

Recognizing fraud

Scamming methods

With our movement to a digital world, fraudsters can reach people anywhere, and the effort and cost to reach large numbers of potential victims is small. The digital world has been very economically beneficial for fraudsters. Since fraudsters are so innovative, there are many different types of scams that exist and the list is always growing. With all the different scams in today’s digital world, there are four main methods used that we need to be aware of:

- **Email** (e.g., phishing): this involves a person receiving a deceptive email which asks to click a link or view a document. The next steps then involve more deception to acquire personal information like banking or credit card account numbers.
- **Mobile phone** (e.g., smishing): these are similar to email scams but the deception is delivered is by a text message. A major challenge for people is that they get many text messages from numbers they do not recognize such as automatic notifications.
- **Landline phone** (e.g., vishing): this has been around longer. It involves cold calling individuals to get them to disclose personal information. Victims are now dealing with a real person and the scammer can be very intimidating and persuasive.
- **Internet** (e.g., viruses, malware): this involves deceiving a person into downloading software to their computer or phone. This software can be very harmful and is often looking to either steal personal information or to lock devices or data until a ransom is paid.

Common traits of fraud

In every type of fraud, the key attribute is deception. Fraudsters need to trick people for them to either feel comfortable disclosing information or take some sort of action. Human emotions are very powerful and are something that fraudsters rely on for their scam. Fraudsters are very adept at using social engineering – a concept that uses psychological manipulation to get people to do things or give out confidential information.

How can fraudsters play on our emotions to trick us? They use specific tactics to trigger emotional responses rather than logical ones. These can include:

- **Make it seem very important:** convincing a person that what they are talking about is highly important, very sensitive or confidential, it raises the stakes for the victim.
- **Use a sense of urgency:** requiring a very quick or immediate action increases concern and the need to take decisive action without thinking too much.
- **Issue threats:** combining importance and urgency with threats of a dire consequence further raises the stakes and adds stress to the decision.
- **Make it too good to be true:** the opposite of applying pressure is offering something so good that it is hard to believe, like a great offer or lavish prize. This can cloud someone's judgment because it’s so good.
- **Ask to keep it private:** by telling a person not to tell anyone, this puts added pressure on the victim and it also helps the fraudster because the victim will not ask someone else for their opinion.
- **Appeal to a sense of duty:** by saying “I can rely on you” or falsely stating how this will help others or the community puts added pressure on the individual to comply, not just for themselves but for others.

Learn more about [what fraud looks like](#).

To learn more about how emotions play a role in fraud please read the article [Emotions – the cornerstone of fraud](#).

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