

BANK OR SCAMMER?

Survey on the ability of consumers to recognise fraud in digital financial transactions

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Legal information

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The Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband e.V.) is registered in the German Lobby Register and in the European Transparency Register. You can view the relevant entries [here](#) and [here](#).

SUMMARY

Between 1 and 4 November 2023, participants in a representative online survey were presented with processes or emails relating to financial transactions. Half of the situations were simulated attempted fraud against the bank accounts of the survey participants. The other half were examples of communication or processes as actually executed by genuine service providers. Participants were asked how they would assess and react to the respective situation.

Overall, participants had difficulty distinguishing between fraudulent attacks and the behaviour of genuine service providers. 57 percent of those surveyed expressed suspicion when analysing the cases of attempted fraud; however, 38 percent also suspected fraud in the cases involving genuine communications. 24 percent were so certain of the deceptive intentions behind these attempted fraud that they rejected the request outright. However, 19 percent reacted similarly to communications from genuine service providers.

The warning messages that service providers usually send to consumers, for example to alert them that an authentication tool has been compromised as part of a fraud attempt, were so poorly designed that only 16 percent of those who fell for the scam subsequently recognised it for what it was. Other participants, in contrast, saw these warning notifications as confirmation that they had acted correctly and felt a false sense of security.

43 percent of participants who fell for the attempted fraud in the survey said that they would greatly limit the extent of their online activities as a consequence: they would no longer make online payments, would stop using online banking, or would take steps to reduce their digital activities.

Participants who recognised the attempted fraud during the survey identified it most often based on typical features such as an unusual email address, use of pressure and emphasis on urgency, or a suspicious link in the message. The second most common cause of suspicion, however, was simply a general impression or sense of mistrust.

With respect to the activities of genuine, non-fraudulent service providers, participants voiced various criticisms, for example that processes or messages were confusing, complicated, or hard to understand. It can therefore be assumed that, in the case of normal financial transactions, consumers sometimes learn to follow processes that they do not fully understand.

Based on these findings, the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband e.V. – vzbv) finds the frequent accusation from providers that consumers acted with gross negligence when falling victim to deceitful messages, scarcely credible. If this were the case, consumers should be able to easily recognise fraud in such contexts.