

Scams campaign plan 2009 -10

May 2009

1. Summary

The aim of the scams campaign is to increase consumer awareness of mass marketed scams and minimise consumer detriment. Our target audience is large, but our proposed priority will be to target the eight per cent of consumers that fall victim to scams. Research will be conducted to provide insight in the most effective methods to reach these consumers.

The suggested top campaign priorities for the year are:

- increasing awareness of ticketing scams
- increasing awareness of lottery scams
- increasing awareness of economic downturn scams, such as vehicle matching, homeworking and training courses
- Scams Awareness Month, February 2010 – single focus for the month on Scamnesty
- working in partnerships with a range of organisations to stimulate promotion of scams in localised areas.

The following pages provide details on the background, approach, rationale and details of all proposed activities to support the scams campaign in 2009 -10.

2. Background

Three million UK consumers lose a total of £3.5 billion to mass marketed scams every year.¹ This figure only highlights the financial cost by scams whilst determent can be much higher when the emotional impact of scams is taken into account.

The OFT Annual Plan 2009-10 states that we will continue to take strong and effective action to keep mass marketed scams from causing harm to consumers and legitimate business, identifying and acting against new scams quickly and using innovative approaches to further target those already in use.

For the last four years a number of communications initiatives have been run to increase consumer awareness of scams. Publicity has been focused around the annual February Scams Awareness Month (SAM) (the UK's contribution to the International Consumer Protection Network (ICPEN) international fraud prevention month) and a number of tactical initiatives through the year, usually targeting specific scams.

What is a scam?

The OFT defines scams as:

'A misleading or deceptive business practice where you receive an unsolicited or uninvited contact and false promises are made to con you out of your money'.

Consumers often use the term scam when referring to rogue traders and also larger scale fraud. The OFT focus is on mass marketed scams but we work closely with other organisations whose remits cover this wider definition of scams.

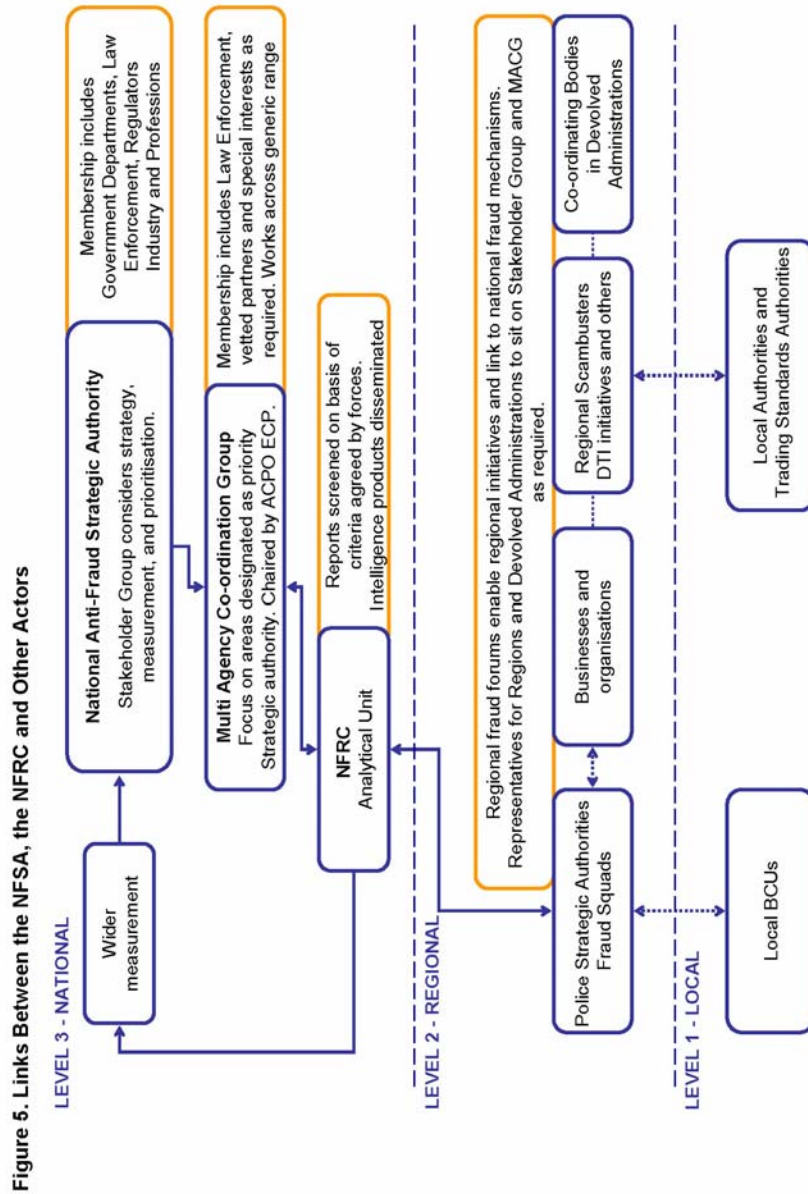
Role of the OFT

The following chart highlights the relationships between agencies working on fraud in the UK.² The OFT is included in the section called Multi Agency Co-ordination Group. The OFT and the Serious

¹ OFT (December 2006) Research on impact of mass marketed scams, A summary of research into the impact of scams on UK consumers.

² Government report (July 2006) Fraud Review, final report.

Organise Crime Agency (SOCA) are also working together to develop a Mass Marketing Fraud National Control Strategy.



Role of communication

Communications has the ability to reduce the number of people who fall victim to scams. The fraud review 2006 highlighted that just as much emphasis needs to be placed on 'upstream' activity to prevent and deter fraud happening in the first place as 'downstream' action such as investigations and prosecution to deal with detected fraud.

The OFT psychology of scams research 2009 noted that scammers often model themselves on legitimate equivalents, or by copying earlier scams, in effect this means that the public can learn about particular kinds of scams and be advised on how to successfully avoid them.

Who is affected by scams?

Almost half the UK adult population is likely to have been targeted by a scam and around 8 per cent admit to being a victim of a scam at some time. We estimate 6.5 per cent of the UK adult population fall victim to scams per annum.

Although older consumers are more likely to be targeted by a scam there is no evidence to suggest that older people are more likely to be victims. Victims are most common in the 35-44 year age bracket, although the highest amounts lost per scam tends to be among older victims. All social classes are targeted by scammers, with specific scams focused on certain groups, for example investment scams.³

Reporting scams

Scams and fraud in general is massively underreported. It is often confusing and difficult for consumers to report and even when reporting arrangements exist they are still only partial in reach. Only the police have the responsibility to accept reports from victim of any type of crime and fraud is not a national police priority, so even when reports are taken, little is done with them.⁴

³ OFT (December 2006) Research on impact of mass marketed scams, A summary of research into the impact of scams on UK consumers.

⁴ Government report (July 2006) Fraud Review, final report.

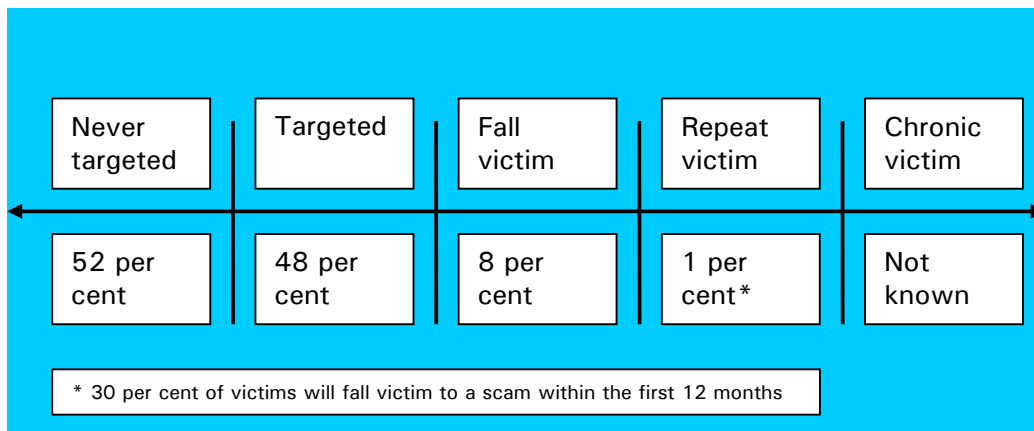
Currently mass marketing scams are often reported to the OFT via local authority Trading Standards Service or Consumer Direct (CD), either from phone calls or the online reporting function on the CD website. This year there will be a pilot National Fraud Reporting Centre (NFRC).

3. Objectives

The OFT's strategic objective is to reduce the number of people falling victim to mass marketed scams. Our communication objective is to support delivery of the strategic objective by increasing consumer awareness of mass marketed scams

4. Target audiences

While scams can target anyone, only a small percentage of people fall victim. The OFT's 2006 research indicated that of the entire population:



Our target audience is large, but our proposed priority will be to target the eight per cent of consumers that fall victim to scams. If we reduce the number of consumers that fall for scams, this will reduce the number of people that are likely to become repeat victims.

Chronic scam victims (typically elderly, socially isolated and/or in declining mental health) are particularly hard to identify and reach

via mainstream communication channels hence we need to target the intermediaries that influence these people, for example family, friends, neighbours and carers.

5. Key messages

The 2009 psychology of scam research noted that there are a number of factors that make people fall for scams. Campaigns need to focus on those factors that seem to be ubiquitous. These are appeals to trust and authority and the clouding of sensible decision-making by the offer of huge rewards. The research also highlighted that by making people focus on potential losses they would then be much more likely to look for reasons why they should not respond to the scam. In addition a scam is sometimes worth the risk as it appears to be only a small one. The campaign needs to emphasise that no-one ever wins against a scammer.

6. Proposed activities

6.1 Audience insight

Without information on whom and how people are affected by scams, it is impossible to develop a sensible strategy for communicating to them and encouraging them to avoid scams.

Research undertaken by the OFT in 2006 and psychological research in 2009 gives us insight into scams victims. While the majority of both these reports will be still current, the changing social and communication environment means it is vital that we continue to get fresh insight. Ongoing monitoring will also ensure that our communications can be adjusted to audience requirements.

In addition the 2009 psychology of scams research noted that a high proportion of any general awareness campaign will be wasted on people who are relatively unlikely ever to fall for a scam. However if more vulnerable groups can be identified – or can be encouraged to self-identify – communications can be targeted at them.

In 2008 and 2009, pre and post campaign tracking has been conducted but the information gathered is not comprehensive enough in targeting ongoing communications. Due to small sample sizes of scam victims, ongoing tracking (say quarterly) would also not be beneficial as results would not be statistically robust. Instead a survey following up some components of the 2006 survey, would give us an up to date understanding of the current scams environment. We propose scoping and undertaking the research this year and identifying if there is a requirement do this on an annual or a bi/tri annual basis.

6.2 Creative testing

In the past four years, the campaign has been branded OFT with most elements carrying the red Scheming, Craft, Aggressive, Malicious stamp. Newer materials developed for the older audience and carers have a slightly different look and feel to other elements. However, the key messages and look and feel of the campaign materials have not been tested to ensure that they resonate with the target audiences

All campaign materials have previously directed people to Consumer Direct, both telephone and website, for advice on scams. As the OFT uses the Consumer Direct website to promote all consumer facing information it is logical that consumer facing materials should be branded Consumer Direct. However we need to ensure that any changes to materials meet the needs of our target audience. We propose to test of a range of key messages and campaign materials. This testing can also help identify communication channels and innovative ideas to reach our target audience. This would also be an opportunity to test the most appropriate term to describe the work we do as either scams or fraud.

6.3 Websites

Usability research is currently underway for the both the OFT and CD websites. This research should give us a better understanding of the users of these sites and the accessibility of information on them. In the interim we will undertake a review of the copy on the CD website to ensure that the information is up to date, relevant and includes all copy that was transferred from the OFT site. The

review will assess the structure, accuracy and comprehensibility of the information provided and identify any changes needed.

The scams information on the OFT website is very limited as all consumer facing information is now on the CD website. However a number of partners, such as local authority Trading Standards Service (TSS) and Age Concern/Help the Aged have expressed a desire to know more about the work of the policy teams on scams. Information on the OFT site will be reviewed to ensure it accurately reflects the work of the team and links to press releases issued on actions taken and campaigns pages. The business scams pages will also be updated regularly to inform businesses of new types of scams.

6.4 Scams awareness month (SAM)

February is International Fraud Prevention Month (FPM). The OFT contribution to FPM have been Scams Awareness Month (SAM). In previous years, each week in the month has had a different theme and we have worked in partnership with TSS to run scamnesty. The OFT should continue to support FMP, however rather than focusing all activity in February, activity should be spread across the entire year.

Feedback from TSS participating in scamnesty 2009 indicated a desire to run scamnesty again in 2010. TSS also highlighted the need to run scamnesty for longer than two weeks and have identified other elements that could be improved if run again. Given stakeholder support for scamnesty, we will maintain this as the sole focus of SAM 2010.

Gaining support from TSS will be undertaken as early as possible in 2009. We shall clearly outline to TSS the support that we will provide and the involvement requested from them. As well as the collateral support given to TSS last year, we shall also provide:

- information on how to access bins for the scamnesty
- media toolkits
- promotional items, such as balloons and stickers
- scamnesty webpage with details of participating authorities and locations of bins.

At a national level, we shall utilise free publicity to promote scamnesty and encourage consumers to drop in their scam mailing. We shall also use a range of paid for media in the lead up to scamnesty to promote the event and how consumers can participate, such as print and potential specialist television, such as television in medical centres. On completion we shall promote results widely to partners, consumers and media.

6.5 Working in partnership

There are a large number of organisations that have expressed an interesting in working with the OFT to promote scams, throughout the year. These include:

- Serious Organised Crime Agency (SOCA) - We shall be working with SOCA on the Mass Marketing Fraud National Control Strategy which is unlikely to include communication activity during the 2009-10 year.
- Trading Standards Institute, LACORS and local authority Trading Standards Services - We shall work closely with TSI, LACORS and TSS, piloting a programme to highlight homeworking scams and scamnesty.
- Met Police e-crime unit - Work with the unit on promotion of bogus online concert and festival ticket sales.
- Met Police - Safer Neighbourhoods
- Age Concern/Help the Aged.
- Victim Support.
- National Lottery Commission.

Expressions of interest are invited from others who are willing to reinforce scams messages.

6.6 Chronic scams victim toolkit

Whilst the OFT does not interact directly with victims, our partners do. Many have expressed the difficulty and determination required to change the behaviours of chronic victims. They have expressed a desire for the OFT to use their knowledge and international contacts to develop a chronic scams victim toolkit for them.

The development of a tool kit is being considered and we would welcome views. TSS has noted some items that they would like included in the toolkit and would be open to testing the toolkit for us. From initial conversations with partners the toolkit could contain:

- an overview of how to approach scams victims and their families
- practical steps families and victims can take to stop being targeted
- details of local organisations that could also support the victim
- DVD
- press coverage.

6.7 Skilled to go

We have reviewed the suitability of scams as a new module for the Skilled to go toolkit for further education and will be developing that for launch in the next fiscal year. It will also be adapted for use by TSS in schools.

6.8 Television

We are frequently asked by partners to get scams as a topic on soap operas. This can be very difficult to achieve as it relies on the production company having an interest in the topic. Given the economic downturn and the increasing emphasis on debt and scams this may be a time when companies will be keen to portray the issues in their series. We will approach shows one at a time and ask them if they would be willing to run a story line on scams.

We will however stimulate promotion via television by developing a public information film or 'filler'. A filler is played when commercial slots have not been filled by paid for advertisements. The cost to develop the filler would be the development of two different length commercials and for distribution to television companies. Payback is free media coverage.

6.9 Press

All activities undertaken should be used as an opportunity to stimulate as much free publicity as possible. We shall proactively target consumer magazines/websites in addition to national and

local media; plus sponsorship on local radio given the nature of scams lends itself to discussion.

6.10 Economic downturn scams

Given the current economic instability there will be a requirement to promote specific scams that are a priority for enforcement teams throughout the year. As required we will advise on appropriate communication activities to support these priorities.

In addition we hope to pilot a programme to promote home working scams with TSS.

7. Evaluation

General changes to consumer awareness and behaviour will be evaluated via the consumer research. Project plans for each activity will identify how each element will be evaluated.

8. Budget/Timeline

The budget for the scams campaign is £400,000

Detailed project plans, with budget details and timings, will be developed for each activity.