



LLOYDS BANK

## PRESS RELEASE

# MILLIONS OF SHOPPERS AT RISK: PURCHASE SCAMS SURGE BY CLOSE TO A THIRD AROUND BLACK FRIDAY

- **Analysis shows volume of purchase scams soared by 29% around Black Friday and Cyber Monday last year**
- **Certain goods are particularly risky, with the rate of scams involving clothes bought online jumping more than 600%**
- **Overall rate of purchase scams is up by 14% already this year, with victims losing more than £500 on average**
- **Despite risk of purchase scams, the majority of people (57%) still think a bank transfer is a safe payment method when shopping online**

Bargain-seeking shoppers need to be on the lookout for fraudsters this Black Friday, with new analysis by Lloyds Bank showing the rate of purchase scams increases by close to a third around the time of the online shopping extravaganza.

Purchase scams occur when someone is tricked into sending money directly to someone else's account via bank transfer (also known as a Faster Payment) to buy goods or services - often advertised online or via social media - that don't exist.

The scams will often start on platforms such as Instagram or Facebook Marketplace, with victims lured in by the promise of cut-price or hard-to-find goods. Purchase scams are the most common type of authorised fraud, with people aged 25 to 34 most likely to fall victim.

### **What to watch out for this Black Friday**

Lloyds Bank's fraud experts compared the number of purchase scams reported around Black Friday and Cyber Monday last year with an equivalent 'normal' four-day period – and they found that the rate of fraud being reported by consumers for purchases made on those days was some 29% higher.

The research also reveals that buying different items creates different risks, and it's not all about shiny tech, as might have been expected.

- Reported scams from those buying **clothes** were up by 646%. Items to be wary of include jackets and tracksuits.
- Cases involving **shoes and trainers** rose by 291%. One of the most common brands used to lure in victims is *Nike*.
- Fraud linked to the purchase of **gaming consoles** was up by 172%. Many cases involve the *Nintendo Switch* or *Sony Playstation 5*, which remains in short supply through genuine retailers.

Top items by increased scam risk	Increase around Black Friday	Average amount lost
<b>Clothes</b>	+646%	£193
<b>Trainers and shoes</b>	+291%	£148
<b>Gaming consoles</b>	+172%	£176

The overall number of purchase scams has risen by 14% so far this year, with victims losing £535 on average. For certain types of purchase scams, for example those involving holidays, room rentals or vehicles, the amount lost can often be thousands of pounds.

## Consumers urged to be on their guard against scam threat

Lloyds Bank commissioned separate online research to understand the steps consumers will take to protect themselves from purchase scams this Black Friday.

Unsurprisingly, of the people who are planning to buy items this Black Friday, most (62%) are looking to shop online through a well-known retailer's website or app.

And more than half of all UK adults (53%) say the current rise in cost of living makes them more keen to seek a bargain.

However, while three in 10 (30%) people say they will *only* shop from well-known retailers, a worrying two in five (39%) would shop from anywhere which claims to have the product they are looking to buy.

And more than a quarter of people (27%) say they would take more of a risk (such as buying from a website they haven't heard of before) when looking for a product that is hard to find elsewhere.

The same proportion (27%) of respondents admit to making a purchase which made them think 'this is too good to be true' – and of those, around a third (31%) went on to be scammed.

Perhaps the biggest concern is that more than half of people (57%) still consider a bank transfer (also known as a Faster Payment) to be a safe payment method for buying items online, despite it offering much less protection than paying by credit or debit card.

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**Liz Ziegler, Fraud Prevention Director, Lloyds Bank, said:**

*“With shoppers even more eager to bag a bargain this Black Friday given the cost of living squeeze, fraudsters will be primed to cash in and trick victims out of their hard-earned cash.*

*“Online shopping scams come in all shapes and sizes, but the vast majority start with items advertised on social media, where it’s too easy for fraudsters to use fake profiles and advertise items that don’t exist.*

*“When shopping online, the best way stay safe is to buy from a trusted retailer, and always pay by card for the greatest protection. If you’re unable to do those things, that should be a big red flag that you’re about to get scammed.”*

## **Top tips to stay safe from purchase scams:**

- Always use your debit or credit card when you buy online. This helps to protect your money should anything go wrong.
- Fraudsters use social media to post scam offers. They can even send them straight to your inbox. Always search for deals yourself.
- Check any offer that comes by text or email to make sure it's genuine. Call the sender to find out using a number you trust, not one in a message. Or visit the website to check. Never click on a link without checking first.
- Low prices and great deals can hide scams. See if you can find them elsewhere. And remember, if an item is selling out, fraudsters can charge more to trick desperate buyers.
- Make sure a seller or website is genuine. Look for good reviews from different buyers. Be wary of mixed, bad or no reviews at all. It's better to buy from a trusted retailer.
- Ask questions before you buy. If an item is expensive, offer to pay a deposit. If a seller can't give any details about an item or tries to rush you into paying, it's probably a scam.

## **Notes to editors**

### **Scam transaction data**

Figures based on analysis of relevant purchase scams reported by Lloyds Banking Group customers with transactions date between 26<sup>th</sup> and 29<sup>th</sup> November 2021 (Black Friday to Cyber Monday), with comparisons made to equivalent figures from 24<sup>th</sup> to 27<sup>th</sup> September 2021 (a 'normal' period).

Year-to-date figures are from 1<sup>st</sup> January to 1<sup>st</sup> November 2022, with year-on-year comparisons made to the equivalent period in 2021.

### **Consumer research**

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2109 adults. Fieldwork was undertaken between 1<sup>st</sup> – 3<sup>rd</sup> November 2022. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

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