



MONEY AND
MENTAL HEALTH
POLICY INSTITUTE



CAUGHT IN THE WEB

Online scams and mental health

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make a difference.

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Executive summary

Our work on online harms

- The internet can be a valuable resource for people with mental health problems, but it can also expose them to significant risks due to the way common symptoms interact with the current nature of many online spaces – always available, frictionless and less regulated.
- This paper is the third in a series exploring the online harms people with mental health problems can face, with the aim of creating a safer online environment for everyone.

Common symptoms of mental health problems can put people at increased risk of becoming a victim of an online scam

- National polling conducted for this report finds that people who have experienced mental health problems are three times more likely than the rest of the population (23% versus 8%) to have been a victim of an online scam.
- This elevated risk means that the majority of people who have been a victim of an online scam (61%) have also experienced a mental health problem, equivalent to more than 4.5 million people across the UK.
- Impaired decision-making, increased impulsivity and low motivation can all make it difficult for people with mental health problems to spot scams and avoid losing money or personal information.
- People with mental health problems are also more likely to be in positions that put them at risk of being victim to an online scam, such as being isolated or experiencing financial difficulties.

Online scams can have a negative impact on people's finances and mental health

- Online scams can be financially crippling, and even smaller losses can be damaging for people with mental health problems, who are more likely to be living on lower incomes or in problem debt.
- Falling victim to a scam can be a traumatic experience. Four in ten (40%) online scam victims have felt stressed and three in ten (28%) have felt depressed as a result of being scammed.
- Even for those who don't fall victim, the prevalence of scams online can leave people with mental health problems feeling unsafe and unable to make the most out of the internet.

Reporting an online scam can be difficult and doesn't always lead to positive results

- Over half (53%) of online scam victims have reported being scammed, with this rate slightly higher among people who have experienced a mental health problem (60%).
- However, common symptoms of mental health problems, such as avoidance and low energy levels, can make the process of reporting more difficult.
- Many Research Community respondents who reported being scammed didn't feel they were supported through the process and few were able to recoup their financial losses.

Recommendations

- Given the prevalence of online scams, the millions of people negatively affected and the heightened risk to people with mental problems, urgent action is required to make online spaces safer.
- While raising awareness of scams and improved reporting and redress processes would be helpful, online services like social media sites and retailers must do more to protect their customers, and the government must take steps to ensure effective preventative measures are in place.

Online services should:

- Develop reliable and robust systems to prevent scams appearing on their websites. This could include vetting for adverts and promoted posts, and systems for identifying and blocking suspicious content
- Act quickly when scams are identified, including by removing scam content, blocking users involved and removing similar content that appears elsewhere on the platform
- Offer a variety of simple, accessible ways for users to report a scam.

The government should:

- Introduce formal regulation of online services that allow third parties to sell goods, advertise or share content, requiring them to take greater action to prevent scams from appearing on their sites
- Develop a redress system to compensate users who have been harmed by services falling short of their regulatory duties.

Internet service providers should:

- Step up efforts to block scam websites by default and share intelligence across the sector, to ensure consistent protection.

Scam awareness campaigns should:

- Provide targeted awareness-raising for people with mental health problems on how to spot scams, and how common symptoms can increase vulnerability to scams.

Introduction

A focus on online harms

For many people with mental health problems, the internet can be a lifeline. When unwell or unable to leave home, it can provide us with access to support networks and services, as well as entertainment and information. However, the nature of online spaces mean people can be exposed to unique or more acute risks. Transactions online can be quicker and easier, and regulation often lags behind an offline equivalent. People can access online spaces at any hour or from any place, unlike their 'real world' counterparts. These characteristics can combine with common symptoms of mental health problems to leave many of us exposed to significant but underexplored financial risks.

Although online harms predate the pandemic, the current crisis adds urgency. Shifts to working remotely and social distancing rules have likely accelerated the movement towards digital channels, forcing some people to access services online for the first time. Ofcom has reported an increase in how long we as a nation spend online each day.¹ The crisis also looks likely to have a lasting impact on the nation's mental and financial health.² Together, this means many of us are more reliant on the internet than ever before, yet more vulnerable to harm when using it.

To better understand these risks and how they can be mitigated, we have launched a work programme examining common and concerning online financial harms. Previous reports have considered how harm from online gambling³ can be reduced, and how to make online shopping⁴ a safer experience for people with mental health problems. Here, in our third paper in the series, we explore online scams.

Online scams and mental health

Online scams are a growing threat that costs people billions each year.⁵ While our reliance on the internet grows, and we use it in new ways, scammers are constantly innovating, looking for new ways to trick people out of their money or personal details, and often targeting the most vulnerable in society. Online scams are pervasive, reaching into spaces that many of us visit every day: our social media feeds, email inboxes and in adverts across the internet.

While anybody can be an online scam victim, some of us are more vulnerable than others, and feel the effects more sharply. People with mental health problems are particularly vulnerable to harm. Common symptoms of mental health problems, like increased impulsivity and impaired decision-making, can make it harder to identify and avoid scams. Those who do fall victim often struggle to access support. Online scams can be financially devastating, and often have a lasting impact on people's mental health and confidence using the internet.

1. Ofcom. UK's internet use surges to record levels. 2020. Accessed June 2020 – <https://www.ofcom.org.uk/about-ofcom/latest/features-and-news/uk-internet-use-surges>.
2. Vizard T et al. Coronavirus and depression in adults, Great Britain: June 2020. Office for National Statistics. 2020; and Bangham G and Leslie J. Rainy days: An audit of household wealth and the initial effects of the coronavirus crisis on saving and spending in Great Britain. Resolution Foundation. 2020.
3. Holkar M and Lees C. A safer bet? Money and Mental Health Policy Institute. 2020.
4. Holkar M and Lees C. Convenience at a cost. Money and Mental Health Policy Institute. 2020.
5. Morse A. Online Fraud. National Audit Office. 2017.

The government has introduced several initiatives to make the internet safer, including plans for new regulation of harmful content and a strategy to protect consumers in digital markets.⁶ However, to date, online scams have not been a focus of that work. As our use of the internet increases and our reliance on it deepens, online scams will become an increasing threat to the most vulnerable people in society, warranting more government attention.

This paper explores people with mental health problems' experience of online scams and views on ways to reduce harm, drawing on:

- A nationally representative poll of 2000 people, conducted 25–28 August 2020 and carried out by Opinionium
- A survey of members of the Money and Mental Health Research Community, a group of nearly 5,000 people with lived experience of mental health problems, who are at the heart of everything we do. The survey, carried out in July 2020, asked 340 participants about online scams, the impact they can have and ideas to tackle them.

This report

- **Section one** discusses the difficulties that people with mental health problems can have identifying and avoiding online scams
- **Section two** sets out the impact that online scams can have on people with mental health problems, whether or not they fall victim
- **Section three** considers people with mental health problems' experience of reporting online scams and seeking redress
- **Section four** explores people with mental health problems' views on how to reduce harm caused by online scams, both through more effective prevention and by improving support for victims, and sets out recommendations.

6. HM Government. Online Harms White Paper. 2019; Digital Markets Taskforce. Digital markets taskforce: terms of reference. 2020.



Section one: Vulnerability to online scams

Internet users are commonly exposed to a wide range of online scams. In our research, we have adopted a broad definition of online scams as illegitimate attempts made by criminals to get people to part with their money or personal details in an online space.

While anyone can be deceived by a scam, having a mental health problem can make it harder to spot the warning signs, assess risks and avoid becoming a victim. Our nationally representative polling found that one in four (23%) people who have experienced a mental health problem have lost money or given away personal details as part of an online scam, three times the rate among people who have never experienced a mental health problem (8%).⁷ This elevated risk means that people who have experienced mental health problems are disproportionately likely to fall victim. The majority of people who have been a victim of an online scam (61%) have also experienced a mental health

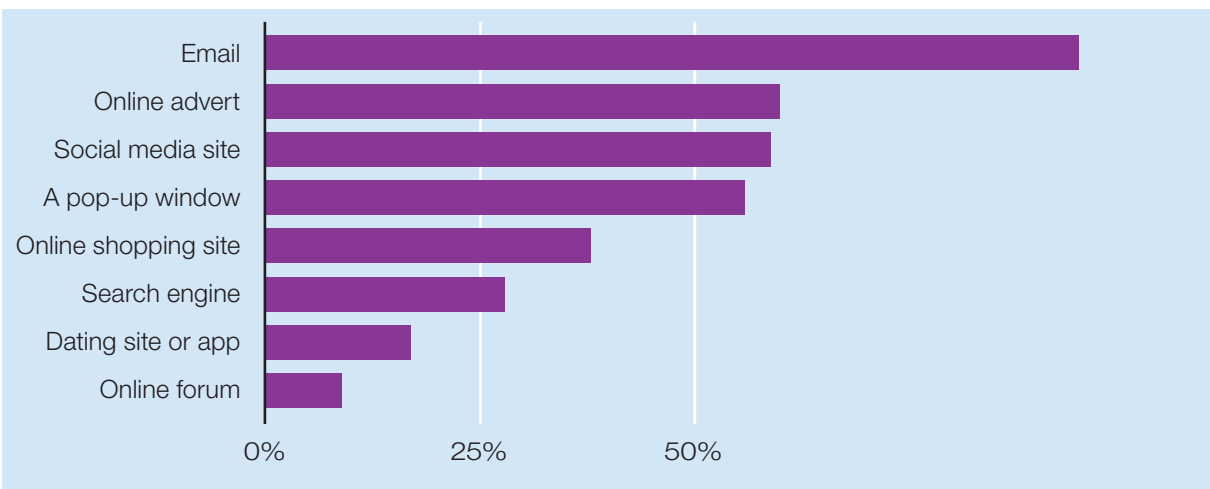
problem, equivalent to more than 4.5 million people across the UK.⁸

This section looks at the types of scams people with mental health problems are exposed to online and how symptoms of their condition and the circumstances they might be in can make them more vulnerable.

Exposure to online scams

Scams are prevalent on the internet. Nearly all (99%) respondents to our Research Community survey had seen something they thought was a scam online, and most had seen scams in several online spaces.⁹ As Figure 1 shows, almost all (95%) respondents have received scam emails, while six in ten had spotted scam adverts (60%) or scams on social media sites (59%).

Figure 1. Percentage of Research Community respondents who have seen a scam in various online spaces



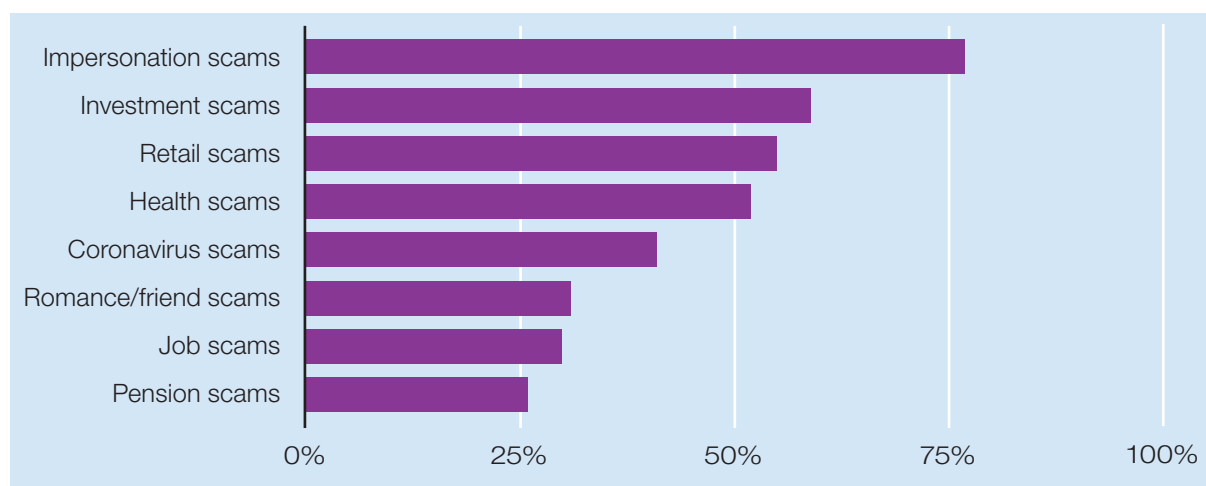
Source: Money and Mental Health Survey of 340 people with lived experience of mental health problems. Base 319 with lived experience of mental health problems.

⁷ Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

⁸ This is a significant overrepresentation as just 38% of respondents reported having experienced a mental health problem. Money and Mental Health analysis of Opinium online survey and ONS mid-year population estimates 2019.

⁹ Money and Mental Health Survey. Base for this question: 319 people with lived experience of mental health problems.

Figure 2: Percentage of Research Community respondents who have seen various types of online scam



Source: Money and Mental Health Survey of 340 people with lived experience of mental health problems. Base 319 people with lived experience of mental health problems.

Research Community respondents described encountering a wide range of online scams that operate in different ways. As Figure 2 shows, more than three quarters (77%) of respondents had seen an impersonation scam, in which a scammer poses as another organisation, often a bank or government body, intending to trick people into sharing personal details or transferring money. Most respondents had seen scams purporting to be investment opportunities (59%), scams relating to online shopping (55%) and scams offering solutions to health problems (52%).

The pandemic and exposure to scams

Many organisations warned that the pandemic would lead to an heightened risk of online scams, fearing that scammers could take advantage of increased isolation and vulnerability.¹⁰ Our research found some evidence to support this worry. Four in ten (38%) polling respondents – regardless of their mental health – had seen more scams online since the beginning of

the pandemic.¹¹ In terms of direct impacts, 1 in 25 (4%) had fallen victim to an online scam since the start of lockdown in March 2020,¹² equating to approximately 2 million people across the UK,¹³ with people with mental health problems being over-represented within that group. 6% of people who have experienced a mental health problem have been scammed during this period, three times the rate among people who have never experienced mental health problems (2%).¹⁴

It is clear that scammers were quick to adapt to the new situation; four in ten (41%) Research Community respondents had seen a scam specifically related to the pandemic, for example fraudulent adverts for cures, testing kits and masks.¹⁵

“There was a fairly legitimate looking ‘HMRC’ email about getting money due to coronavirus lockdown, pretty early on.”

Expert by experience

10. Bevan K. Coronavirus scams – how to spot them and stop them. Which?. 2020. Accessed August 2020 - <https://www.which.co.uk/news/2020/04/coronavirus-scams-how-to-spot-them-and-stop-them/>; Friends Against Scams. Beware Of COVID-19 Scams. 2020. Accessed August 2020 - https://www.friendsagainstscams.org.uk/article/505/beware_of_covid_19_scams.

11. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

12. Ibid.

13. Money and Mental Health analysis of Opinium online survey and ONS mid-year population estimates 2019.

14. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

15. Money and Mental Health Survey. Base for this question: 319 people with lived experience of mental health problems.

Difficulties identifying and avoiding online scams

With scams being so prevalent, especially during the pandemic, being able to spot a scam is more valuable than ever. But mental health problems can profoundly affect the way that we navigate and interpret online spaces, and can often lead to difficulties identifying and avoiding online scams. From our national polling, four in ten (41%) people who have experienced a mental health problem felt that mental health problems make it harder to spot online scams, while just one in six (17%) disagreed.¹⁶

Many Research Community respondents described how symptoms of their health problem, or side effects of medication they were prescribed, affected their ability to spot scams and made them more vulnerable. Among Research Community respondents who had fallen victim to an online scam, three in four (74%) had done so during a period of poor mental health,¹⁷ and in many cases respondents directly attributed this to being unwell at the time.

"[My mental health problem] was a huge contributing factor, I would have realised it was a scam if I was in a normal state of mind"

Expert by experience

We have identified three main challenges that mental health problems pose which can make it harder for people to identify and avoid online scams:

- Impaired decision-making
- Increased impulsivity
- Low motivation.

Impaired decision-making

Many Research Community respondents described how, when they are unwell, they can find it difficult to think clearly. This can make it harder to judge what is or isn't a scam. Mental health problems often affect our ability to process information and make informed decisions, leading people to miss warning signs and not adequately weigh up risks online.¹⁸

"In my experience, 'depression logic' isn't the same as 'healthy logic'. It's partly like your brain doesn't have the processing power to take everything in and make sense of it all."

Expert by experience

16. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

17. Money and Mental Health Survey. Base for this question: 78 people with lived experience of mental health problems who have lost money or given away personal details as a result of an online scam.

18. Gloag A, Mackenzie P, and Atay A. New fraud protections for people at risk. Demos. 2019; University of Exeter. The psychology of scams: Provoking and committing errors of judgement. On behalf of the Office of Fair Trading. 2009.

Some Research Community respondents who had fallen victim to scams felt that they had been too trusting when they were unwell. Scams can rely on very persuasive techniques and often look legitimate.¹⁹ For people going through a period of poor mental health, distinguishing between a scam and a genuine offer can be a struggle.²⁰

Increased impulsivity

Increased impulsivity is a common symptom of several mental health problems. Some respondents told us how, if they were more impulsive when unwell, they would spend less time considering financial decisions online. For some, this would lead them to focus on the potential benefits of offers and adverts they encountered, thinking less about potential risks.

"I wasn't thinking carefully and responded impulsively in a way that is out of character for me when I am well."

Expert by experience

Scammers often try to take advantage of impulsivity, for instance by using time limits in scam offers to create a sense of urgency and push people to act quickly.²¹ This can leave people who struggle with impulse control particularly vulnerable to harm.

Low motivation

Low motivation is a hallmark symptom of depression. Many people experience low energy levels and find it difficult to concentrate for long periods of time when unwell. This can make it more challenging to spot scams and stay safe online. Research Community respondents described a range of techniques that they used to avoid scams when well, but these often require energy and concentration levels that are impossible to muster during a period of poor mental health.

"When my mental health is not so good, I feel tired, my response signals are slower & I miss things without realising."

Expert by experience

Situations that can make people more vulnerable

Research has found that loneliness, adverse life events and experiencing financial hardship can all make people more vulnerable to scams.²² Many people with a mental health problem will regularly experience these circumstances, and Research Community respondents reported feeling more willing to believe in scam offers at certain times, because of their circumstances.

19. University of Exeter. The psychology of scams: Provoking and committing errors of judgement. On behalf of the Office of Fair Trading. 2009; Button M, Lewis C and Tapley J. Fraud typologies and victims of fraud. National Fraud Authority. 2009; Deevy M, Lucich S, and Beals M. Scams, Schemes & Swindles. Financial Fraud Research Center. 2012.

20. Gloag A, Mackenzie P, and Atay A. New fraud protections for people at risk. Demos. 2019.

21. Shadel D, Pak K, and Sauer J. Caught in the scammer's net: Risk factors that may lead to becoming an internet fraud victim. Fraud Watch Network and AARP. 2014; Gloag A, Mackenzie P, and Atay A. New fraud protections for people at risk. Demos. 2019; University of Exeter. The psychology of scams: Provoking and committing errors of judgement. On behalf of the Office of Fair Trading. 2009; Button M, Lewis C and Tapley J. Fraud typologies and victims of fraud. National Fraud Authority. 2009; Financial Conduct Authority. Inside the mind of a scammer. 2017. <https://www.fca.org.uk/news/press-releases/inside-mind-scammer-tactics-investment-fraudsters>. Accessed June 2020.

22. Age UK. Applying the breaks: Slowing and stopping fraud against older people. 2018; Shadel D, Pak K, and Sauer J. Caught in the scammer's net: Risk factors that may lead to becoming an internet fraud victim. Fraud Watch Network and AARP. 2014; Deevy M, Lucich S, and Beals M. Scams, Schemes & Swindles. Financial Fraud Research Center. 2012; Gloag A, Mackenzie P, and Atay A. New fraud protections for people at risk. Demos. 2019.

"I have been gullible before online and [through] dating sites many times. I suffer bipolar so unfortunately I have been an easy target."

Expert by experience

People with long-term mental health problems can often find themselves feeling lonely or isolated.²³ This can make us vulnerable to online scams, particularly when scammers pose as friends or romantic partners. It is likely that more people are experiencing loneliness than ever this year, as a result of the pandemic and requirements to practice social distancing and self-isolate.²⁴

"I wasn't as vigilant. I was lonely. I was open to somebody being kind to me. Not expecting to be asked for £50k and my bank details a month into the 'relationship'"

Expert by experience

People with a mental health problem are more likely to be in problem debt,²⁵ or in a financially precarious situation,²⁶ and may find scams that promise financial rewards particularly appealing as a result. Some Research Community respondents directly attributed being scammed to a sense of desperation about

their financial situation. People who find it difficult to adequately weigh up risks versus rewards or resist impulses when they are unwell are likely to be particularly vulnerable.²⁷

"I was in a lot of debt during a really bad episode of depression and had an email offering a debt consolidation loan which was guaranteed for bad credit."

Expert by experience

It also appears that scammers have targeted people with a mental health problem through specific 'mental health' scams that promise fake treatments or cures: 14% of Research Community respondents reported seeing such scams.²⁸ It can be difficult to process a recent diagnosis or to manage periods of ill health, and people can be vulnerable to 'miracle cures'.

²³. Griffin J. The Lonely Society? Mental Health Foundation. 2010.

²⁴. Mental Health Foundation. Loneliness during coronavirus. 2020. Accessed 12/11/20 - <https://www.mentalhealth.org.uk/coronavirus/loneliness-during-coronavirus>

²⁵. Holkar M. Debt and mental health: A statistical update. Money and Mental Health Policy Institute. 2019.

²⁶. Bond N and D'Arcy C. Income in Crisis. Money and Mental Health Policy Institute. 2020.

²⁷. University of Exeter. The psychology of scams: Provoking and committing errors of judgement. On behalf of the Office of Fair Trading. 2009.

²⁸. Money and Mental Health Survey. Base for this question: 319 people with lived experience of mental health problems.

Summary

- Most people with mental health problems have seen some form of scam in a diverse range of spaces online.
- One in four (23%) people who have experienced a mental health problem have been victim to an online scam, three times the rate among people who have never experienced a mental health problem (8%).
- Impaired decision-making, increased impulsivity and low motivation are all common symptoms that can make it harder for people with mental health problems to spot scams and puts them at increased risk of becoming a victim to one.
- People with mental health problems are also likely to be in situations that make them more vulnerable to online scams such as facing financial difficulty.
- Scammers have been quick to adapt to the pandemic. Approximately 2 million people were scammed between March and August 2020.



Section two: The impact of online scams

Online scams can have wide-ranging negative impacts.²⁹ They can send shockwaves through victims' finances, undermining budgets and driving people into problem debt, and often have a traumatic impact on people's mental health. Even for those who do not fall victim, exposure to online scams can be a stressful experience and can leave people feeling unsafe when using the internet. This section explores the range of harms people can experience as a result of an online scam.

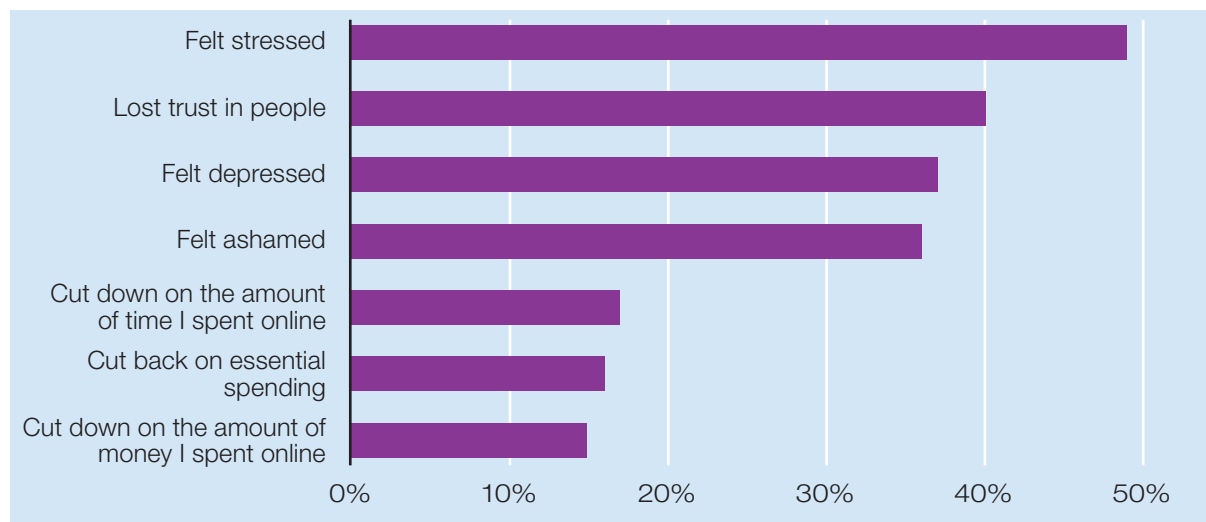
Victims of online scams

As Figure 3 illustrates, falling victim to an online scam can have a devastating impact on people's finances, mental health and on other aspects of people's lives.

Financial harms

Many of our Research Community respondents told us that they lost significant sums of money as a result of a scam. While some reported losing life-changing amounts – some in excess of £50,000 – the typical (median) loss among our respondents was £100.³⁰ A loss of £100 can sometimes be catastrophic, particularly as people with mental health problems live on significantly lower average incomes than the wider population³¹ and are three and a half times as likely to have a debt problem as people without a mental health problem.³²

Figure 3: Percentage of people who have experienced mental health problems encountering the following harms as a result of an online scam



Source: Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

²⁹ University of Exeter. The psychology of scams: Provoking and committing errors of judgement. On behalf of the Office of Fair Trading. 2009; Button M, Lewis C and Tapley J. Fraud typologies and victims of fraud. National Fraud Authority. 2009.

³⁰ Money and Mental Health Survey. Base for this question: 59 people with lived experience of mental health problems who have lost money to an online scam.

³¹ Bond N and D'Arcy C. Mind the income gap. Money and Mental Health Policy Institute. 2020.

³² Holkar M. Debt and mental health: a statistical update. Money and Mental Health Policy Institute. 2019.

"When you are only receiving benefits you can not afford to lose money to scams."

Expert by experience

From our national polling, we found that online scam victims who have experienced mental health problems are nearly twice as likely to have cut back on essential spending as a result of being scammed, compared to people who have never experienced a mental health problem.³³ The financial impact of an online scam can be long-lasting too; three in ten (30%) of our Research Community respondents experienced a major negative impact on their finances because of losing money to a scam.³⁴

"Financially I really struggled for a few months, had to borrow money and use food banks, ultimately had to sell my car to pay it off."

Expert by experience

Impact on our mental health

Being a victim to an online scam has been found to have long-lasting impacts on a person's mental health.³⁵ Nationally, four in ten (40%) online scam victims have felt stressed and three in ten (28%) have felt depressed, as a result of being scammed.³⁶ Victims who have experienced mental health problems were more likely to report both of these impacts. From our Research Community survey, four in ten (42%) respondents who had fallen victim to online scams felt that they had experienced a major negative impact on their mental health.³⁷

Previous research on scams has found it is common for victims to feel like it was their fault,³⁸ and this was something we heard from our Research Community respondents and found in our polling. Nationally, three in ten (31%) scam victims have felt ashamed as a result of an online scam.³⁹ This rose to 36% among people who have experienced a mental health problem.⁴⁰ Feelings of shame can have a lasting impact on people's confidence and their mental health, and make it harder for them to report the crime and get the support they need.

³³. 16% compared to 9%. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

³⁴. Money and Mental Health Survey. Base for this question: 90 people with lived experience of mental health problems who have lost money or given away personal details as a result of an online scam.

³⁵. Office for National Statistics. Nature of fraud and computer misuse in England and Wales: year ending March 2019. 2020; Couture X and Pardoe A. Changing the story on scams. Citizens Advice. 2017; Deevy M, Lucich S, and Beals M. Scams, Schemes & Swindles. Financial Fraud Research Center. 2012.

³⁶. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

³⁷. Money and Mental Health Survey. Base for this question: 89 people with lived experience of mental health problems who have lost money or given away personal details as a result of an online scam.

³⁸. University of Exeter. The psychology of scams: Provoking and committing errors of judgement. On behalf of the Office of Fair Trading. 2009; Button M, Lewis C and Tapley J. Fraud typologies and victims of fraud. National Fraud Authority. 2009.

³⁹. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

⁴⁰. Ibid.

"Very stressful and made me feel stupid for falling for the scam as I think I'm stupid anyway this made me have terrible negative thoughts about myself and so annoyed"

Expert by experience

"Very shaken and felt as if I had been personally attacked, for a long time I was unable to use the internet and to this day I do not have internet banking"

Expert by experience

Other harms

Losing money or giving away personal details can also negatively impact people's personal relationships. Shame over losing money and being tricked, or fear of being blamed, can lead people to keep it a secret. One in five (22%) Research Community respondents reported that becoming a victim of an online scam had a major negative effect on their personal relationships.⁴¹

Many scams rely on building up a relationship with the victim and when this unravels it can lead to victims becoming less trusting in the future. More than one in three (35%) scam victims reported that they lost trust in people as a result.⁴²

While simply seeing scams online can affect how someone uses the internet, being a victim can have a more significant and long lasting impact. In our polling, we found that 15% of scam victims have cut down on the amount of time they spend online as a result, and 18% have cut down on the amount of money they spend online.⁴³

Exposure to online scams

Exposure to scams can cause real harm, even for those who do not fall victim. Scams are extremely prevalent online and often reach into everyday online spaces – such as people's email inboxes and social media feeds – which can leave people feeling unsafe. From our national polling we found that almost half (45%) of people who have never fallen victim to a scam worry about being scammed online, while just one in four (26%) disagree.⁴⁴ While being vigilant for potential scams is to be encouraged, for some people it can become a preoccupation, leading people to spend considerable time and effort making sure they don't become victim to one.

"I become scared of clicking on certain links. Rationally I am sure they are OK, but I still dare not go there. This limits my access to sites I may need to use."

Expert by experience

41. Money and Mental Health Survey. Base for this question: 88 people with lived experience of mental health problems who have lost money or given away personal details as a result of an online scam.

42. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

43. Ibid.

44. Ibid.

For others, seeing scams online can lead them to use the internet less. Four in ten (41%) polling respondents said that seeing scams online made them less confident when using the internet, while just one in four (25%) disagreed.⁴⁵ And even among those who have

never fallen victim to a scam, four in ten (39%) have felt less confident after seeing scams online.⁴⁶ This can lead to people not taking full advantage of the internet and missing legitimate opportunities and services.

Summary

- Scams can be financially crippling, and often have a lasting impact on our mental health and confidence using the internet. Even for those who don't fall victim, the prevalence of scams online and difficulties identifying them can leave people with mental health problems feeling unsafe and unable to take full advantage of online services.
- Four in ten (40%) online scam victims have felt stressed and three in ten (28%) have felt depressed, as a result of being scammed. People with mental health problems are more likely to experience such harms as a result of an online scam.
- With lockdown putting increased pressure on people's finances and mental health, becoming a victim during the pandemic can exacerbate these problems.

⁴⁵. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

⁴⁶. Ibid.



Section three: Reporting and redress

If you have lost money or personal information to a scam, effective routes to report it and, where appropriate, receive redress can help to undo some of the damage done. But experiencing mental health problems can make it harder to take the first steps and to persist through complex reporting journeys, leading to considerable underreporting. For those who do report, reliving being scammed can be a traumatic experience and can conclude without a satisfactory resolution, which can make them less likely to report in the future.

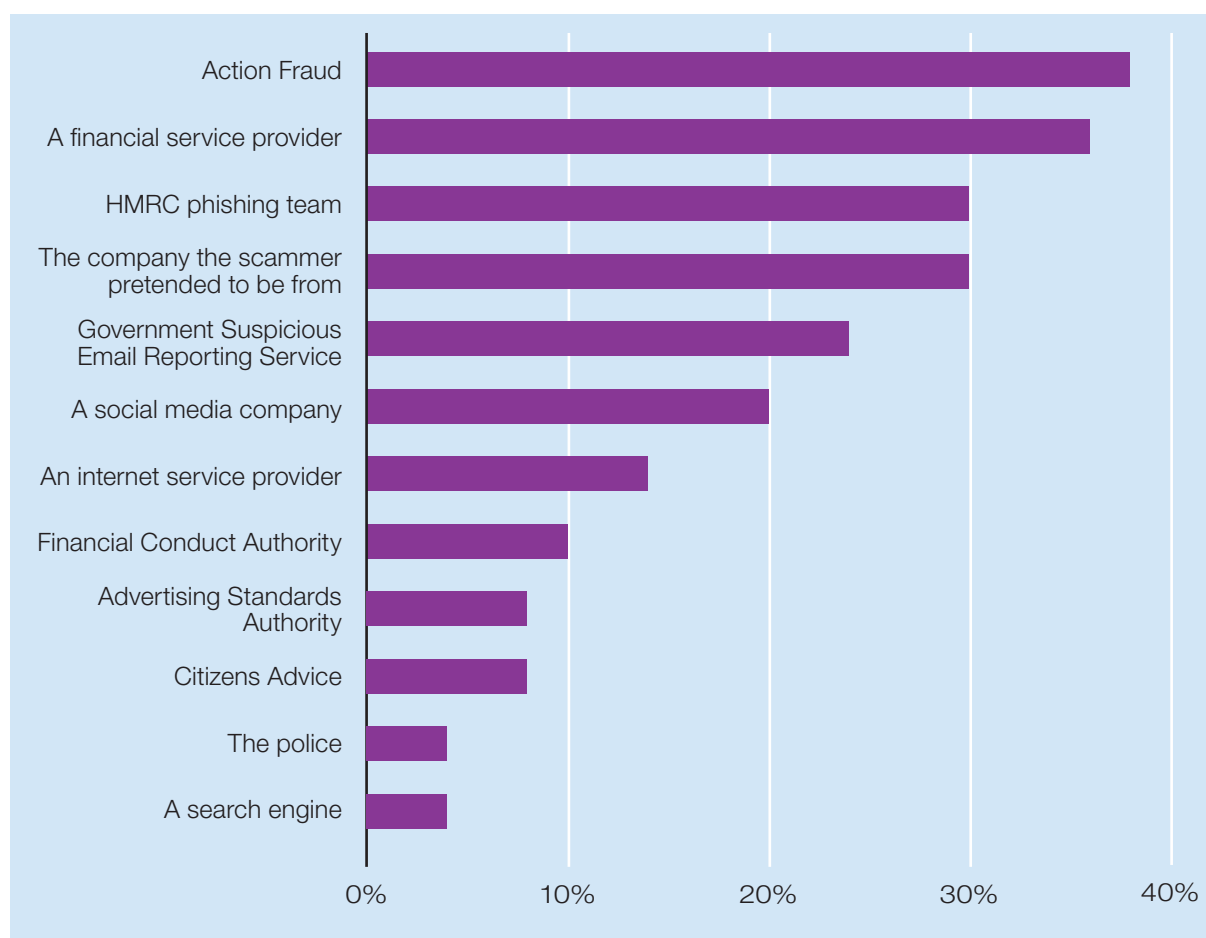
Reporting behaviour

Rates of reporting for scams and fraud are often found to be low.⁴⁷ Our national polling found that over half (53%) of online scam victims have reported being scammed, and this rate was slightly higher for people who have experienced a mental health problem (60%).⁴⁸ From our Research Community survey, we found considerable variation in the organisations that respondents reported scams to, as Figure 4 illustrates. Action Fraud, the national reporting centre for fraud, was the authority most commonly reported to (38%), with a similar proportion (36%) of respondents reporting being scammed online to a financial services provider. Just three in ten (28%) victims had reported being scammed online to the police.

⁴⁷. Office for National Statistics. Nature of fraud and computer misuse in England and Wales: year ending March 2019. 2020. Chartered Trading Standards Institute. Stand Against Scams. 2016. Morse A. Online Fraud. National Audit Office. 2017.

⁴⁸. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

Figure 4: Percentage of Research Community respondents who reported to various authorities



Source: Money and Mental Health Survey of 340 people with lived experience of mental health problems. Base 50 people who have reported being scammed online to an organisation.

Mental health problems and reporting online scams

Reporting online scams can often be a long and difficult process. Having a mental health problem can make it even harder and sometimes leads to people not reporting at all. Among Research Community respondents who did report online scams, many described this as a difficult process, both practically and emotionally.

Not reporting

Four in ten (38%) people who have fallen victim to an online scam have never reported this.⁴⁹ Respondents to our Research Community survey gave a range of reasons for this, with poor mental health prominent among them.

Many people don't report being a victim of a scam because they don't know where to go.⁵⁰ There are several reporting options for different types of scam, and when feeling unwell it can be difficult to work

⁴⁹. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

⁵⁰. Couture X and Pardoe A. Changing the story on scams. Citizens Advice. 2017; Age UK. Applying the breaks: Slowing and stopping fraud against older people. 2018.

out where to report. Among Research Community respondents who didn't report falling victim, only 8% felt that it was easy to work out who to report to, while three quarters (73%) disagreed.⁵¹ At the national level, just four in ten (39%) polling respondents agreed that they know what to do if they lost money to an online scam, while three in ten (29%) disagreed.⁵²

Many Research Community respondents told us that they didn't report due to feeling ashamed and embarrassed about being scammed, or not thinking that reporting would make a difference.

"Wasn't sure who to report to, embarrassment, anger at myself that it was all my fault, no trust in anyone and that if I had reported it, would I be believed or would they think I was stupid in what I had done."

Expert by experience

People with a mental health problem can often struggle to seek help early. Avoidance is a common coping mechanism for people experiencing anxiety and the prospect of a long, complex reporting process can seem daunting or impossible for people who are experiencing low motivation as a result of their mental health. This means that many people with mental health problems miss out on redress and support that they are potentially due.

"No point, the energy it takes to report it is too much. If you are struggling with everyday life, you certainly don't have the energy to start thinking rationally to start making a complaint to anyone."

Expert by experience

Several respondents also described how a lack of action after reporting can lead them to not reporting in the future:

"I have reported them before and nothing happened anyway."

Expert by experience

Challenges while reporting

Once you have found out who to report to, the next steps can often be long and arduous. Just one in five (22%) Research Community respondents who had reported being scammed online felt that this was an easy process, while half (49%) disagreed.⁵³

Many Research Community respondents found it incredibly difficult to open up and tell someone about their experience of being scammed. Just one in five (18%) respondents felt supported when reporting, while over half (54%) disagreed.⁵⁴

⁵¹ Money and Mental Health Survey. Base for this question: 52 people with lived experience of mental health problems who have reported being scammed online to an organisation.

⁵² Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

⁵³ Money and Mental Health Survey. Base for this question: 51 people with lived experience of mental health problems who have reported being scammed online to an organisation.

⁵⁴ Money and Mental Health Survey. Base for this question: 50 people with lived experience of mental health problems who have reported being scammed online to an organisation.

"Police said no crime committed as I didn't give money away. Said I was foolish for trusting someone who lived in another country. Reported to scam sites at the time but wasn't worth the effort."

Expert by experience

Symptoms of mental health problems can make the process of reporting more difficult. Navigating different websites, knowing what information to provide, remembering details about the scam and speaking to strangers on the telephone can all be harder for those of us with a mental health problem.

"Constant mental tiredness means becoming easily confused and unable to process, interpret or relate information clearly and concisely. So reporting scams is also difficult, if not impossible."

Expert by experience

Those who have personally been scammed are not the only ones who can play a role in reporting. Internet users who have seen what they believe to be a scam use tools like the reporting service offered by the National Cyber Security Centre. But similar issues as those raised by people who have been a victim of a scam – finding the time, energy and information required to locate the relevant page on a website and complete a report – can mean reporting

is less straightforward than it could be. The design of reporting tools can also act as a brake on third-party reporting, with the emphasis primarily on those who have been directly negatively affected by a scam rather than preventative action.

The outcomes of reporting

Given the impact that being a victim of an online scam can have, it is essential that people are able to receive support and seek redress in a way that is accessible for their needs. This is often not the case, however, and having a bad experience of reporting can compound the harm done by losing out to a scam.

Poor outcomes

Among the few Research Community respondents who had reported losing money to an online scam, just 23% received all of their money back while nearly two-thirds (63%) did not get anything.⁵⁵ While reporting a scam does not always lead to redress, it can also lead to other benefits, such as scams being removed or support for victims.

This support could also provide an opportunity to inform those who have lost out on how they can protect themselves online. Among Research Community respondents who reported, less than half (46%) were given information on how to avoid scams in the future and just 6% were offered emotional support.⁵⁶

⁵⁵. Money and Mental Health Survey. Base for this question: 35 people with lived experience of mental health problems who have reported losing money to an online scam to an organisation.

⁵⁶. Money and Mental Health Survey. Base for this question: 50 people with lived experience of mental health problems who have reported being scammed online to an organisation.

The personal impact of reporting

Reliving being scammed, in order to report it, is often a painful experience for victims and can negatively impact people's mental health. This can be particularly harmful when victims feel embarrassed, only to be not taken seriously, or when they have a frustrating experience and are not able to recoup any losses.

"I told action fraud but as I didn't report it to the police at the time they couldn't do anything. I felt it was a waste of time reporting it. I didn't want them to do anything about my case, I wanted to stop it happening to someone else but they didn't understand that."

Expert by experience

Summary

- It can be difficult for people to report being a victim of an online scam, they often feel ashamed and embarrassed or will struggle to work out where to turn to.
- Common symptoms of mental health problems, such as avoidance and low energy levels, can make the reporting process harder.
- Many Research Community respondents who reported being scammed didn't feel they were supported through the process and few were able to recoup their financial losses.



Section four: Reducing harm caused by online scams

Online scams can be devastating for people with mental health problems. Victims are often left with financial and psychological scars, and many more feel unsafe and anxious in online spaces. Research Community respondents suggested a range of measures to reduce this harm, both through more effective prevention of online scams and by improving support for people with mental health problems who do fall victim.

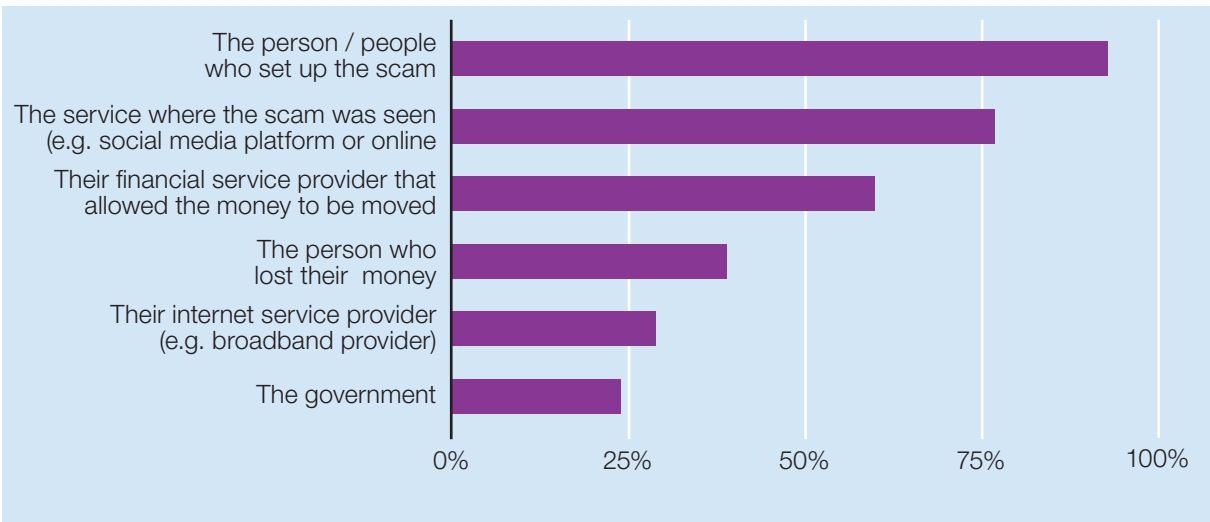
"I think a lot more should be done security wise to stop these people scamming people out of their money... we have had men on the moon, come on and let's get together to make it harder for thieves."

Expert by experience

Where does responsibility lie?

Respondents felt that a range of services held some responsibility for facilitating online scams, and some recognised that no single actor had the power to solve this problem. This included the online space where the scam was seen, for instance a social media platform or shopping site. As Figure 5 shows, more than three-quarters (77%) of Research Community respondents felt that platforms where scams appear should be considered responsible. Six in ten (60%) respondents felt that financial service providers were responsible and three in ten (29%) felt that internet service providers were.

Figure 5: Percentage of Research Community respondents who think the following should be considered responsible for someone losing money to an online scam



Source: Money and Mental Health Survey of 340 people with lived experience of mental health problems. Base 292 people with lived experience of mental health problems.

However, there was a clear perception among our respondents that key services are not currently doing enough to keep their online spaces safe from scams. We asked Research Community respondents which of the actors in Figure 5, other than the scammer, should generally be considered most responsible for online scams. A clear majority of respondents (54%) felt that the service where the scam was seen bore the responsibility.⁵⁷

In our national polling, we also found a clear appetite for online services to do more to protect people with mental health problems from scams. Eight out of ten (81%) people think that online services should be required to prevent scams from appearing on their sites, and two-thirds (66%) agree that they should have to compensate users who fall victim to scams that appear on their sites.⁵⁸

“Big companies should take more responsibility to keep people safe and should be doing more to spot the scams before people are conned.”

Expert by experience

While it is important that online service platforms take more responsibility, there is a crucial role for government to minimise the risk that people with mental health problems are scammed when using the internet. The government has taken some steps in this direction, including plans to introduce a new regulator to protect people from harmful content and activity online, although this will not include a focus on

online scams.⁵⁹ Through the Competition and Markets Authority (CMA), it has also developed a strategy for ensuring competition, innovation and consumer protection in digital markets,⁶⁰ which includes a specific focus on online advertising platforms.⁶¹

But beyond these limited efforts, protection from online scams remains a gaping hole in the existing and planned regulatory framework. Online scams cause significant harm, with vulnerable people disproportionately affected. With our dependence on the internet only likely to increase, and the huge numbers of people who have been scammed since the start of the pandemic evidence of the damage that can be done, this problem unfortunately only seems likely to grow. Despite this, the proposed new regulation around online harms fails to address this urgent issue head-on.

Drawing on the experiences of people with mental health problems, we have identified a range of actions that firms and government could take to reduce the harm caused by online scams. While it is unlikely that internet users can be entirely protected from scams, much more could be done to help make online spaces safer for all of us, especially people with mental health problems. These actions can be grouped into four key areas:

- Raising awareness
- Prevention
- Reporting
- Redress.

57. Money and Mental Health Survey. Base for this question: 271 people with lived experience of mental health problems.

58. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

59. HM Government. Online Harms White Paper. 2019.

60. Digital Markets Taskforce. Digital markets taskforce: terms of reference. 2020.

61. Competition and Markets Authority. Online platforms and digital advertising: Markets study final report. 2020.

Raising awareness

People with mental health problems often struggle to spot scams and, as a result, can feel unprepared and anxious online. Many of our Research Community respondents felt that providing people with information about how to identify and avoid scams could help address these feelings, and give people with mental health problems a better chance of protecting themselves.

"Honestly, I think education is key. The more you teach people how to be safe online, the more confident they will be about making those decisions when the situation arises"

Expert by experience

Respondents felt that campaigns seeking to raise awareness of online scams should include:

- Tips on spotting scams and staying safe online
- Examples of common scams
- Information about what to do if you become a victim, including how to report it and where to get support.

"Highlight who to report to. Create a 'check if this is a scam' checklist."

Expert by experience

Targeted campaigns

A range of online scams education and awareness campaigns do exist, such as UK Finance's Take Five to Stop Fraud and efforts led by Citizens Advice and the National Trading Standards. But the experience of our Research Community respondents suggests that many people with mental health problems are not currently being reached. Given people with mental health problems comprise the majority of those who are scammed online, campaigns should:

- Partner with mental health services or support charities to help direct their existing messages towards people with mental health problems
- Develop scam awareness content specifically for people with mental health problems, explaining how common symptoms can make us more vulnerable
- Run targeted advertising campaigns.

"Mental health agencies and charities could run an awareness campaign with a bigger profile about the problem."

Expert by experience

Raising awareness through online services

Research Community respondents saw an important role for online services, such as social media platforms, in educating internet users. Online services should prominently display information about the types of scams that may appear on their site and any reporting tools and support services that they offer. This simple step will make it easier for users with mental health problems to stay safe and will encourage reporting, helping services to more effectively tackle online scams on their platform.

"More information on Facebook... Facebook-sponsored ads telling people what to look out for. Google could also put something at the top of their search page telling you how to avoid scams."

Expert by experience

Online services and regulation

Online services like social media, retail sites and advertising platforms are vital pieces of infrastructure that many of us use every day. However, a large number of online scams appear on their sites, and there is currently no formal regulation to address this. While these services have a commercial incentive to prevent scams, and some positive steps have been taken,⁶² this has not succeeded in protecting vulnerable users from harm.

Nationally, there is a clear perception that online services could do more. Eight out of ten (81%) people think that online services should be required to prevent scams from appearing on their sites.⁶³

"Put the onus on sites accepting the adverts to ensure they are real."

Expert by experience

Prevention

While raising awareness of how to stay safe online could reduce the number of people with mental health problems affected by scams, helping people to spot common warning signs alone is insufficient. Scammers use sophisticated techniques and it can be difficult to avoid being drawn in when unwell. The single most effective way to reduce the harm done by scams is to prevent them from appearing in online spaces in the first place. As Figure 5 illustrated, a range of actors have a responsibility to do more. To make the internet a safer place for people with mental health problems, action is needed from websites, broadband providers and the government.

To help tackle scams, the government should introduce formal regulation of online services that allow people to sell things, advertise or share content. This regulation should require them to take greater action to prevent scams from appearing on their platforms. Compliance with this requirement should be closely monitored, a role that could be delivered through the proposed online harms regulator. As part of this regulation, services should be required to:

- Develop reliable and robust systems to prevent scams appearing on their platform. This could include vetting for adverts and promoted posts, and systems for identifying and blocking suspicious content.

⁶² Mason C. Martin Lewis, Citizens Advice and Facebook launch major initiatives to fight scam ads. Money Saving Expert. 2020. Accessed 12/11/20 - <https://www.moneysavingexpert.com/news/2019/07/martin-lewis--citizens-advice-and-facebook-launch-major-initiati/>.

⁶³ Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

- Act quickly when scams are identified, including by removing scam content, blocking users involved and removing similar content that appears elsewhere on the platform.
- Proactively warning users who may have been exposed to scams – for example users who have engaged with scam content on social media or bought from a seller who was later identified as a scammer.
- Report details of scams and scammers to the regulator, so that information can be shared and similar scams can be spotted elsewhere.

“Social media should definitely be more proactive in stopping scams at all, and removing them quickly so they don’t spread.”

Expert by experience

As part of a wider exploration of ads and their targeting, the Department of Digital, Culture, Media and Sport should use its upcoming consultation on online advertising to explicitly consider the harm done to vulnerable groups (including people with mental health problems) by fraudulent ads. It should also explore how regulation could help to reduce the number of such ads appearing online.

Internet service providers

Many people with mental health problems do not feel safe online, and it is important that internet service providers protect their customers from online scams. More than three quarters (77%) of polling respondents agree that internet service providers should do more to protect their customers from scam websites.⁶⁴

Internet service providers should step up efforts to protect their vulnerable customers and automatically block websites that are known to host scams. This approach could be particularly effective at thwarting imitation scams, where adverts or emails direct users to a landing page that is designed to look like a bank or other legitimate service. Providers should regularly update their list of blocked websites to keep pace with scammers and, to ensure consistent protection, should build on existing models for sharing threat intelligence across the sector and work closely with the National Cyber Security Centre and industry bodies.

“Internet providers should have a filter to fish out fake websites, and be able to shut them down automatically”

Expert by experience

Relatively few customers are likely to object to scam websites being automatically blocked, but customers should be allowed to opt-out of this service if they wish, as long as they are warned about the risks beforehand.

Reporting

Efforts to prevent online scams will never be perfect. This means effective reporting systems are essential to ensure that scams are caught and removed as quickly as possible. Reporting can also be a vital path to support for victims of scams. It is important that reporting is a straightforward and accessible task that leads to effective solutions. If scams are not reported, whether because the victim struggled to report or had a bad previous experience, then they can go on and leave someone else at risk.

⁶⁴. Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.

Designing reporting tools

While reporting can be beneficial, many people with mental health problems who are victims of online scams do not currently take this step. To lower the barriers to reporting, all online services that allow people to sell things, advertise or share content should provide a simple scam reporting tool that is designed to be supportive and accessible for vulnerable users.

To achieve this, these online services should:

- Involve people with mental health problems in the design and testing of reporting tools.
- Clearly signpost users to support services, including Victim Support and other reporting services that may be able to help.
- Provide information at the start of reporting processes to manage users' expectations. Simple information about what users will need, what sort of questions will be asked and how long the process will likely take can significantly reduce anxiety and help people with mental health problems to prepare themselves for reporting.
- Use simple language throughout and explain any technical terms that are required.
- Recognise that reliving being scammed, in order to report it, can be a traumatic experience. Do not ask users to repeat their story unnecessarily, acknowledge that sharing it can be difficult and thank them for reporting. Making it straightforward for people who have seen what they suspect to be a scam to report, without requiring them to have lost money or personal information in order to raise a flag, would also help spread the burden of reporting beyond those most directly affected.

- Offer a variety of ways for users to report. Mental health problems can profoundly affect our communication needs; some people struggle with phone phobia, while others mistrust digital channels or in-person contact.
- Adopt a 'safety first' approach to content flagged as a scam, for instance instantly freezing or removing flagged content, until it is reviewed. The perception that reporting tools are ineffective is a key driver of under-reporting, so strong tools should encourage greater user policing of online spaces.

"[Social media companies'] reporting schemes are not remotely fit for purpose – I don't think anything I've reported has ever been removed, and when others have got scams removed, it's taken ages to do so."

Expert by experience

These design principles also apply to reporting tools elsewhere, for example for financial services providers or agencies such as Action Fraud.

Redress

In most major consumer markets, there is a formal redress system and an expert, independent service to resolve disputes between consumer and provider, ensuring that fair outcomes are reached. However, key online services like social media sites and search engines aren't covered by existing redress systems, so there is no straightforward way for people with mental health problems to claim compensation for the role these services play in facilitating online scams. Nationally, two-thirds (66%) of people agree that online

services should have to compensate users who fall victim to scams that appear on their sites, with just one in twenty (6%) disagreeing.⁶⁵

"[There should be] a fund where people can reclaim their losses easily, preferably paid for by the hosts of the scammers ads. This might make social media platforms more choosy in who they allow to advertise."

Expert by experience

Alongside regulation of online services, the government should create a formal redress system to compensate users who have been harmed by services falling short of their regulatory duties, with an independent ombudsman to manage disputes.

This redress system should:

- Give the ombudsman statutory powers and sufficient resources to ensure that services, including large multinationals, cooperate with disputes and comply with its decisions.
- Compensate users for both psychological and financial harm. Psychological harm that aggravates or causes mental health problems should be considered severe and compensated accordingly.
- Consider user vulnerability, including the impact of mental health problems, when assessing responsibility and redress. Mental health problems can make it harder to identify and avoid scams, and this should be reflected in decisions about redress.

- Provide collective redress. When a service has not taken sufficient care and this has resulted in a number of users falling victim to a scam, then the class should be compensated. This would make a significant difference for people with mental health problems, who can find it harder to proactively seek help and often miss out on redress when individual action is required.

Conclusion

Online scams are a large and growing threat that has infested many busy, important online spaces. While anyone can fall victim, people with mental health problems are at particular risk and can suffer more as a result of scams. No one actor has the ability or responsibility to tackle this problem, but a range of actors have a part to play to improve scam prevention and ensure that victims are supported appropriately.

Our series of reports on online harms has identified some of the risks people with mental health problems face online. Though these have covered diverse areas – gambling, retail and scams – a number of recurring themes have emerged. Issues such as a lack of friction in transactions, how services are advertised, and tools and techniques designed to pressure us into decisions crop up in a variety of online spaces. In part, these concerns have gone relatively unchecked and underexamined, with current regulation either lacking or poorly matched to online environments. In our final report, we will explore these recurring problems and the question of regulation, setting out steps that should help to make the internet a safer place for everyone, but particularly those of us with mental health problems.

⁶⁵ Money and Mental Health analysis of Opinium online survey of 2,000 people, carried out 25-28 August 2020. Data is weighted to be nationally representative.



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