A background photograph of a middle-aged man with grey hair and a mustache, wearing a light blue button-down shirt. He is looking down at a document he is holding in his hands. The background is a blurred indoor setting with large windows.

A Moment's Notice: Recognizing the Stressful Life Events, Emotions, and Actions that Make Us Susceptible to Scams

An AARP National Fraud Frontiers Report: Spotlight on Hispanic Americans

Table of Contents

Spotlight on Hispanic Americans	3
Part One: How Much Fraud Is Out There?	6
Part Two: What Makes Us Susceptible to Fraud?	10
Part Three: Which Protective Factors Might Impact Our Susceptibility to Fraud?	22
Part Four: Which Risk Factors Best Predict Fraud Susceptibility?	27
Appendix	35

SPOTLIGHT ON HISPANIC AMERICANS

Spotlight on Hispanic Americans

Technology and business sophistication have moved scam operations from the hands of small-time crooks into a booming, multibillion-dollar transnational industry. The growth in the industry underlies the growth in fraud reports, which have skyrocketed since the wake of the global pandemic in 2020.

AARP partnered with NORC from the University of Chicago to determine how many U.S. adults lose money to scams each year and whether there are particular risk factors that may increase fraud susceptibility. This report presents findings on 704 Hispanic/Latino adults ages 18+ (hereafter simply referred to as Hispanic adults). Among them, 160 were fraud victims.*

**Throughout this report, the term “victims” refers to persons who experienced a financial loss (i.e., spent money) as a result of a scam encounter*

Spotlight on Hispanic Americans

Findings show that nearly nine in 10 Hispanic adults (37.2 million people) encountered a fraud attempt and that one in five (8.1 million people) lost money to a scam in 2020 alone. Although anyone can experience a scam—regardless of education, age, race, or ethnicity—the study uncovered specific environmental and emotional factors that were common among Hispanic fraud victims. These include:

Stressful Life Events – Fraud victims experienced nearly twice as many stressful life events, such as death of a family member, loss of a job, or feeling lonely, prior to encountering fraud as non-victims. In fact, victims were more likely than non-victims to experience all but two of the 17 stressors assessed (e.g., recently experienced the death of a family member and was bored) (see Chart 5).

Less Social and Family Support – Fraud victims reported significantly less family support and closeness than non-victims.

Stronger Emotions – Victims reported significantly stronger emotional responses during fraud encounters than non-victims. These emotions were both positive and negative and led to more victims feeling out of control.

Targeted by Scammers – On average, fraud victims reported 53% more fraud encounters than non-victims.

Together, these dominant risk factors create what researchers call “vulnerable moments” in which targets are more susceptible to criminal tactics that focus on a person’s emotional triggers, recent challenges, and sense of isolation to achieve their theft. The implications of these learnings are many, including suggesting new approaches to informing the public about ways to prevent fraud.

HOW MUCH FRAUD IS OUT THERE?

How Much Fraud Is Out There?

This study asked Hispanic respondents to report whether they had encountered any of 26 scam situations, which a panel of fraud experts identified as common scams in the marketplace. They also were asked whether they spent money in response to any of these encounters. This provided researchers with the ability to quantify the incidence of fraud experiences among Hispanic adults ages 18+ and to identify the most common scams they are encountering (see Table 1).

Table 1: Incidence of Scam Encounters and Resulting Financial Losses, Hispanic Adults 18+

Total Number of Hispanic Adults	Percentage of U.S. Adult Population	Experienced at Least One Scam Encounter			Experienced A Financial Loss (Among Those Encountering a Scam)		
		Total Number of Hispanic Adults	Percentage of Hispanic Adult Population	Percentage of U.S. Adult Population	Total Number of Hispanic Adults	Percentage of Hispanic Adult Population	Percentage of U.S. Adult Population
42,014,609	16.7%	37,151,632	88.4%	14.7%	8,089,563	19.3%	3.2%

Top Scams Reported

In addition to estimating the percentage of the U.S. Hispanic adult population who lost money to a scam, this study asked about the 26 most prevalent types of scams that were encountered in the past year. Notably, car warranty scams were, by far, the most prevalent scam encountered by Hispanic adults, with 27 million (65%) reporting having encountered the scam in the past year (see Table 2). This is followed by scams claiming to help their targets eliminate credit card debt (43%) and Social Security scams (42%). Interestingly, car warranty scams were also one of the top three scams that resulted in a financial loss.

27 million Hispanic adults encountered a car warranty scam in the past year.

How Much Fraud Is Out There?

Table 2: Incidence of Scam Encounters and Resulting Financial Losses, by Scam Type

Type of Scam*	% Encountering the Scam		% Experiencing a Financial Loss Due to the Scam	
Car Warranty	27,040,838	64.8%	2,742,188	6.6%
Eliminate Credit Card Debt	17,601,160	42.5%	1,333,291	3.2%
Social Security	17,311,842	41.7%	1,552,776	3.7%
Tech Support	17,153,649	41.3%	1,339,328	3.2%
IRS	16,779,611	40.3%	2,563,560	6.2%
Fake Job Offer	16,166,103	39.0%	1,021,239	2.4%
Student Loan	15,062,097	36.3%	997,695	2.4%
Weight Loss Products	14,614,783	35.2%	1,316,039	3.2%
Charity	14,379,777	34.6%	1,744,441	4.2%
Pain Relief Products	13,303,344	31.9%	1,571,412	3.8%
Lottery	13,261,277	31.8%	1,111,041	2.7%
Foreclosure	13,236,930	31.7%	921,764	2.2%
Phishing	13,151,555	31.9%	1,347,075	3.3%
Government Grant	12,740,764	30.5%	1,899,645	4.5%
Business Opportunity	10,106,611	24.3%	506,762	1.2%
Investment	10,064,048	24.1%	446,185	1.1%
COVID PPE	8,241,542	19.8%	1,212,189	2.9%
Romance	7,919,166	19.0%	1,322,568	3.2%
Timeshare Resale	7,126,003	17.1%	853,661	2.1%
Anti-Memory Loss Products	6,807,867	16.4%	317,780	0.8%
COVID Vaccine	6,383,613	15.5%	766,305	1.9%
Grandparent	6,082,392	14.5%	759,136	1.8%
Jury Duty	5,565,933	13.4%	1,246,389	3.0%
Anti-aging Products	4,946,899	11.9%	455,944	1.1%
Miracle Medical Cure Products	4,461,814	10.7%	628,799	1.5%
Notario	4,232,024	10.2%	1,242,421	3.0%

*See Appendix A for a detailed description of scam scenarios.

How Much Fraud Is Out There?

The Most Successful Scams in the Past Year

While Table 2 shows the percentage of Hispanic adults who lost money to a given scam, this study also identified the scams that had the most success in convincing their targets to spend money.** The findings show that Notario scams were the most successful, with nearly three in 10 (29%) Hispanic adults experiencing a financial loss resulting from their encounter with the scam. Additionally, Jury Duty (22%), Romance (17%), IRS (15%), and Government Grant (15%) scams were among the top five most successful scams in which financial losses occurred. Although we cannot say for sure why these scams were the most successful, we suspect that it is largely due to the tactics used by the scammer and the life events that their targets were experiencing at the time of their encounter.

Chart 1: Top 10 most successful scams impacting Hispanic adults
In the past year

***To determine the relative success of a scam, each percentage was calculated by dividing the total number of adults who indicated spending money due to the scam by the total number of adults encountering the scam.*

WHAT MAKES US SUSCEPTIBLE TO FRAUD?

What Makes Us Susceptible to Fraud?

The Fraud Frontiers Study examined differences between Hispanic fraud victims and non-victims by posing an extensive series of questions about their living situation, their psychological attitudes, consumer behavior, and their emotional reaction to encountering fraud, and how that might have impacted their ability to resist. What emerged were three meta-factors that put us most at risk: emotion, environment, and exposure.

Emotion: The Impact of Emotional Arousal and Feelings of Control on Fraud Susceptibility

One of the most important areas explored in this study was the role that scammer's manipulation of consumers' emotions plays in fraud susceptibility. Keeping victims off-balance, under the ether and out of control is a strategy almost all scammers employ because it can render our cognitive powers temporarily useless.ⁱ At such moments, it doesn't matter how much intelligence, education or success one has because the scammer has moved us away from logic to the point where our emotions are in charge. This may explain in part why it has been so difficult to find a single set of demographic characteristics that predict victimization. What victims may have in common is that they are simply human and therefore susceptible to temporarily allowing their emotions to get the better of them.

In the present study, Hispanic respondents were asked, "To what extent did you feel any of the following emotions during your encounter?" Respondents were then given a list of 10 emotions to choose from such as happy, excited, worried, or overwhelmed during their most recent scam encounter. The working hypothesis underlying this question was that victims would report experiencing more and stronger emotions during fraud encounters than non-victims, who were able to resist.

What Makes Us Susceptible to Fraud?

In fact, that is precisely what the data revealed. Far more victims than non-victims said they felt heightened emotions during the fraud encounter, including feelings of anger and doubt (see Chart 2).

Chart 2: Percent feeling the following emotions somewhat or a lot
During the scam encounter

It is important to note that victims experienced significantly more of both positive and negative emotions compared to non-victims (see Table 3). This finding is consistent with the Stanford study of heightened emotions and fraud,ⁱⁱ which found that both negative and positive heightened emotions led to sub-optimal decision-making when confronted with malicious content.

Table 3: Average Number of Emotions Experienced During a Fraud Encounter

	Victims (n=160)	Non-Victims (n=544)
Among the 5 Positive Emotions	3.44	0.82
Among the 5 Negative Emotions	3.88	2.20

What Makes Us Susceptible to Fraud?

In addition to self-reported emotions, respondents were also asked questions designed to get them to reflect on how they make decisions when in a heightened emotional state in general. Two of the questions related to positive emotional states (i.e., “I tend to lose control when I am in a great mood” and “I tend to act without thinking when I am excited”), and two of the questions related to negative emotional states (i.e., “When I am upset, I often act without thinking,” and “When I feel bad, I will often do things I later regret in order to feel better now”). More victims reported they are likely to make decisions without thinking or that they later regret when they are in a heightened emotional state, whether that emotional state is positive or negative (see Chart 3).

Chart 3: Making decisions under heightened emotions

Percent who somewhat or strongly agree

The survey also included the Arousal Predisposition Scale (APS), which is a peer-reviewed personality assessment designed to measure emotional arousability. The higher the score, the greater the emotional arousability of the respondent. This personality measure was included in the study to determine if victims had more of a predisposition towards emotional arousability than non-victims, which might increase their susceptibility to losing money to scams.

What Makes Us Susceptible to Fraud?

Although no statistical difference was found on average scores between victims (31.9) and non-victims (31.9) on the Arousal Predisposition Scale:

- Victims (27%) were more likely than non-victims (18%) to say their mood is quickly influenced by entering new places (see Chart 4).
- Victims (30%) were twice as likely as non-victims (23%) to say strong emotions frequently carry over for one or two hours after they leave the situation that caused them.
- Victims (25%) were more likely than non-victims (20%) to say they startle easily.

Chart 4: Predisposition to emotional arousability

Percent who say the statement frequently, almost always, or always describes their behavior

What Makes Us Susceptible to Fraud?

Environment: The Impact of Stressful Life Events on Fraud Susceptibility

Previous research has shown that one's environment can have a powerful impact on fraud susceptibility. For example, studies have found a correlation between fraud victimization and stressful life events.ⁱⁱⁱ The Fraud Frontiers Study data replicated this finding in a powerful way. Respondents were presented with 17 stressful life events such as illness, death of a loved one, loss of a job, and loneliness, and were asked to indicate all of the events they had experienced in the past 12 months (see Chart 5). Victims reported experiencing nearly twice as many stressful life events (4.5) on average as non-victims (2.4). Most notably, victims were significantly more likely than non-victims to report experiencing a great deal of stress, feeling lonely, and managing more debt than they were comfortable with or could manage around the time of their fraud encounter.

What Makes Us Susceptible to Fraud?

Chart 5: Stressful life events experienced

Around the time of the scam encounter

What Makes Us Susceptible to Fraud?

Another set of important environmental factors that can impact susceptibility to fraud is health and finances.

- The survey found more victims (36%) reported being very worried about the coronavirus pandemic than non-victims (27%).

In addition, when asked about their changing financial situation, more victims reported a decline in their financial situation than non-victims:

- More victims (46%) reported that their financial situation has *gotten worse* since the coronavirus pandemic started in January 2020 than non-victims (36%).
- Victims (40%) were nearly twice as likely as non-victims (27%) to report that they were managing more debt than they were comfortable with or could manage during the time of their fraud encounter.

What Makes Us Susceptible to Fraud?

Exposure: The Impact of Certain Actions on Exposure to Scams

As part of the Fraud Frontiers Study, all respondents were asked to report the total number of fraud encounters they had in the previous 12 months. Victims (11.5) reported having encountered 53% more fraud attacks, on average, compared to non-victims (7.5) (see Chart 6).

Chart 6: Average number of fraudulent scenarios encountered
In the past 12 months

There could be several explanations for why victims experienced more scam encounters compared to non-victims. One explanation is that once a person has responded to a scam, they are placed on lead lists that guarantee more calls from other scammers. Another possible explanation may lie in the fact that victims are more open to sales situations compared to non-victims. The Fraud Frontiers Study asked respondents a series of questions to measure their openness to various sales situations like watching the home shopping channel, entering free drawings, listening to telemarketers, and opening and reading junk mail. Respondents also were asked questions about their purchasing behavior, such as the frequency with which they purchased products from previously unknown sellers or in response to TV ads or popup solicitations. The result was that victims were significantly more open than non-victims to most of the sales situations they were asked to respond to in the survey and engaged in more activities that could result in a scam experience (see Chart 7).

What Makes Us Susceptible to Fraud?

Chart 7: Percent doing the following sometimes or frequently
Consumer activities that may increase susceptibility to fraud

What Makes Us Susceptible to Fraud?

Risk-Taking and Sensation-Seeking

Respondents were also asked a series of questions designed to quantify attitudes toward risk-taking and what social psychologist Marvin Zuckerman termed “sensation-seeking,” the extent to which some people engage in activities just for excitement or to have new experiences. The sensation-seeking scale was originally developed as a measure to predict risk-taking and substance abuse among teenagers and young adults,^{iv} but it has since been applied to many other populations. More recently, neuroscientists have used the sensation-seeking scale and functional magnetic resonance imaging (fMRI) technology to show that individuals who score high on sensation-seeking are also more likely to activate the emotion centers of the brain when presented with stimuli.^v

The results from this study showed that victims were significantly more likely than non-victims to agree with three of the statements from the scale: “I enjoy taking risks,” “I like to have new and exciting experiences, even if they are a little frightening, unconventional, or illegal,” and “I prefer friends who are excitingly unpredictable” (see Chart 8). There were no statistically significant differences, however, between victims and non-victims for the statement “I like doing things just for the thrill of it.”

Chart 8: Attitudes toward risk-taking and seeking exciting adventures

Percent who somewhat or strongly agree

What Makes Us Susceptible to Fraud?

These findings, combined with respondent attitudes toward openness to the marketplace and activities that could lead to scams, may explain in part why victims reported experiencing so many more fraud encounters than non-victims.

Other Risk Factors

In addition to the three E's (Emotion, Environment, and Exposure), the Fraud Frontiers Study also looked at several potential socioeconomic and demographic risk factors. Among Hispanic adults, the findings show:

- More victims (64%) had a high school diploma or less education than non-victims (52%)
- More victims (81%) had a household income of less than \$50,000 than non-victims (63%)
- More victims (11%) live alone than non-victims (5%)
- Hispanic adults (22%) were as likely as Black adults (22%)—and twice as likely as Non-Hispanic White adults—to have lost money to fraud.

These factors, however, may serve as proxies for actual underlying risk factors. In Part Four, What Risk Factors Best Predict Fraud Susceptibility, there will be a description of statistical tests that were run to determine which of the various risk factors were most influential in predicting financial loss due to a scam among Hispanic adults.

WHICH PROTECTIVE FACTORS MIGHT IMPACT OUR SUSCEPTIBILITY TO FRAUD?

Which Protective Factors Might Impact Our Susceptibility to Fraud?

The Fraud Frontiers Study addressed four key areas of protective factors that limit the likelihood of a scam's success: family support networks; social support networks; technology protections like using a password manager, call blocking services, and identity theft monitoring services; and consumer education.

Family Support Networks

Hispanic respondents were asked a series of questions about the extent to which they have family members whom they can rely on to get advice and support as a preventative tool. The findings show that victims were less likely than non-victims to say that their family takes time to listen to each other and that their family pulls together when things are stressful (see Chart 9).

Chart 9: Level of family support

Percent stating frequently, almost always, or always

Which Protective Factors Might Impact Our Susceptibility to Fraud?

Social Support Networks

The study pursued a similar line of reasoning in asking questions about the levels of social support experienced by victims and non-victims. Six different aspects of social support were included in the survey: knowing where to go for help with finding a job, when they are confronting a financial challenge, when they have food or housing needs, having others who will listen to their problems, and having others to talk to when they are lonely or undergoing a crisis.

Victims had a similar response as non-victims in three aspects of social support. However, victims (74%) were less likely than non-victims (83%) to say that, in the event of a crisis, they would have others they could talk to; and victims were more likely than non-victims to say that they wouldn't know where to go for help if they had financial challenges (39% vs. 31%) or needed help finding a job (46% vs. 29%) (see Chart 10).

Chart 10: Level of social support
Percent who somewhat or strongly agree

**Responses were reverse coded. The lower the percentage agreeing, the higher the level of social support.*

Which Protective Factors Might Impact Our Susceptibility to Fraud?

Other Protective Factors

Respondents were asked about other protective factors to learn whether they may have helped to guard against fraudulent attacks. Specifically, eight questions were asked:

- Are they signed up for the National Do Not Call Registry?
- Do they subscribe to an ID theft monitoring service?
- Have they frozen their credit?
- Do they use a robocall blocking service?
- Do they have any protective software installed or enabled on their devices or computers?
- Do they use a passcode, password, facial identification, or fingerprint recognition to unlock their devices or computers?
- Do they use a password manager to store and manage their online passwords?
- Do they use a distinctly different password for each of their online accounts?

The theory underlying these questions is that victims would have taken fewer precautions when it comes to basic technology protections than non-victims. However, there was only one area in which fewer victims reported taking a precaution than non-victims (i.e., having protective software installed or enabled on their computers or devices). In contrast, victims were more likely than non-victims to use a distinctly different password for each of their online accounts, use a robocall blocking service, and have a credit freeze on their credit accounts (see Chart 11). It is important to note, however, that the survey did not delineate between taking protective actions before a fraud encounter versus after a fraud encounter. It may be that more victims took protective actions than non-victims because they had already been victimized, which motivated them to take actions to avoid future victimization.

Which Protective Factors Might Impact Our Susceptibility to Fraud?

Chart 11: Percent using the following protective measures

WHICH RISK FACTORS BEST PREDICT FRAUD SUSCEPTIBILITY?

Which Risk Factors Best Predict Fraud Susceptibility?

To better understand which of the nearly 40 variables assessed in this study best predicts fraud susceptibility among Hispanic adults, a logistic regression analysis was run (see Appendix B for a statistical summary.) The findings show that socioeconomic variables like age, income and education, while numerically different in some instances, were not significant predictors in the regression.

The top four risk factors that predict fraud susceptibility among Hispanic adults all centered on the emotions and feelings they experienced during the fraud encounter:

1. Positive emotions felt during the fraud encounter such as happy, hopeful, excited, adventurous and/or lucky
2. Negative emotions felt during the fraud encounter such as worried, overwhelmed, intimidated and/or angry
3. Feeling out of control during the fraud encounter
4. Feeling doubtful during the fraud encounter

The strongest predictor was heightened positive emotions during the fraud encounter. On average, victims (3.4) reported significantly more positive emotions during their encounter than non-victims (0.8). Heightened negative emotions during the fraud encounter was the second most predictive variable, with victims (3.9), on average, experiencing more negative emotions than non-victims (2.2) as well. Feeling out of control was the third top predictor. Victims (35%) were three times more likely than non-victims (11%) to express feeling out of control during their fraud encounter. Finally, feeling doubtful, was the fourth top predictor. Although, half (51%) of non-victims reported feeling a lot of doubt during their fraud encounter, only a quarter (26%) of victims did. This makes sense given that doubt indicates some level of suspicion that could likely lead to resistance.

Notably, the fact that positive emotions, negative emotions, and feeling out of control represent three of the top four influences of fraud susceptibility among Hispanic adults reinforces that emotional arousability is a critical variable driving whether one loses money or can resist a fraud encounter.

Which Risk Factors Best Predict Fraud Susceptibility?

Conclusion

The AARP Fraud Frontiers Study found that over 6 million Hispanic adults (19% of the Hispanic adult population) lost money to fraud in 2020. The enormity of the fraud problem has given rise to the need to critically address and understand when and why some people are more susceptible to fraud. The result of this research was the identification of several key factors that predict fraud susceptibility among Hispanic adults.

Emotional Arousability – The regression analysis that evaluates the relationship between risk variables found that the most influential risk factor among Hispanic respondents was related to the respondents' experience of strong positive emotions at the time of the fraud encounter. Other study findings showed that victims were more likely to say they make decisions they later regret when in a heightened emotional state. Combine these findings with anecdotal evidence from scammers about the importance of getting victims into an emotional state and you have a strong case for the important role emotion plays in fraud victimization.

Environmental Factors – The study also found a strong correlation between changes in one's environment like coping with stressful life events and fraud victimization. This finding replicates several other studies that found a similar correlation.^{vi} The difference in the AARP Fraud Frontiers Study was the scope of the differences. On average, victims reported experiencing nearly twice as many stressful life events around the time of their encounter with a scammer. The implication for prevention is that individuals who find themselves in a stressful situation (whether it is the loss of a job, the death of a loved one, or coping with financial debt) need to pay particular attention to how that exposes them to fraud risk.

Which Risk Factors Best Predict Fraud Susceptibility?

Exposure – One of the fraud risk variables that emerged as a significant predictor of fraud susceptibility among Hispanic respondents was the number of encounters to which each respondent was exposed. Whether it is because some individuals are more open to listening to sales pitches or more likely to respond to computer pop-ups or spam emails, exposure is a key risk factor that needs to be addressed in prevention work moving forward.

Protective Factors – The study supports the hypothesis that family and social support systems, or the lack thereof, may have an influence on fraud susceptibility. Victims reported less support from their family and others compared to non-victims. Findings regarding other protective measures were somewhat mixed, with some victims more likely to take certain precautions like freezing credit, using robocall blocking, and ID theft monitoring services to avoid fraud. This could be due to a previous experience with fraud, potentially causing a “hardening of the target” as crime prevention practitioners have called it.

Which Risk Factors Best Predict Fraud Susceptibility?

Implications for This Study

1. Fraud prevention education should include building awareness of the role stress and emotional arousal play in fraud susceptibility.

These new findings have implications for fraud prevention programming in the future. In the past, we focused so much energy on providing cognitive tools for avoiding fraud: teaching persuasion tactics, offering checklists of things to investigate before buying, etc. However, very little has been done to increase the awareness that stressful life events and heightened emotions weaken our defenses to scams. Previous studies have shown that consumer education is a deterrent to victimization. We should develop new content that addresses these two key risk factors and teach consumers about the idea of the “susceptible moment.” This content could focus on the idea of “notice the moment” to raise awareness of the role our immediate environment and our reaction to it plays in fraud susceptibility. After all, the scammer’s goal is to knock us off that solid cognitive foundation and into the murky and unpredictable world of passion and emotional reactivity. It will be important to help consumers recognize the potential susceptibility that comes with emotional arousability, given the reality that a person’s emotional makeup isn’t something education is likely to change.

Which Risk Factors Best Predict Fraud Susceptibility?

2. Protective factors that limit exposure to scams should be encouraged.

Because Hispanic victims experienced 53% more fraud encounters than non-victims, we should encourage protective services that limit exposure to fraud such as: call blocking, credit freezes, online monitoring of accounts, password management, closing out online accounts not in use, etc. AARP should continue to look for opportunities to partner with companies or organizations that can help in this regard and should also redouble our efforts to police our own marketing and advertising to 38 million members to ensure that we are not unwittingly exposing them to malicious content.

In addition, developing an early warning system that can spot fraud when it first emerges in a community might help consumers resist malicious attempts. AARP hopes to work with the private sector to help develop such a system.

3. Social and family support systems can reduce fraud susceptibility.

One of the important findings of this study was the role that social isolation and a relative lack of social and family support may play in fraud victimization. The study found Hispanic victims reported more experiences of loneliness and less social and family support than non-victims. These data support years of anecdotal reports from fraud prevention experts that so many fraud victims were socially isolated when exposed to and victimized by fraud. We need to think creatively about ways to better connect with AARP members to reduce this risk factor.

Which Risk Factors Best Predict Fraud Susceptibility?

4. Continue the theme that fraud can happen to anyone.

This research shows that no one demographic characteristic is the primary source of fraud susceptibility. An individual can have a PhD in psychology, be a millionaire or a senior partner in a law firm and still lose money to scams. Yet there continues to be stereotypes and labels placed on many victims. AARP and fraud prevention professionals need to keep promoting the message that fraud can happen to anyone given the right scammer and the right moment in time because a) it's true and b) it requires everyone to be on guard to defend against such scams. If consumers think that older people, uneducated people, low-income people, or some select 'others' are the only ones susceptible to fraud, that may give them a false sense of security, which paradoxically can lead to greater susceptibility.

Which Risk Factors Best Predict Fraud Susceptibility?

About This Study

AARP commissioned NORC in July 2020 to examine rates of encounters and financial loss from 26 types of scams among a general population of U.S. adults ages 18 and older. The sample was selected from NORC's AmeriSpeak® Panel, a probability-based panel designed to be representative of the U.S. household population. Notably, the survey respondents were not informed that the 26 scams were "scams." Instead, they were described as "scenarios that are seen in the marketplace." Those indicating that they were exposed to one or more of the 26 scams met the initial screening criteria and were asked an additional set of questions. Additionally, those who indicated that they spent money as a result of the scenario were classified as having experienced a financial loss from a scam.

A total sample of 704 Hispanic adults were interviewed. Among the total sample, 160 experienced a financial loss from a scam during the past year and 544 did not experience a financial loss from a scam during the past year. Data collection for the study began on October 26, 2020 and continued through November 17, 2020. The survey was fielded in English and Spanish. The margin of sampling error for the Hispanic sample is +/- 6.16 percent. Weighting was calculated using panel base sampling weights to start. Panel weights are raked to external population totals associated with age, sex, education, race/Hispanic ethnicity, housing tenure, telephone status, and Census Division. The external population totals are obtained from the Current Population Survey. The weights adjusted to the external population totals are the final panel weights.

	Total		Non-Victim		Victim	
	Unweighted Count	Column N %	Unweighted Count	Column N %	Unweighted Count	Column N %
TOTAL	704	100%	544	100%	160	100%
Age 18-49	401	68%	306	67%	95	72%
Age 50+	303	32%	238	33%	65	28%

APPENDIX

Scam Scenarios Examined in This Study

1. **Car Warranty:** Someone contacts you and tells you that your car warranty is about to expire, and they can help you get a good deal on an extension of that warranty. They ask you to provide some personal information (e.g., credit card number, Social Security number, Driver's license number).
2. **Tech Support:** Someone contacts you saying there is a virus on your computer, or you have a software license that needs to be renewed and you need to act right away.
3. **Social Security:** Someone contacts you saying your Social Security number has been compromised or that you owe money and must act right away to straighten things out.
4. **Eliminate Credit Card Debt:** Someone contacts you or you see an advertisement about helping you get rid of thousands of dollars of credit card debt. The fee for their assistance, however, must be paid in advance.
5. **Fake Job Offer:** Someone contacts you or you see a job listing offering opportunities to work at home, be a mystery shopper, or some other "too good to be true" sounding job. The job usually involves paying an upfront fee – providing your credit card or bank account information.
6. **IRS:** Someone calls you on the phone saying they work for the IRS and that you owe the IRS money.
7. **Weight Loss Products:** Someone contacts you about a weight-loss product they guarantee will help you lose weight fast and still eat all you want.
8. **Charity:** Someone contacts you or you see an advertisement to donate money to a worthy cause (like supporting animal rescue, fighting homelessness, or providing aid after a high-profile disaster). They ask for donations to be in cash, by gift card, or by wiring money. You do not have a prior relationship with the charity.
9. **Student Loan:** Someone contacts you offering quick relief from your federal student loans or warning that the student loan forgiveness programs will end soon. To assist you, they may require that you pay an up-front fee, provide your Federal Student Aid ID and/or provide them permission to speak to your federal loan servicer on your behalf.
10. **Phishing:** Someone contacts you saying they are from your bank or another business with which you have a relationship stating there is something wrong with your account and asking you to provide personal information (e.g., date of birth, Social Security number, bank account information) to verify the account.
11. **Foreclosure:** Someone contacts you or you see an advertisement from a company stating they can reduce your mortgage payments. They may charge you a large up-front fee, tell you not to pay your mortgage, or request that you send your title or payments to them.
12. **Pain Relief Products:** Someone offers a product that is guaranteed to reduce the various pain you might have in shoulders, back, knees, etc. that you can buy without a prescription.
13. **Lottery:** Someone contacts you saying you won money from a lottery or some other type of prize, but you must pay taxes, a fee, or other money to receive the winnings or the prize.

Scam Scenarios Examined in This Study

14. **Government Grant:** Someone contacts you or you see an advertisement about “free government grants” worth thousands of dollars. To receive these grants or to determine your eligibility, you are asked to provide your bank account information (so they can deposit your grant directly into your account or cover a one-time processing fee). You are assured that you can get a refund if you are not satisfied.
15. **Business Opportunity:** Someone contacts you or you see an advertisement that offers to help you start your own business – offering high pay in a short period of time for very little effort. The products you would sell may be low-quality, cheap, or outdated merchandise.
16. **Investment:** Someone contacts you or you see an advertisement guaranteeing that you will receive a high rate of return on an investment--with little or no risk. This could be selling oil and gas, gold coins, real estate, deeds of trust, etc.
17. **COVID Personal Protection Equipment:** Someone contacts you or you see an advertisement about having access to free face masks or hand sanitizers to protect against the spread of the coronavirus.
18. **Timeshare Resale:** Someone contacts you saying they have a buyer who wants to purchase the expensive timeshare you no longer want; or you see an advertisement assuring they can sell it. They say all you need to do is send money to cover closing costs, taxes, and fees.
19. **Anti-Memory Loss Products:** Someone contacts you or you see an advertisement for a product that guarantees you will not lose your memory or get Alzheimer’s disease.
20. **Romance:** Someone contacts you on a dating site or app pretending to have romantic intentions to gain access to your money, credit cards, property, or identification information.
21. **COVID Vaccine:** Someone contacts you or you see an advertisement about a vaccine for the coronavirus that you can get or purchase.
22. **Anti-aging Products:** Someone contacts you about a revolutionary new medicine that they guarantee will add years to your life.
23. **Jury Duty:** Someone contacts you saying that you missed jury duty and there is a warrant out for your arrest. They tell you that, to avoid being arrested, you will need to pay a fine.
24. **Grandparent:** Someone contacts you pretending to be your grandchild or other family member -- or claims to represent your grandchild or family member (e.g., a lawyer or law enforcement agent). They ask you to send them money to help with an emergency, pay for bail, or pay an unexpected bill, etc.
25. **Miracle Medical Cure Products:** Someone contacts you about a product they guarantee will help you become cancer-free and will miraculously cure other ailments and diseases.
26. **Notario:** Someone contacts you or you see an advertisement that strongly implies they are a “notario” who is authorized to practice immigration law and can guarantee to help move your immigration papers forward for an upfront fee.

Logistic Regression Analysis Data

Hispanic Respondents (N=370)	B	S.E.	Wald	Df	Sig.	Exp(B)	95% C.I. for EXP(B)	
							Upper	Upper
Extent to which respondent felt one or more of the 5 positive emotions: happy, hopeful, excited, adventurous, and/or lucky during a scam encounter (Score range: 0-15)	1.078	0.183	34.704	1	0.000	2.940	2.054	4.209
Extent to which respondent felt one or more of 4 negative emotions (i.e., worried, overwhelmed, intimidated and/or angry) during a scam encounter (0-12)	0.535	0.241	4.922	1	0.027	1.707	1.064	2.738
Extent to which respondent felt out of control during the scam encounter (0-3)	0.493	0.212	5.403	1	0.020	1.637	1.080	2.481
Extent to which respondent felt doubtful during the scam encounter (0- not at all, 1- a little, 2- somewhat, 3- a lot)	-0.520	0.210	6.138	1	0.013	0.595	0.394	0.897
Survey Interview Language**: Spanish	2.681	0.808	11.025	1	0.001	14.604	3.000	71.096
Marital Status: Married/Partnered	.215	.648	.110	1	0.740	1.240	.348	4.419
Marital Status: Divorced/Separated/Widowed	-1.425	0.546	6.807	1	0.009	4.157	1.425	12.124
Marital Status: Never Married			9.422	2	0.009			
Constant	-1.666	0.254	42.869	1	0.000	0.189		

***Note: Most of the Hispanic respondents (92%) preferred to respond to the English-language survey; the remaining 8% preferred the Spanish-language survey.*

References and Endnotes

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ⁱ Lowenstein, 1996

ⁱⁱ Kircanski, 2018

ⁱⁱⁱ AARP, 2014, FTC, 2019

^{iv} Zuckerman, 1999

^v Joseph, 2009

^{vi} AARP, 2011, FTC, 2013, FTC 2019