12 months?

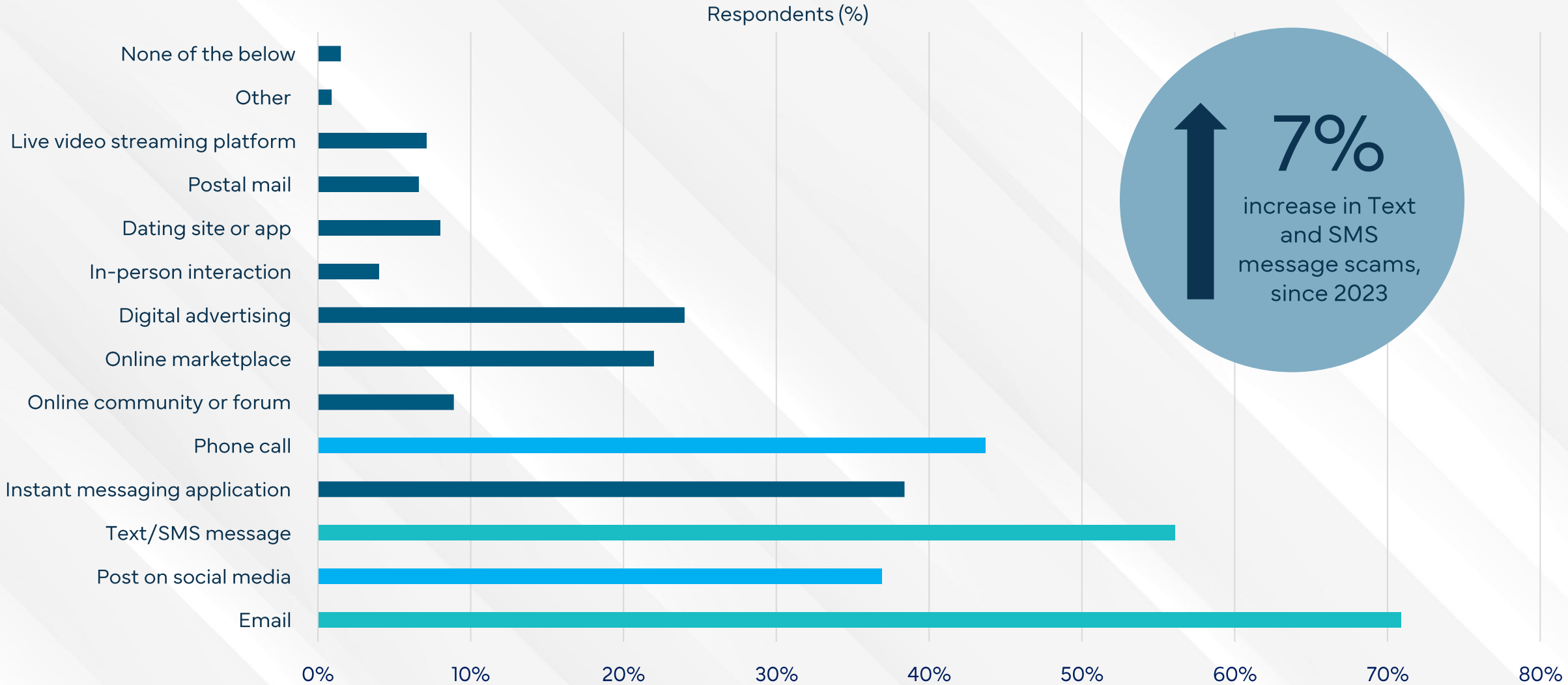
Most of the New Zealanders are aware that scammers can use AI against them



Awareness of AI generated text and chat is high, while complex AI videos and voices are less widely known.

Q5 - For which of the following can Artificial Intelligence (AI) be used?

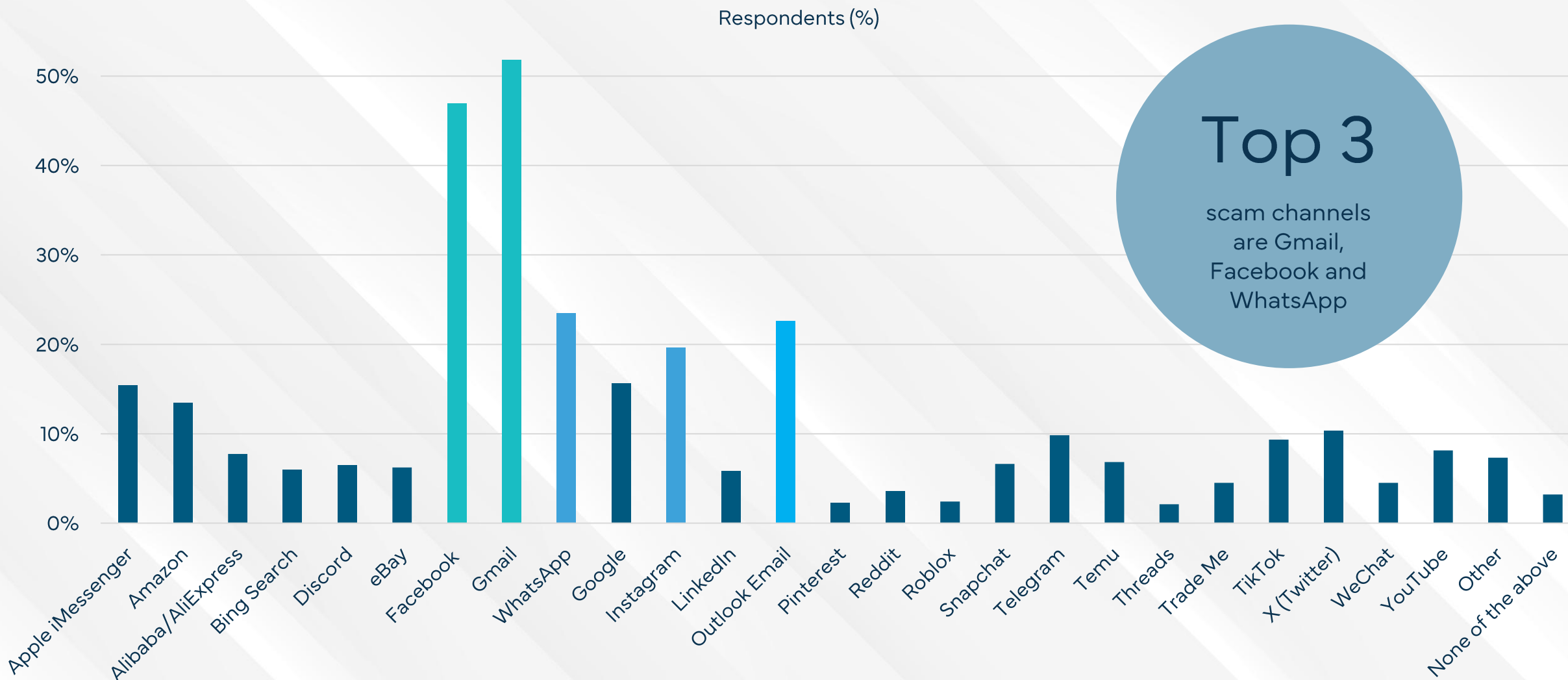
Majority of scams are delivered via Emails or Text/SMS Messages



Phone calls, instant messaging apps, and social media are also common scam media.

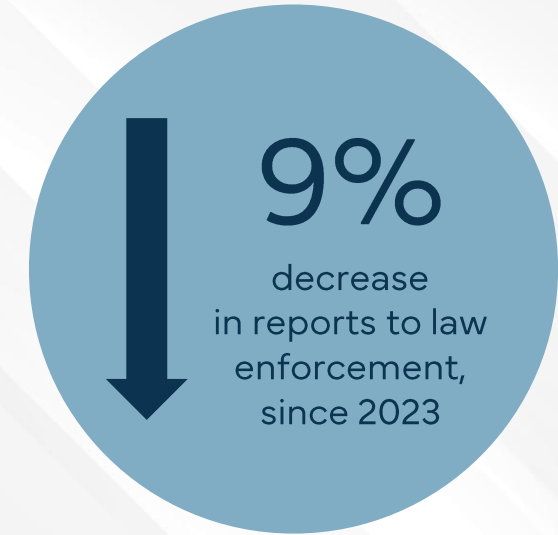
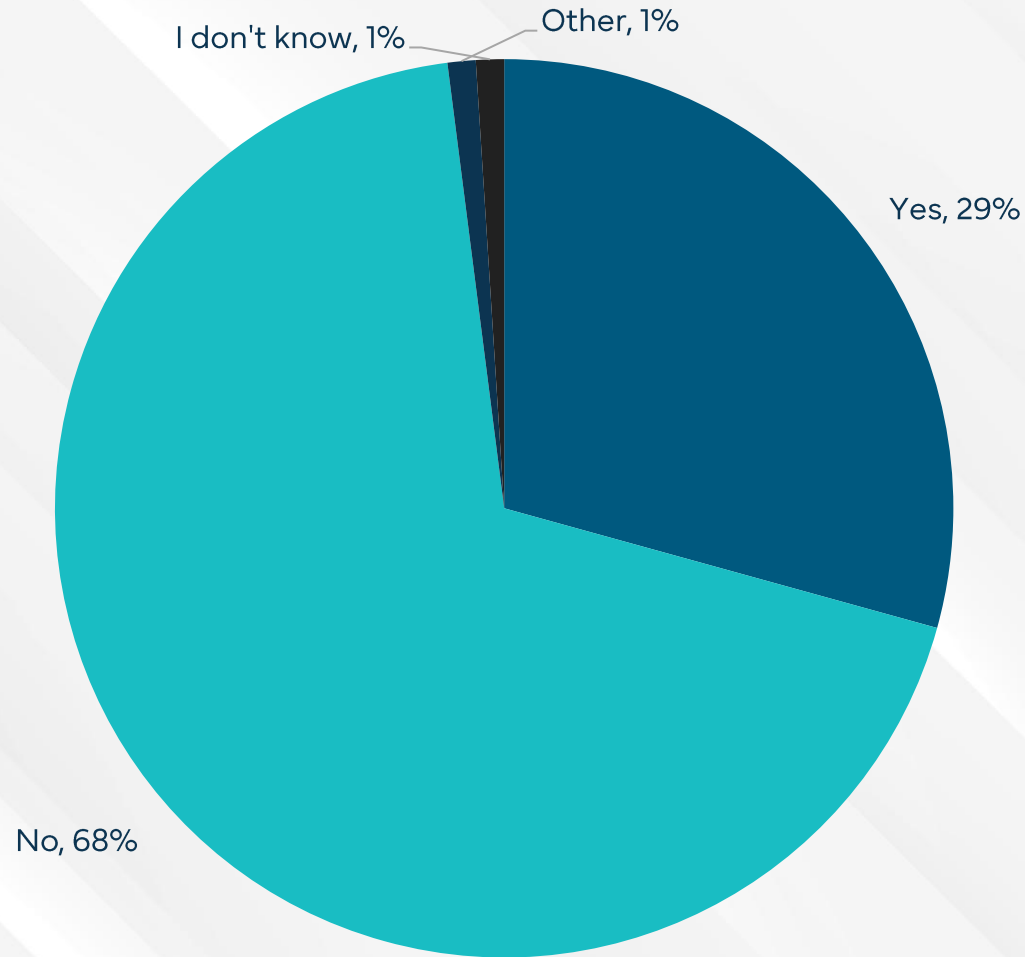
Q6 - Through which communication channel(s) did scammers approach you in the last 12 months?

Scammers often favour Gmail and Facebook as their go-to platforms for fraud



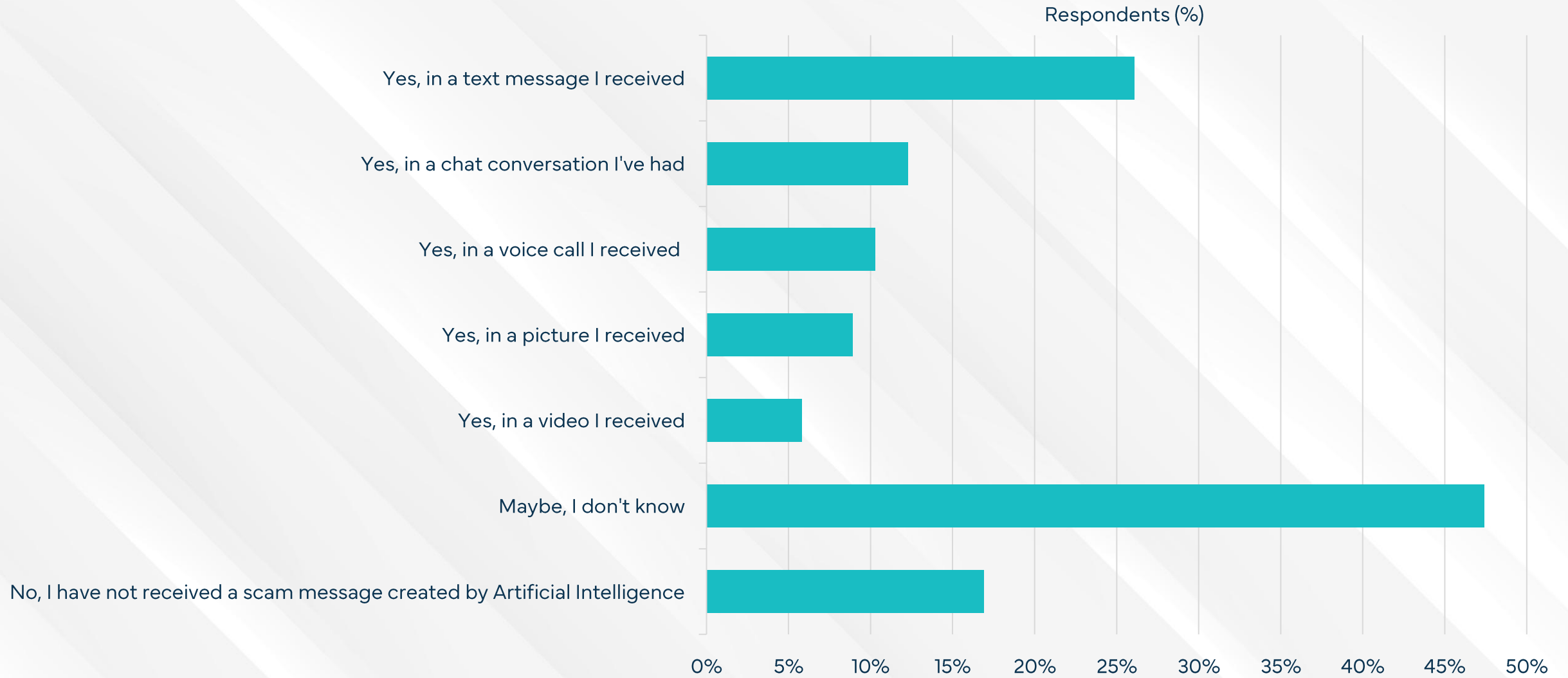
Outlook Email and Instagram round out the top five most popular platforms for scammers.

Q7 - Though which platform(s) did scammers contact you in the last 12 months?



24% stated having reported the scam to law enforcement or another government authority.

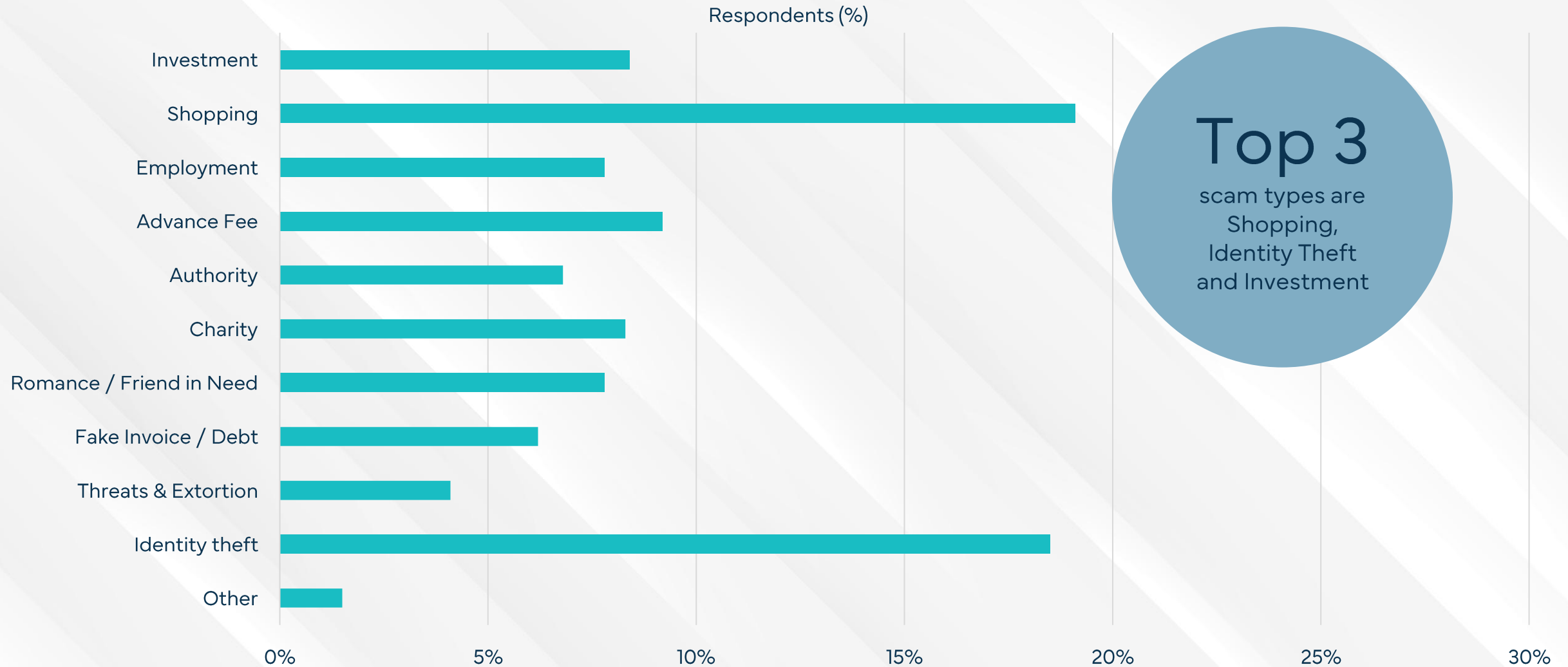
Q8 - Did you report a scam or scam attempt to the police or authorities in the last 12 months?



17% stated they did not believe they were subjected to scams utilising artificial intelligence.

Q9 - Do you think Artificial Intelligence (AI) was used in an attempt to scam you?

Shopping Scams overtook Identity Theft as the common type of scam in New Zealand



49% did not fall victim to the most common scams in the last year. 0.98 scams were reported per victim.

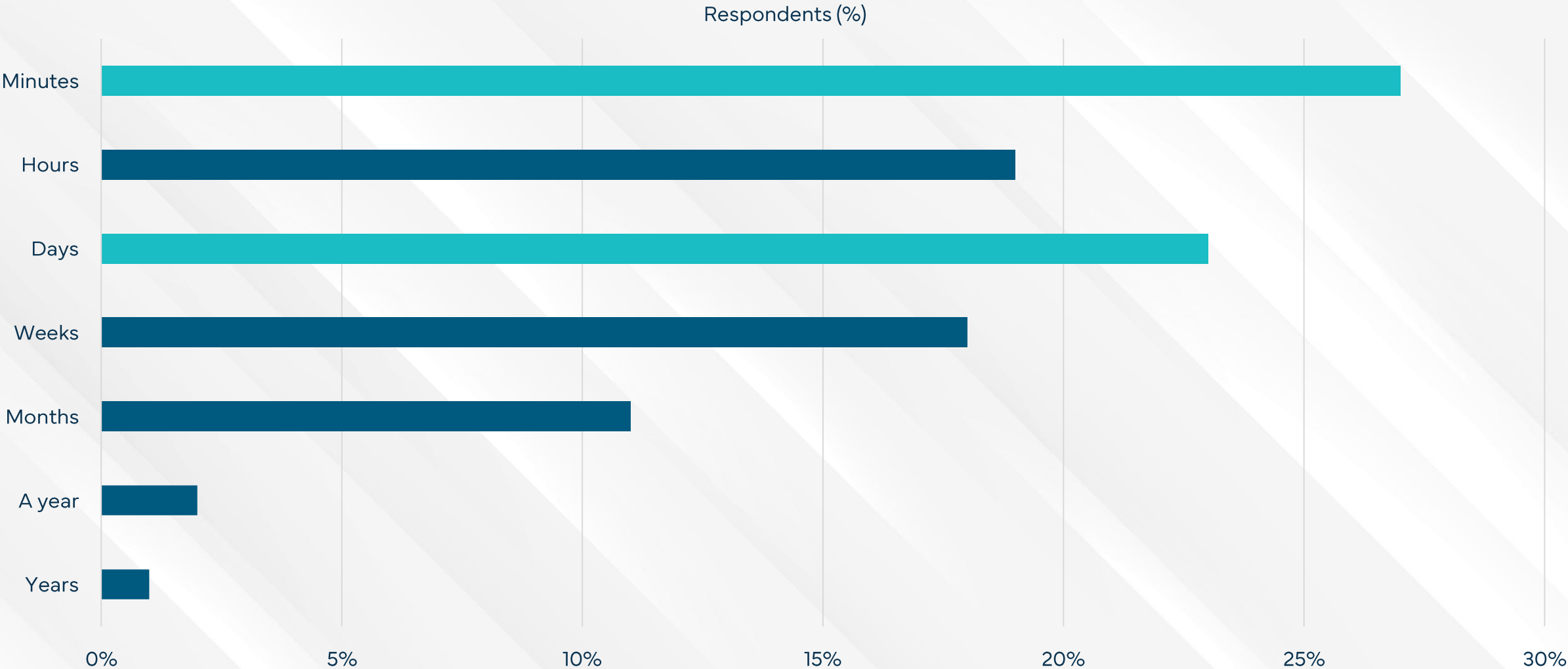
Q10 - Which of the following negative experiences happened to you in the last 12 months?

"I was told I won a lottery. The text was supposed to have come from my sister-in-law. This was the 2nd time. This time I was wearier of it. I rung Julie who knew nothing about it. Send her the text. I Was the 2nd person to tell her she was being used in a scam. She put it over Facebook letting people know it's not her if they get scammed. It's the same group that tried to scam me the first time with the same method. I'm hoping it doesn't happen again."

"A male rang saying someone is taking money out of your bank account. If you go onto your computer and put in your information, I will sort it out because I am from the fraud department. I fell for it and tuned my computer on and then I could see things moving around on my bank account. I was then asked to go to another room where I couldn't see the computer. This was too much so I hung up."

"Once I was contacted via FB messenger by someone who was actually a friend (who I believe was also hacked) saying they had been somehow locked out of their account and they needed two friends to verify it, they then asked me to send them a code which popped up on my screen and they used this plus my email to hack my Facebook and Instagram account and try to change my passwords and access my bank details through this."

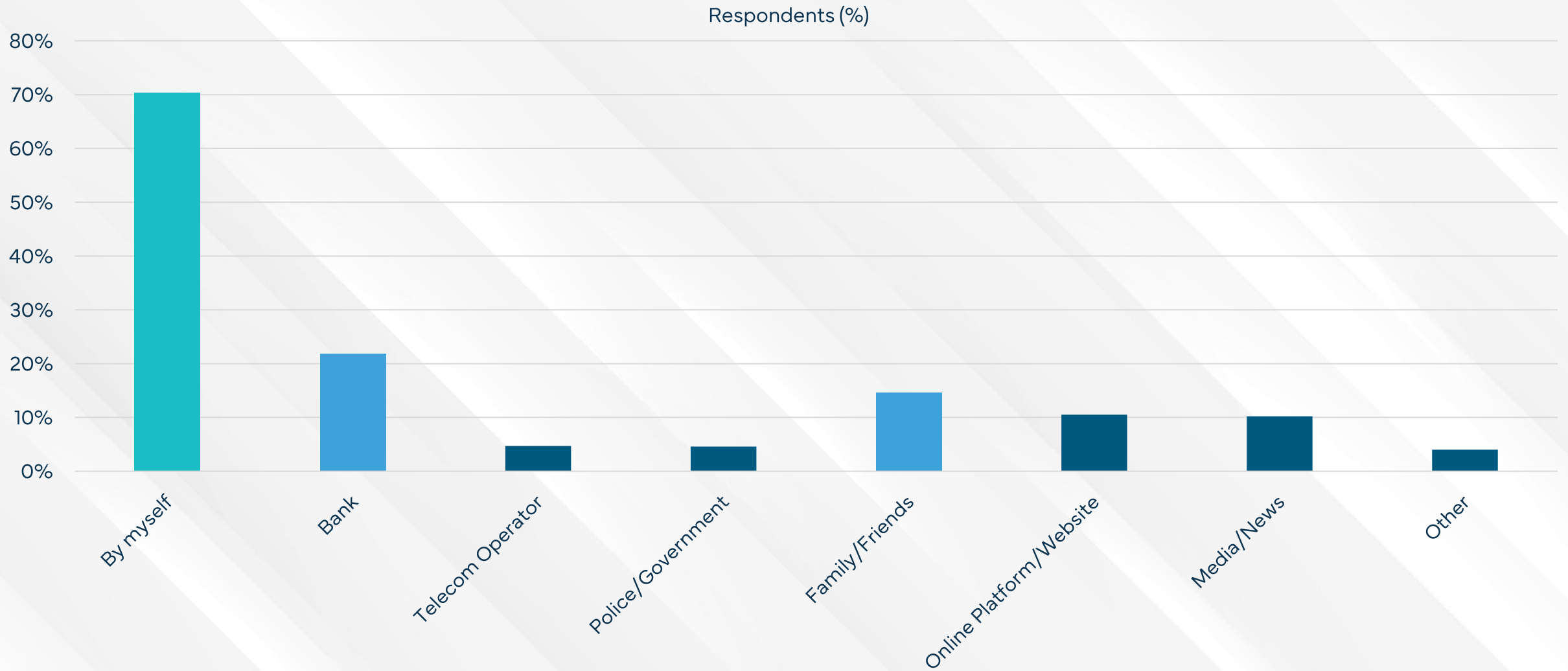
46% of scams are completed within 24 hours of first contact



27% reported scams that were over in minutes, while 3% were scammed over a year or more.

Q12 How long did the scam last, from the first time you heard from the scammer until the last payment you made or the last time you contacted them?

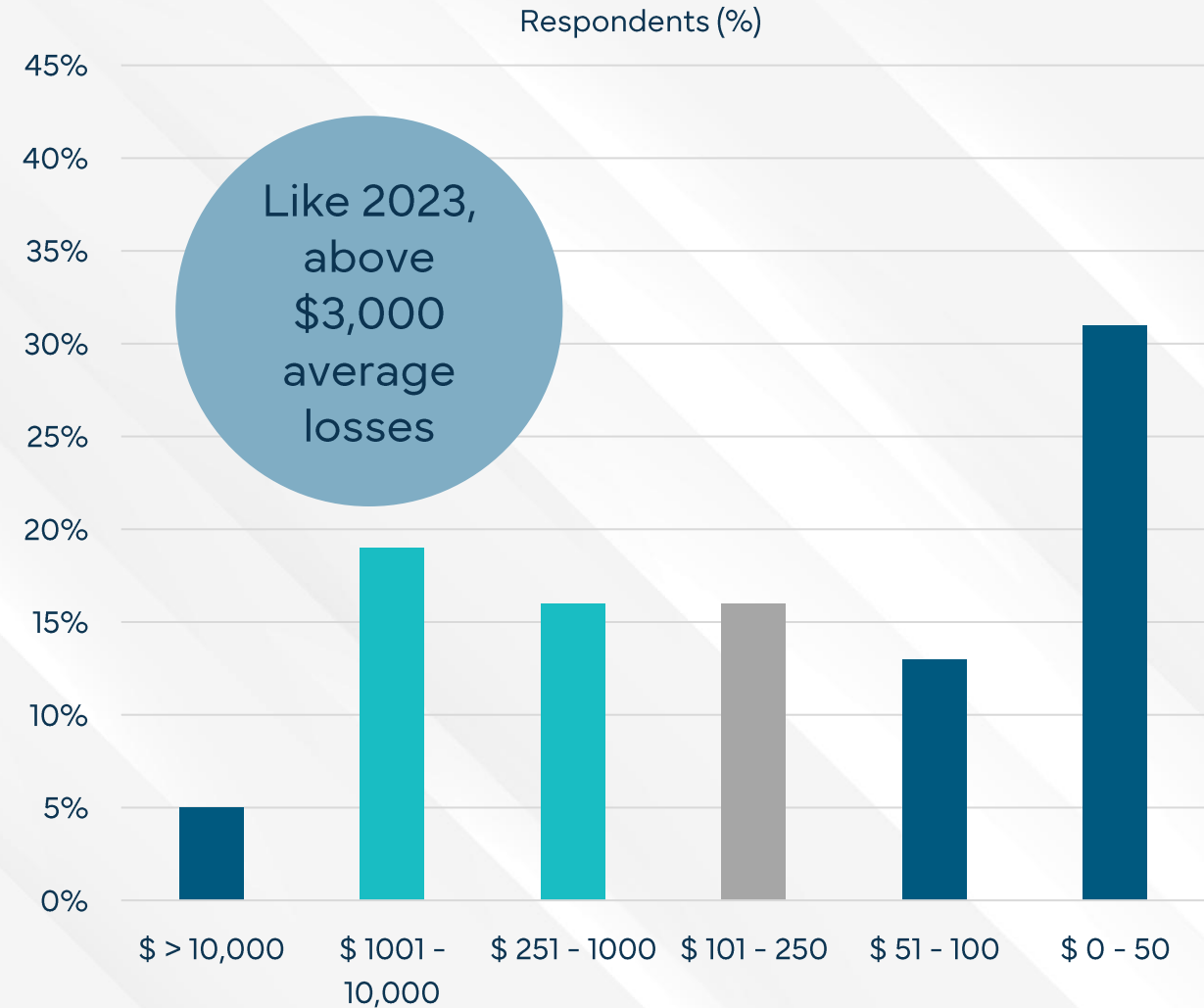
70% of New Zealanders realised on their own they had been scammed



22% were notified by banks, while friends/family are also popular in pointing out scams.

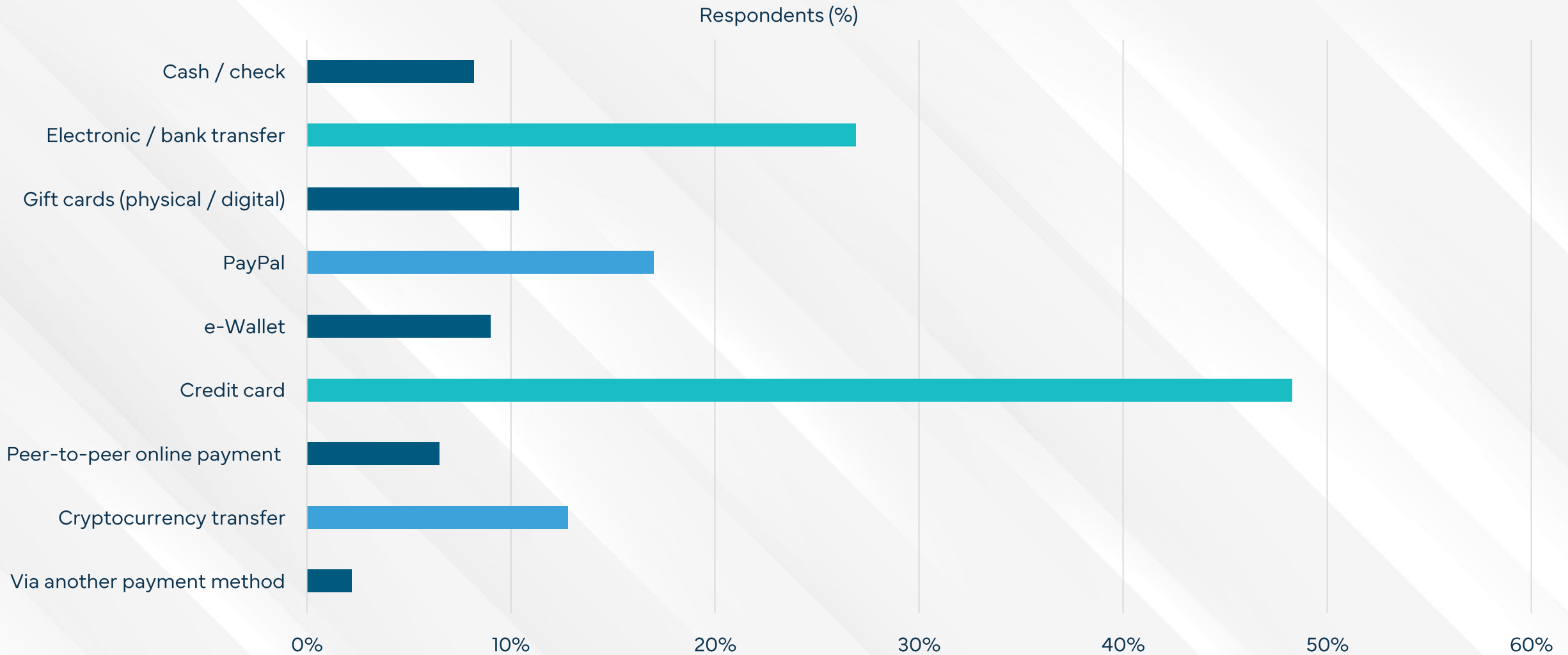
Q13 How did you discover you were scammed?

Survey Key Statistics	
Persons approached	1,857
Participants completing the survey	58%
Participants losing money	364
% losing money / approached persons	20%
Average amount lost in NZ Dollars	3,105
Total country population	5,161,211
Population over 18 years	3,957,351
# of people scammed > 18 years	779,229
Total scam losses (USD)	1,444,690,078
Total scam losses (NZD)	2,311,513,629
Gross Domestic Product (USD, millions)	249,415
% of GDP lost in scams	0.6%



In total, New Zealanders lost NZD \$2.3 billion to scams, which is equal to 0.6% of New Zealand's GDP.

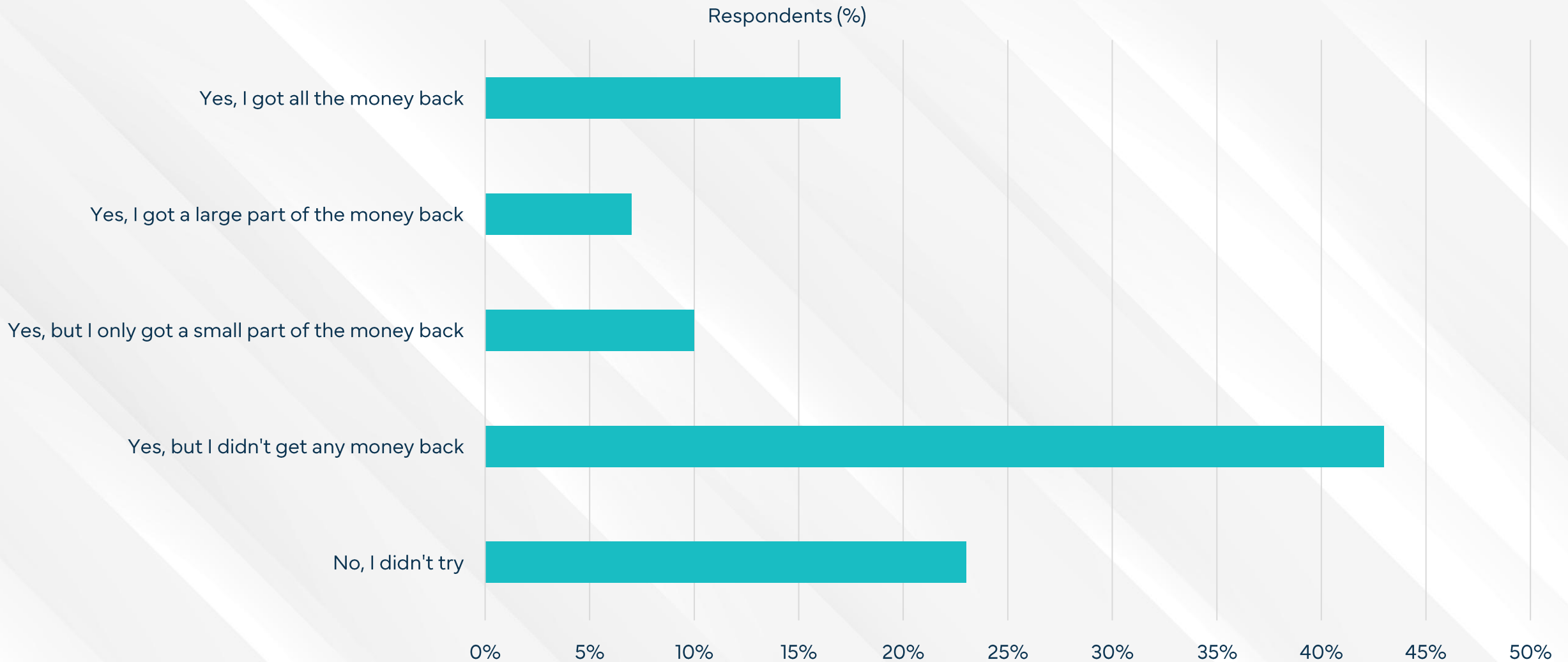
Q14 In the last 12 months, in total, how much money did you lose to scams before trying to recover the funds?



PayPal and cryptocurrency transfers are also popular tools which scammers use to collect stolen funds.

Q15 - How did you pay the scammer?

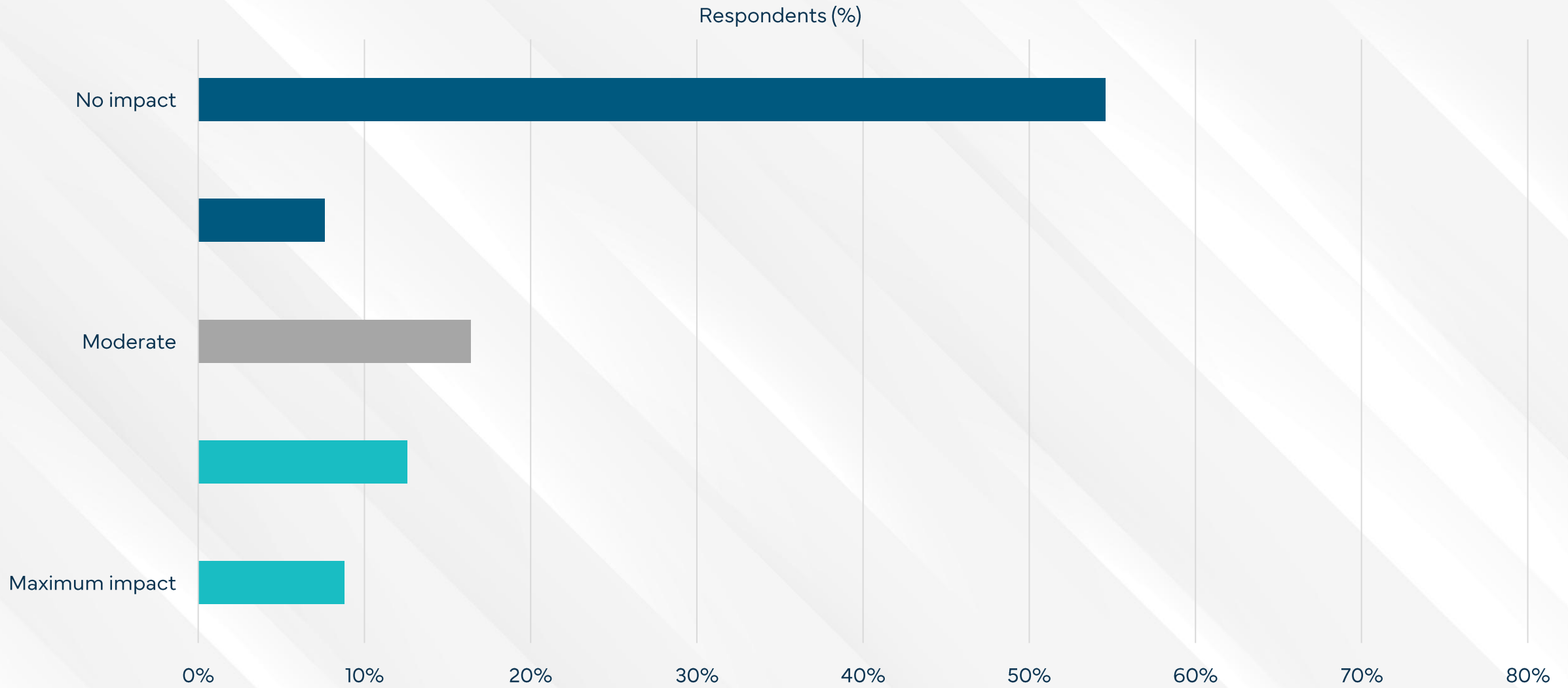
Only 17% of victims were able to fully recover their losses



23% did not try to recover their funds. 43% tried but were not able to recover any money.

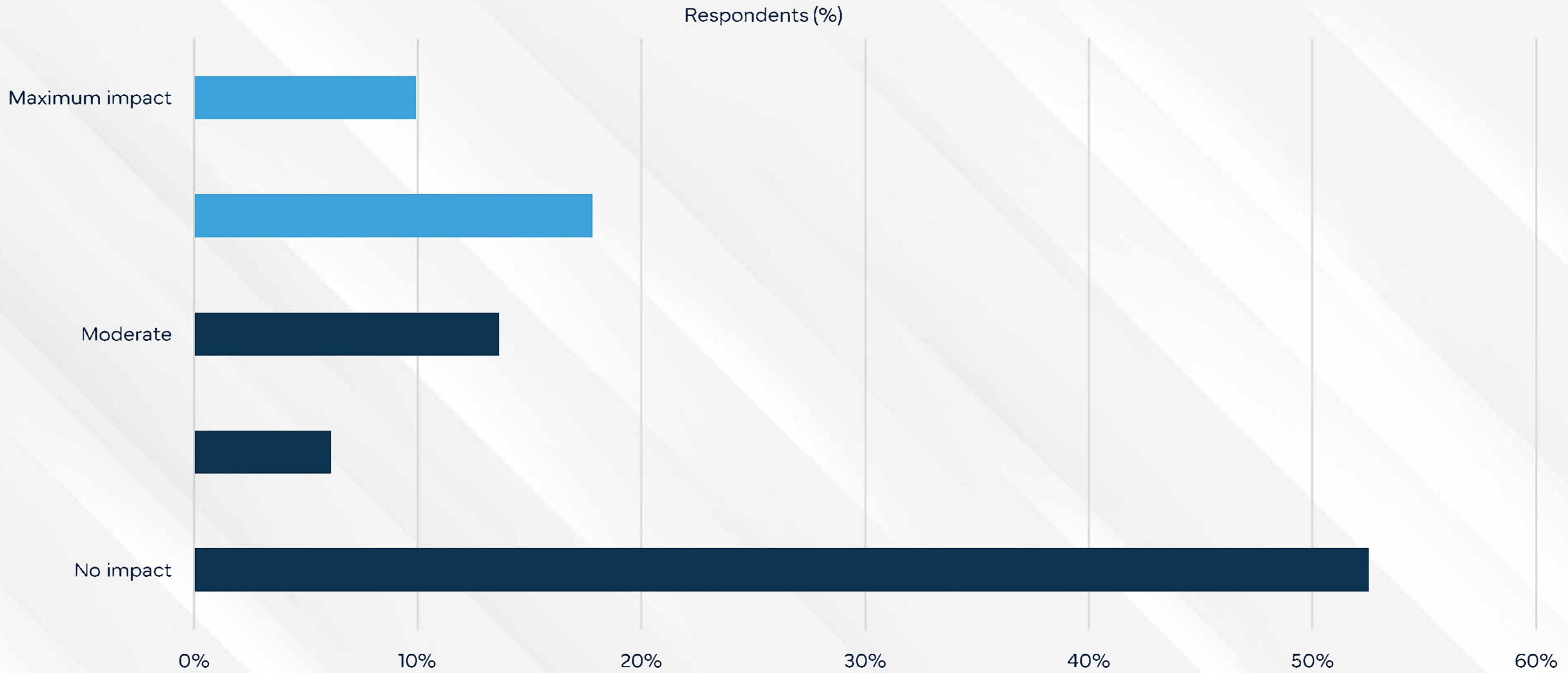
Q16 - Did you try to recover the money lost?

21% of New Zealand scam victims perceived a (very) strong emotional impact



63% of the survey respondents reported little to no emotional impact due to scams.

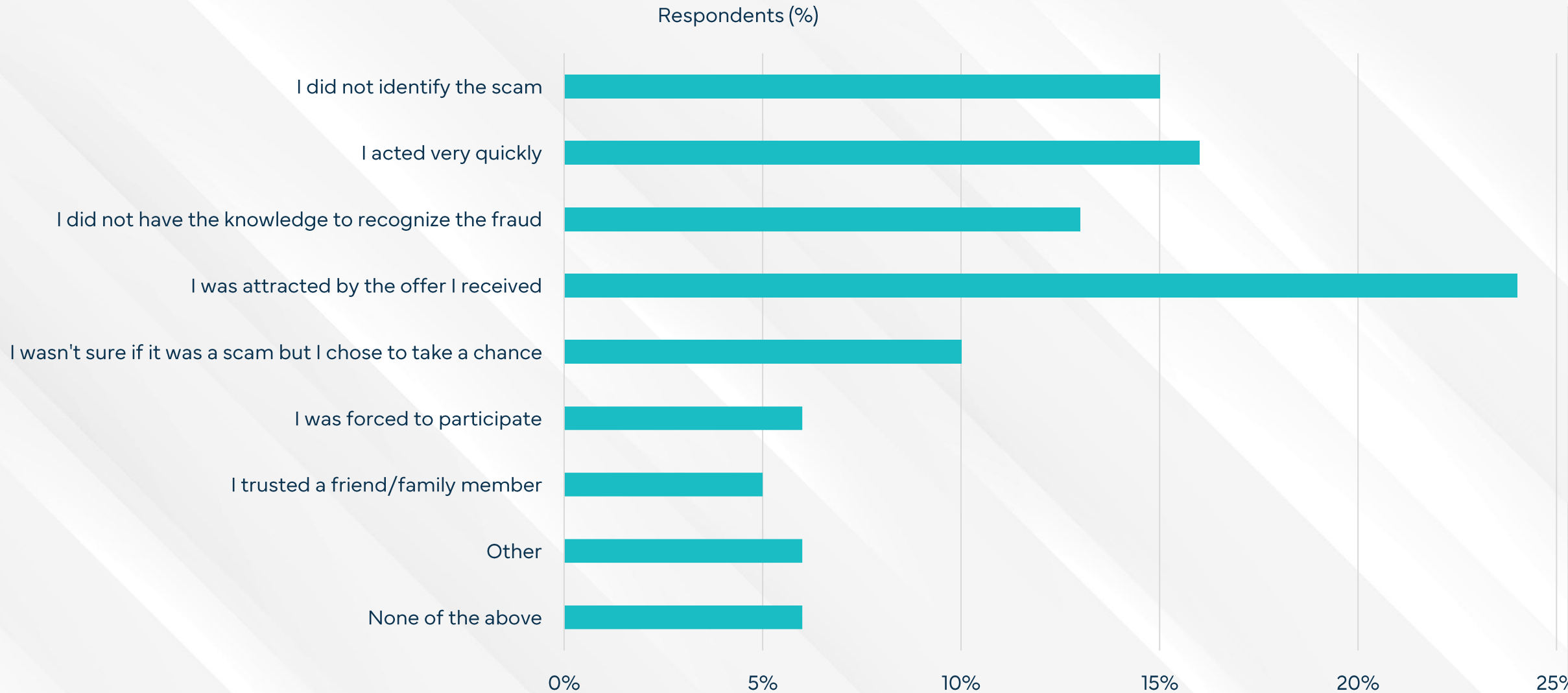
Q17 - To what extent did the scam(s) impact you emotionally?



59% of the New Zealand respondents reported little to no loss of trust in the Internet due to scams.

Q18 - To what extent do scams impact your trust in the Internet, in general?

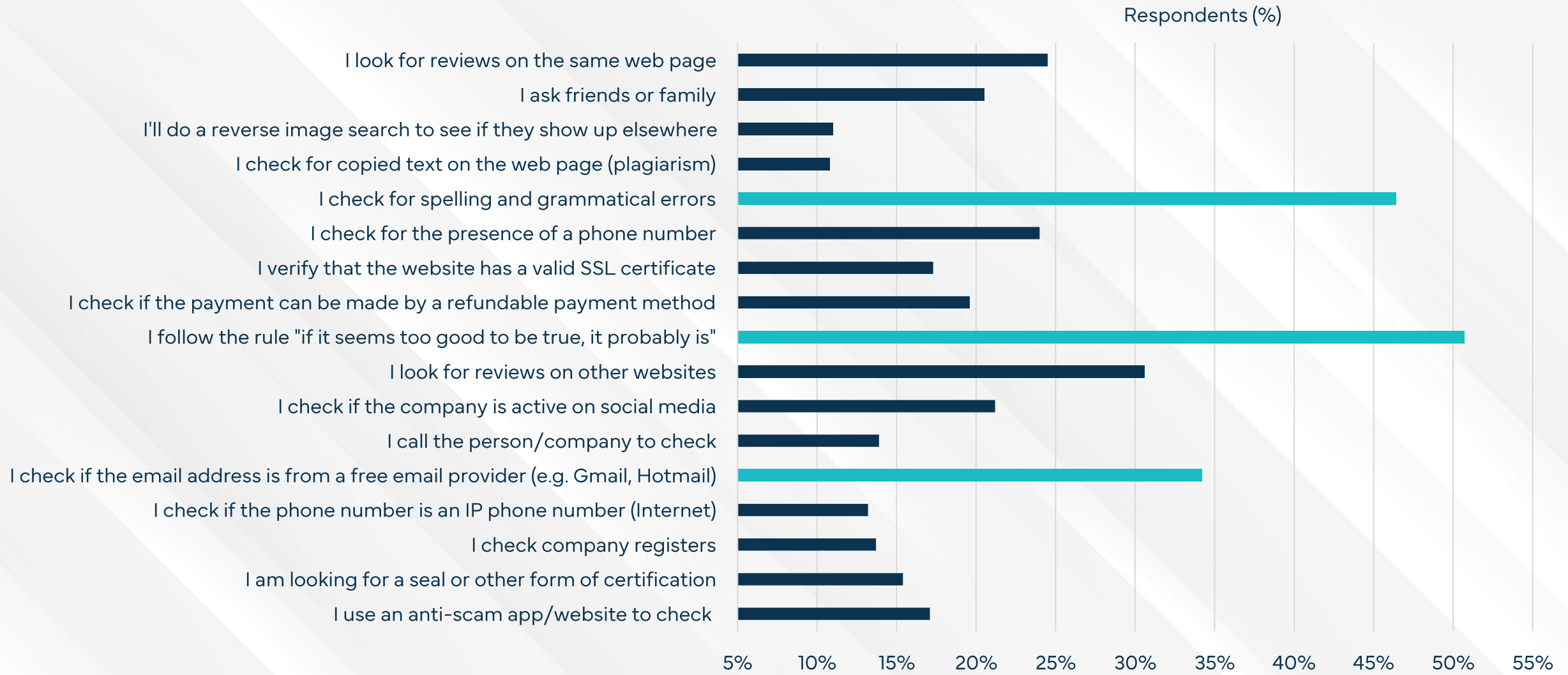
New Zealanders find themselves under threat of scams because they act hastily or by being attracted to the offer



Several victims also note inability to see the scam and lacking knowledge to recognise the scam.

Q19 - What was the main reason you were deceived?

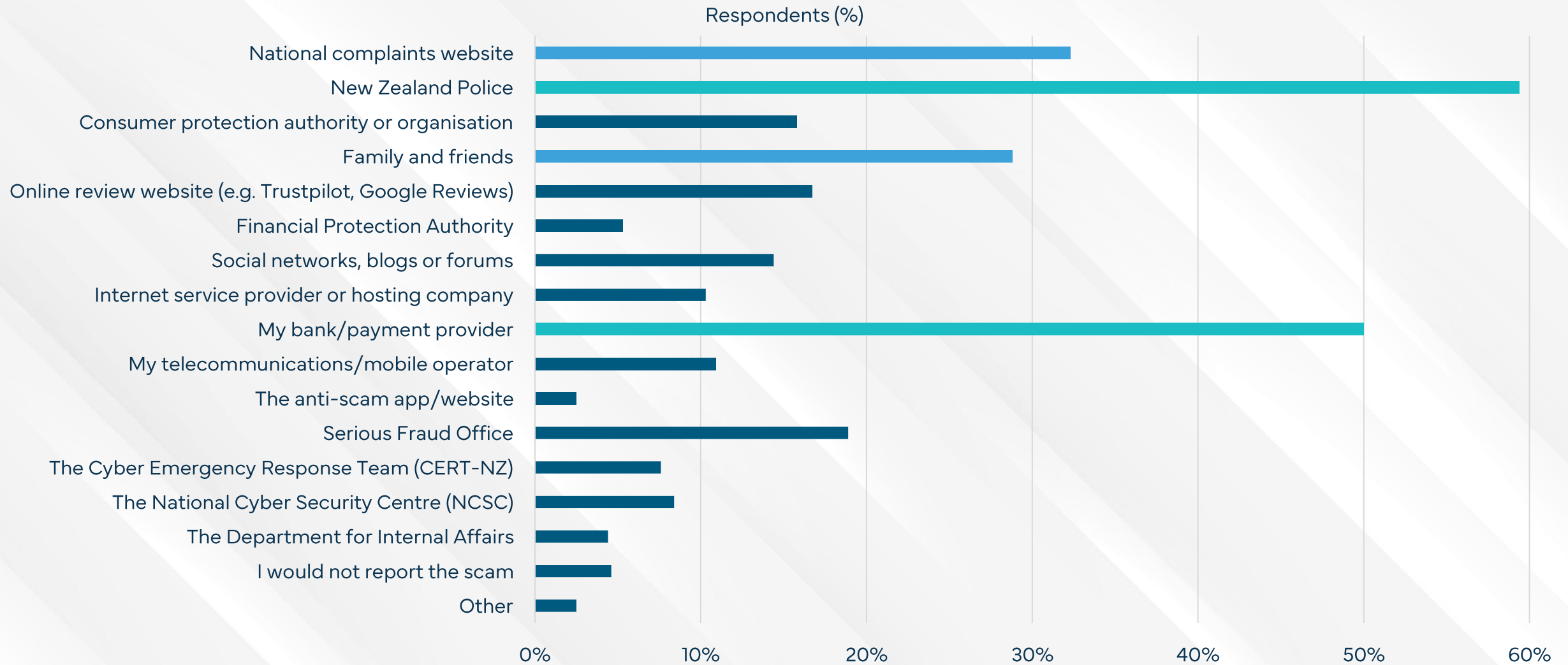
Over half use the "if it is too good to be true, it probably is" rule.



Many reported verifying spelling and grammar, as well as checking for reviews on other sites and 'has a phone number.'

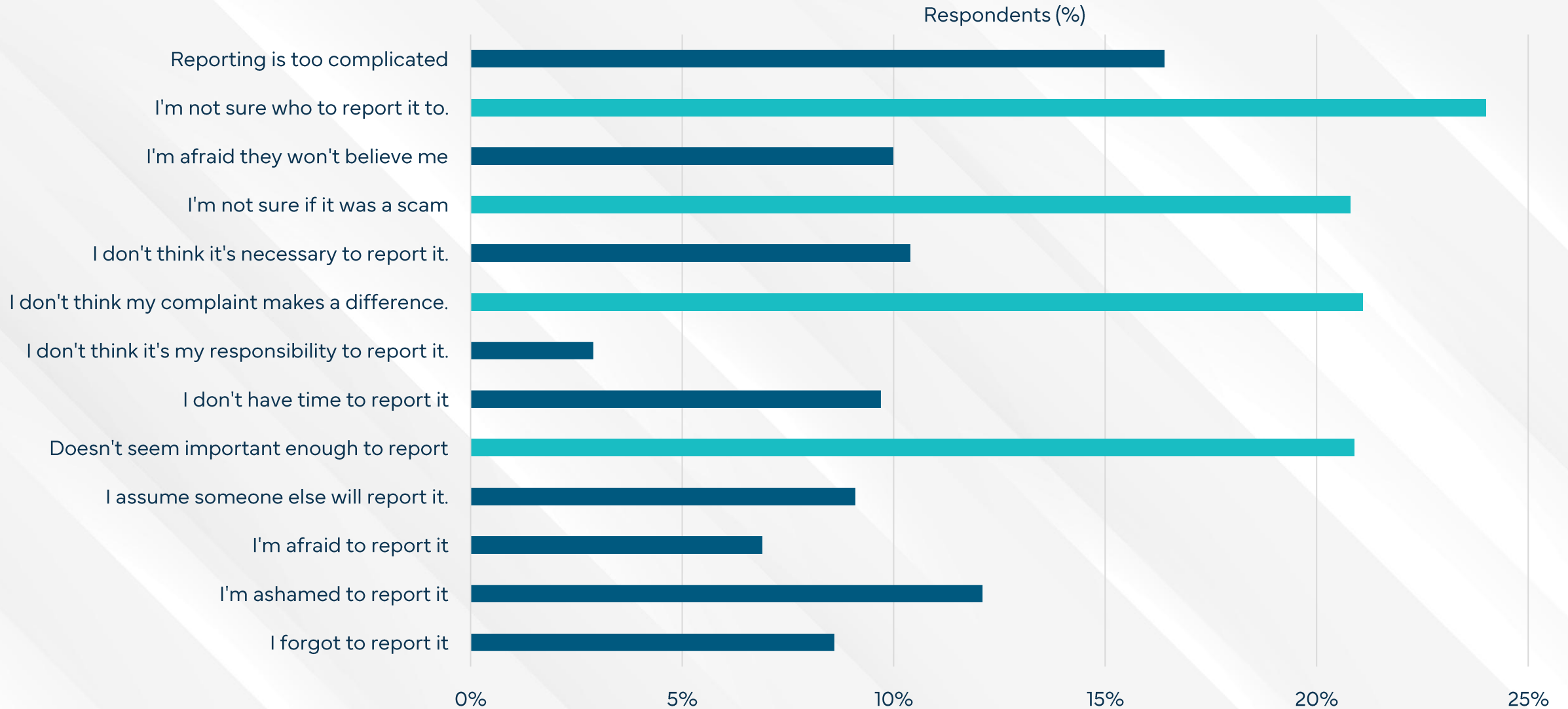
Q20 - What steps do you take to check if an offer is real or a scam?

Scams are mostly shared with NZ police and Banks



National complaints website, family/friends, and consumer protection agencies are popular places to report scams.

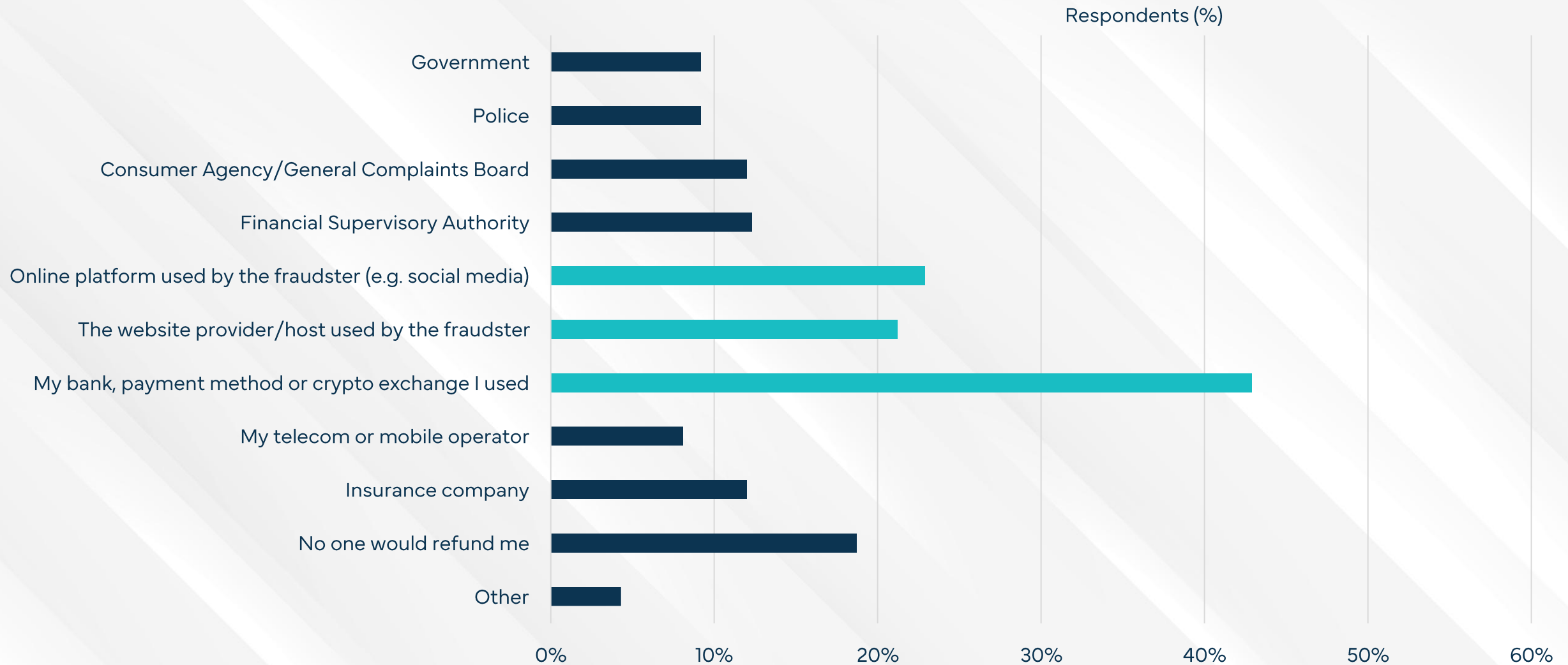
Q21 - If you were to be deceived by a scam, who would you report this to?



Some New Zealanders don't report due to uncertainty whether it's a scam or believing it's not worth the effort.

Q22 - What reasons might you have to not report a scam?

19% of New Zealanders assume no one will refund their scam losses



Others believe their bank, online platform used by scammers, or website host/provider will refund them.

Q23 - If you were scammed, who do you think should be responsible for making sure you are paid back for your loss?

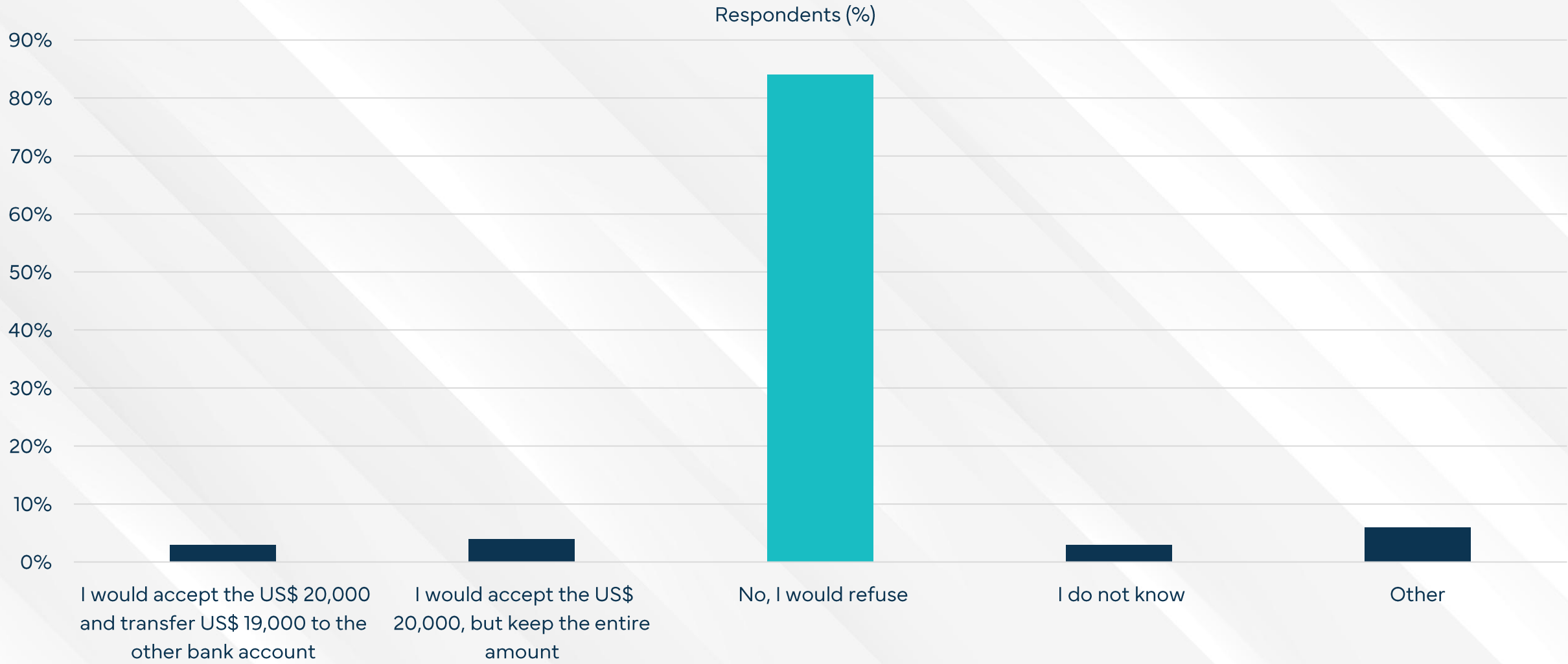
Citizens are unhappy with New Zealand's efforts to arrest scammers



Overall, 41% of the participants rate the actions of governments as (very) bad, 22% as (very) good.

Q24 - Think about how well the government and other groups in your country are doing in the fight against online scams. How do you rate their efforts in the following categories?

7% of New Zealanders admit that they would potentially accept receipt of fraud-associated "money mule" funds into their bank account



However, 84% of those surveyed would refuse to be involved in a "money mule" scam.

Q25 - If someone offers you US\$ 20,000 on the condition that you send US\$ 19,000 to another bank account, leaving you with US\$ 1,000 to keep, what would you do?

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About This Report





The Global Anti-Scam Alliance (GASA) is a non-profit, bringing together policy makers, law enforcement, consumer authorities, NGOs, the financial sector, cybersecurity, and commercial organizations to share insights and knowledge surrounding scams. GASA releases the annual Global State of Scams report, alongside many secondary reports which focus on the state of scams in various countries.



Netsafe is New Zealand's independent, non-profit online safety charity. Taking a technology-positive approach to the challenges digital technology presents, Netsafe works to help people in New Zealand take advantage of the opportunities available through technology by providing practical tools, support and advice for managing online challenges. Contact Netsafe by email help@netsafe.org.nz, text 4282, phone 0508638 723 or visit netsafe.org.nz



Jorij Abraham has been active in the Ecommerce industry since 1997. From 2013 to 2017, he has been Research Director at Thuiswinkel.org, Ecommerce Europe (the Dutch & European Ecommerce Association) and the Ecommerce Foundation.

Nowadays, Jorij is a Professor at TIO University and Managing Director of the Global Anti-Scam Alliance (GASA) & ScamAdviser.



Clement Njoki is Editor and Researcher at GASA. His role involves creating engaging content about scams and fraud, simplifying complex financial information for various platforms. He also works on building GASA's online presence through blogs and news updates.

Clement possesses comprehensive expertise in identifying and combating deceptive practices and fraud, along with a strong background in cybersecurity.



Sam Rogers is GASA's Director of Marketing. Previously, he worked in Risk Advisory, before transitioning into a career as a researcher, copywriter, and content manager specialized in cutting-edge electrical engineering topics, such as photonics and the industrial applications of electromagnetic radiation.

Sam left the world of corporate industry seeking a role which would allow him to concentrate on networking and events management, while allowing him to contribute something worthwhile to society.



James Greening, operating under a pseudonym, brings a wealth of experience to his role as a scam investigator, content writer, and social media manager. Formerly the sole driving force behind Fake Website Buster, James leverages his expertise to raise awareness about online scams. He currently serves as a Content Writer and Social Media Manager for the Global Anti-Scam Alliance (GASA) and regularly contributes to ScamAdviser.com.

Interested in participating in this report next year? Please contact jorij.abraham@gasa.org.



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