**The State of Scams In Vietnam - 2023**

Chống Lừa đảo

GASA
Global Anti-Scam Alliance

# 70% of Vietnamese Fall Victim to Scams as US$16.2 Billion is Lost in 12 Months

In Vietnam, a nation characterized by its rich culture and a rapidly evolving digital landscape, the 2023 State of Scams in Vietnam report by the **Global Anti-Scam Alliance (GASA)** and **Chongluadao** unravels a pressing challenge intricately woven into the fabric of technology, trust, and resilience. Drawing insights from an extensive survey involving 1,063 Vietnamese participants, this report provides a comprehensive view of the complex network of scams affecting individuals across the country.

The demographic composition of the survey reveals a notable skew, with a higher participation of men, particularly in the 25–34 age group, who hold university degrees. An impactful 55% of Vietnamese respondents express confidence in their ability to recognize scams, while a modest 14% admit to lacking confidence entirely. Vietnamese citizens find themselves grappling with scams at an alarming frequency, as a staggering 70% report encountering scams at least once a month. The gravity of the situation is underscored by the distressing statistic that 49% have experienced an increase in scams over the past 12 months, emphasizing the pervasive and evolving nature of this issue.

Unsurprisingly, Facebook and Gmail emerge as the primary conduits for scams, with a substantial 71% of respondents encountering scams through these widely-used platforms. Following closely, Telegram (28%), Google (13%), and TikTok (13%) take the 3rd to 5th positions as the most exploited channels. Investment scams are revealed as the most prevalent, reported by 13% of respondents. Paradoxically, amidst the prevalence of scams, a significant 56% claim none occurred in the last 12 months, reporting an average of 0.8 scams per participant.

The impact of scams resonates deeply, particularly with identity theft (21%) and shopping scams (21%), leaving indelible imprints on victims. Heart-wrenching narratives vividly detail not only financial losses but also emotional distress, with some victims grappling with thoughts of suicide. The financial toll exacted by scams is substantial, with 29% of participants reporting monetary losses, averaging 17.7 million VND (US$734) per victim. Extrapolating these figures to the national scale reveals a staggering total loss of approximately 391.8 trillion VND (US$16.23 billion), constituting a significant 3.6% of the nation's GDP.

Recovery efforts prove to be an uphill battle, with a mere 1% of participants successfully regaining all lost funds. Alarmingly, a significant 66% opt not to report the scam to law enforcement, citing barriers such as uncertainty, complex reporting processes, and a perceived lack of importance. Emotions run high among victims, with a substantial 54% experiencing a (very) strong emotional impact. The reasons for falling victim vary, with 22% succumbing to attractive offers, while others are ensnared by uncertainties or impulsive actions.

Scam prevention measures include vigilant checks of contact phone numbers and seeking advice from anti-fraud groups on Facebook. However, the persistent obstacle remains uncertainty about whom to report to, indicating a critical need for clearer reporting mechanisms.

Sharing experiences with family and friends, local police, and online platforms like Chongluadao.vn is a common practice. Nevertheless, a notable 29% express dissatisfaction with the government's actions in combating scams, emphasizing the urgency for enhanced and more effective measures.
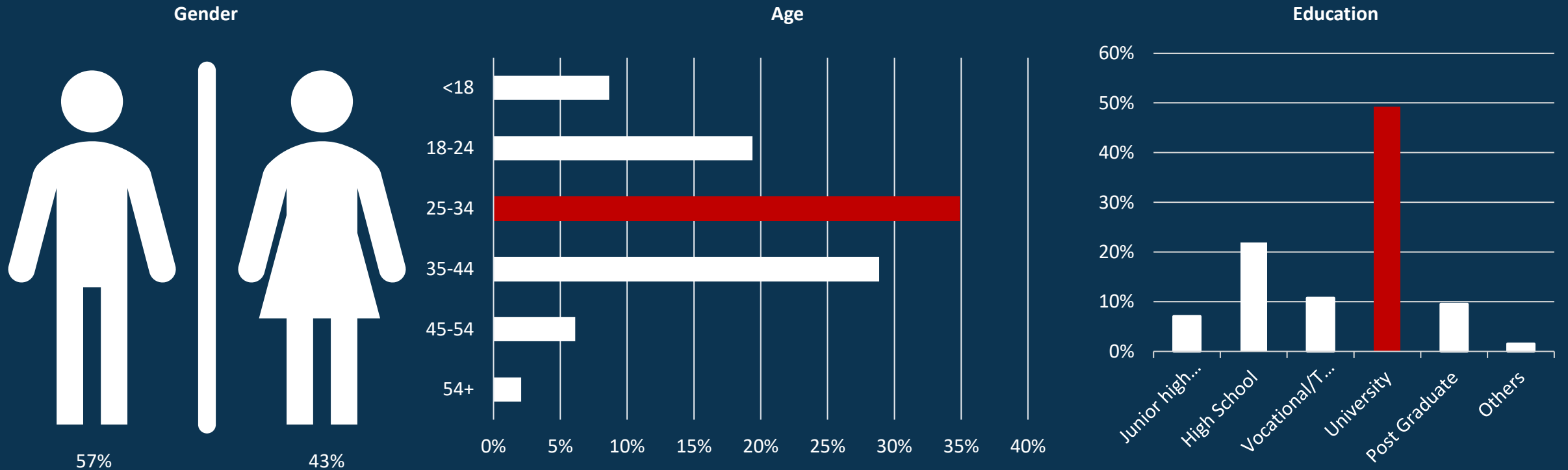
In conclusion, the 2023 State of Scams in Vietnam report serves as a powerful call to action, urging a unified response from the Vietnamese people. Heightened awareness, improved digital literacy, and streamlined reporting mechanisms are essential to navigate the challenges presented by an ever-evolving digital era.

The resilience and strength of the Vietnamese people play a pivotal role in adapting strategies to safeguard against scams and contribute to building a safer digital environment for all.

Jorij Abraham
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*Jorij Abraham*

# 1,063 Vietnamese participated in the survey

**Gender**

57%          43%

**Age**

| | |
|---|---|
| <18 | |
| 18-24 | |
| 25-34 | |
| 35-44 | |
| 45-54 | |
| 54+ | |

0%  5%  10%  15%  20%  25%  30%  35%  40%

**Education**

60%
50%
40%
30%
20%
10%
0%

Junior high...  High School  Vocational/T...  University  Post Graduate  Others

More men participated than women, mainly in the age group 25 – 34, with a University degree.

# 55% of Vietnamese are (very) confident that they can recognize scams



Respondents (%)

Not Confident at all
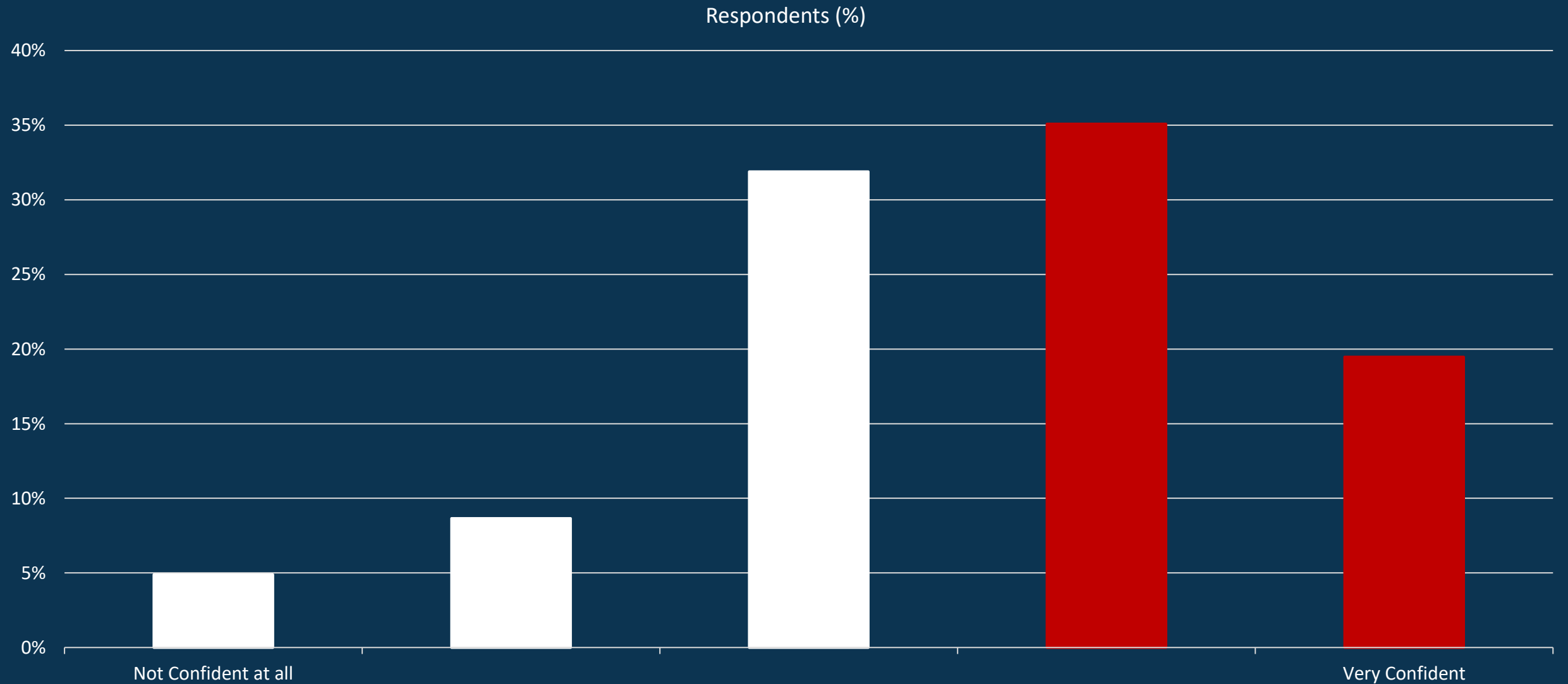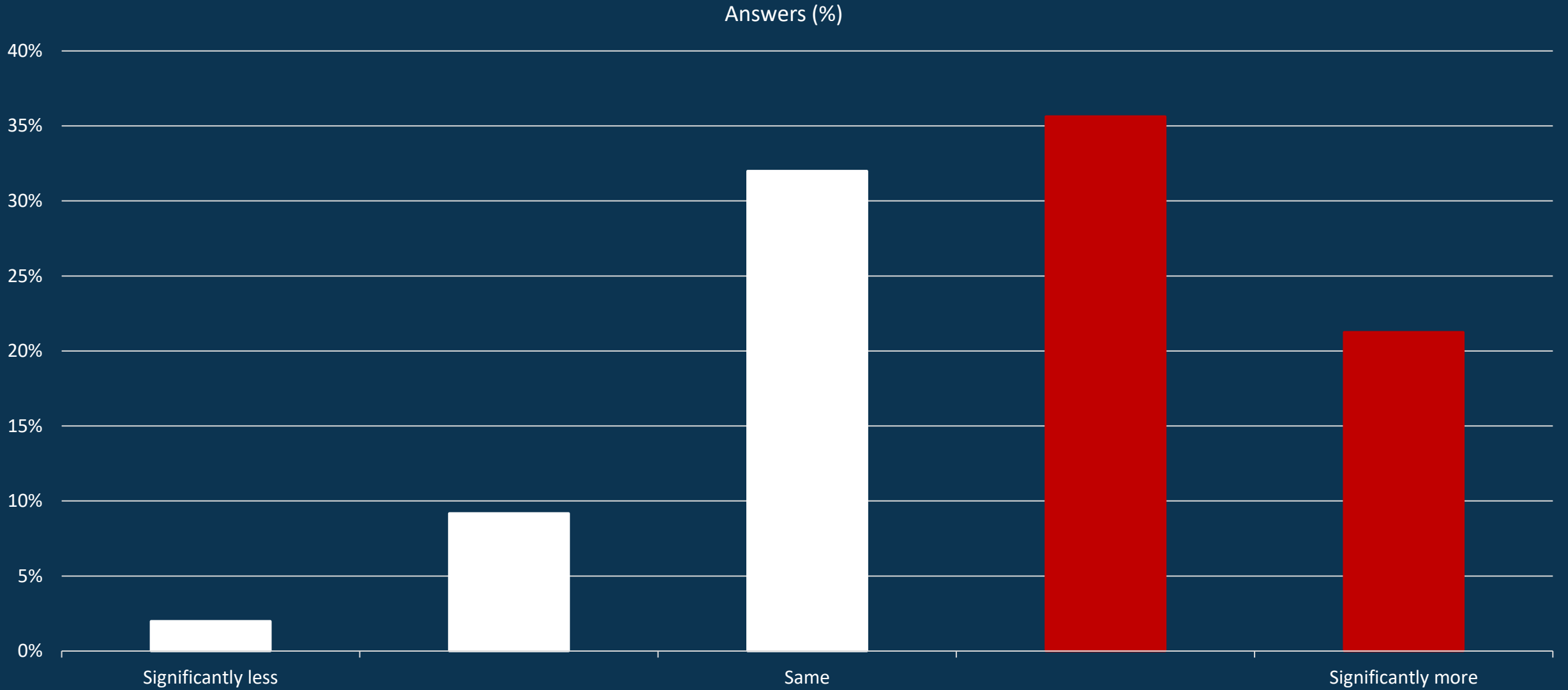
Very Confident

Only 14% is not (very) confident at all.

# 70% of the Vietnamese encounter a scam at least once per month



Answers (%)
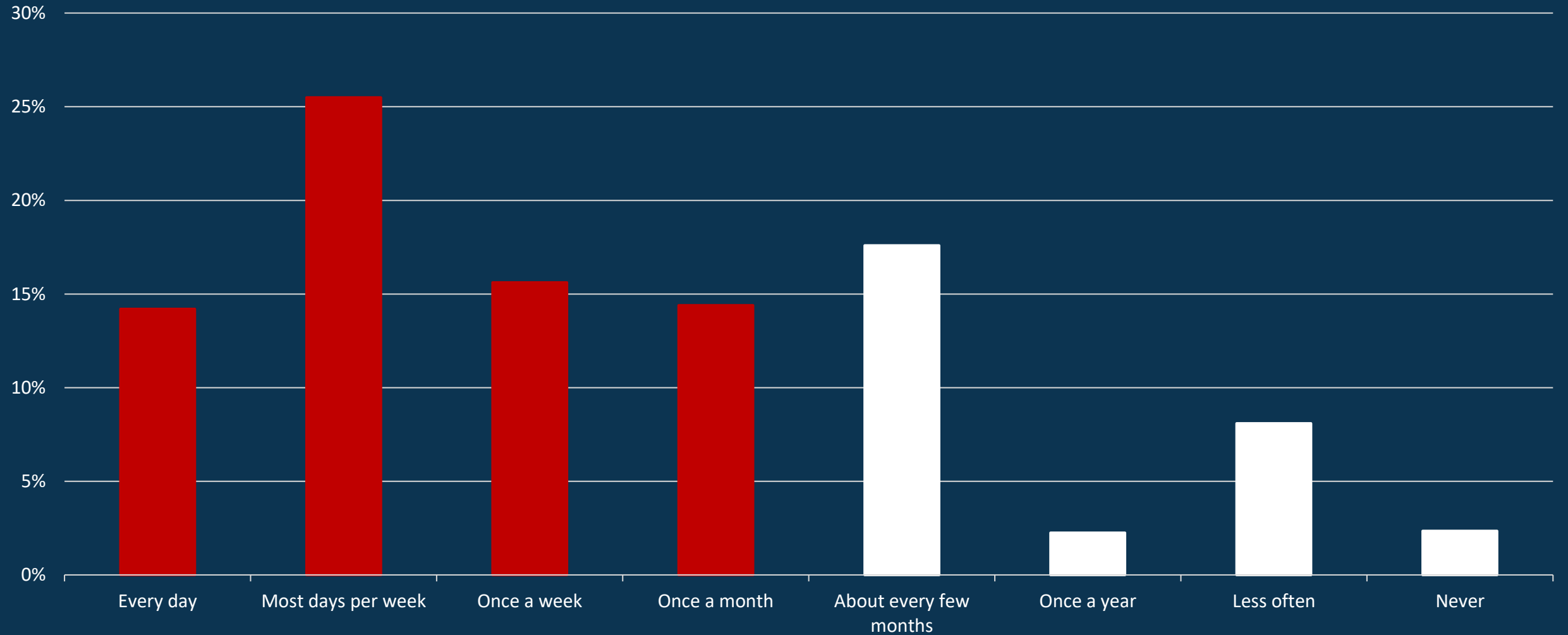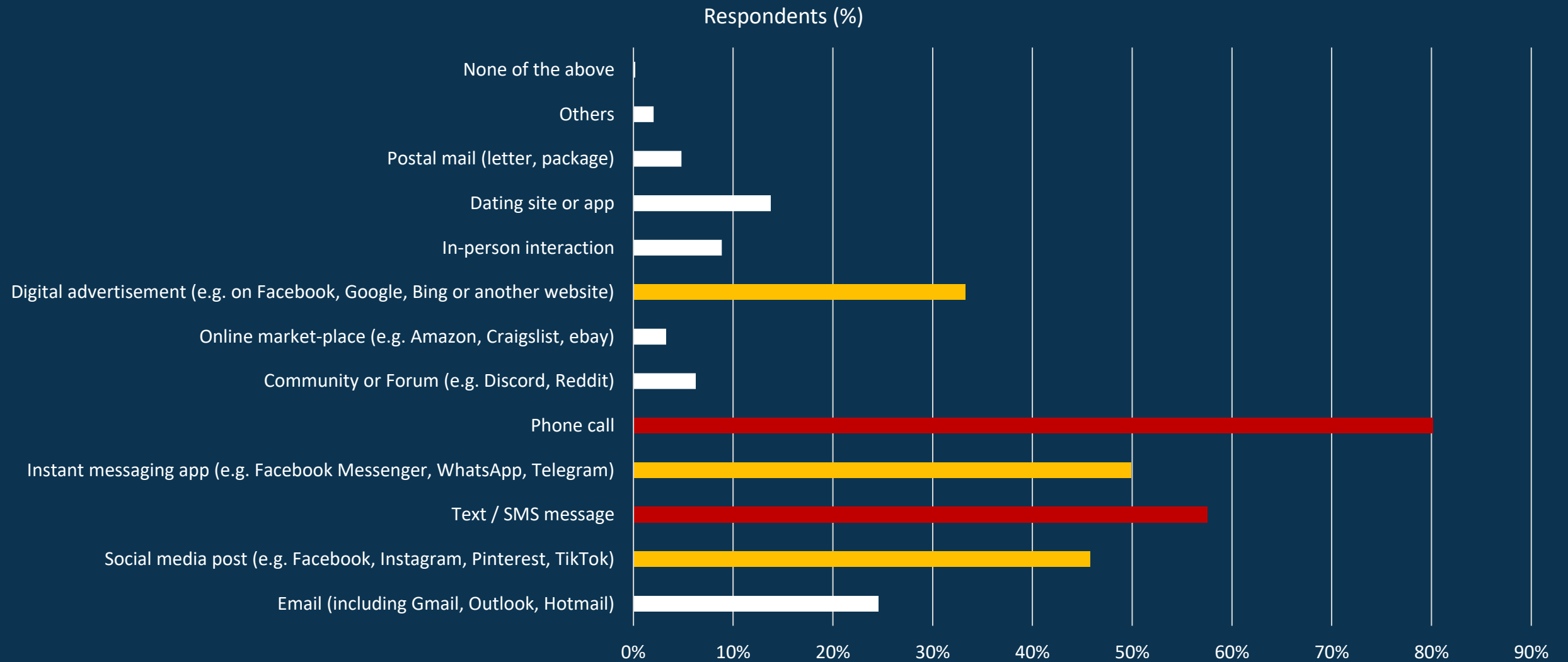
18% experience a scam (attempt) at least every few months.

Q3: In the last 12 months, how frequently have you encountered scams including deceptive advertising, phishing/fake emails/texts, phone calls, etcetera)?

# 49% of Vietnamese experienced more scams in the last 12 months



Answers (%)

26% experienced less scams.

Q4: Compared to the year before, do you feel you have been approached more or less frequently by an individual/company that tried to deceive you in the last 12 months?
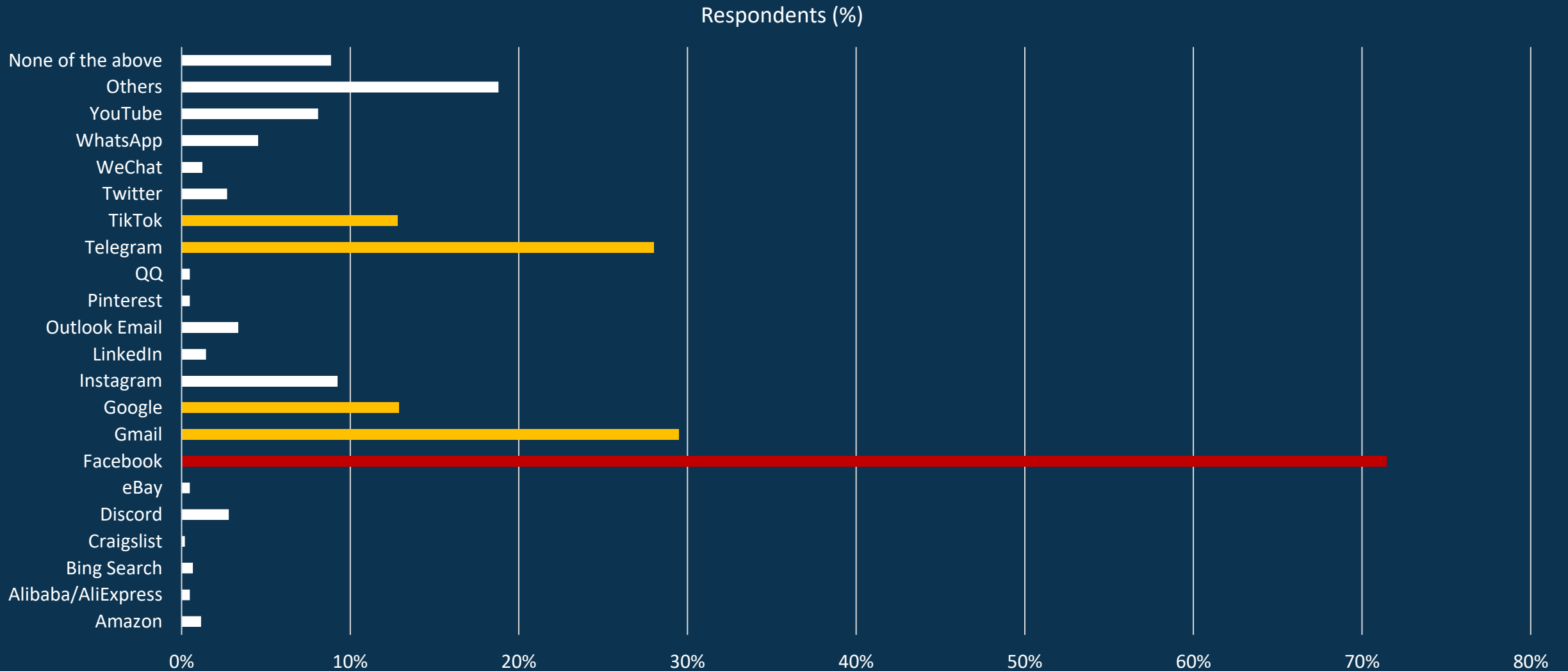
# Most Vietnamese receive scams via Phone Calls and Text/SMS Messages

Respondents (%)



However, Instant Messaging Apps and Social Media Posts are also common scam media.

Q5: Through which communication channel(s) did scammers mostly try to approached you in the last 12 months? Choose up to 3.

# Facebook and Gmail are the most used platforms by scammers

Respondents (%)



Telegram, Google, and TikTok take 3rd to 5th place.

# Investment Scams are the most common scams in Vietnam

Respondents (%)



*"They (scammers) inform you your electronics are out of warranty, sell you a cheap extended warranty, but later deny its availability when your device breaks."*
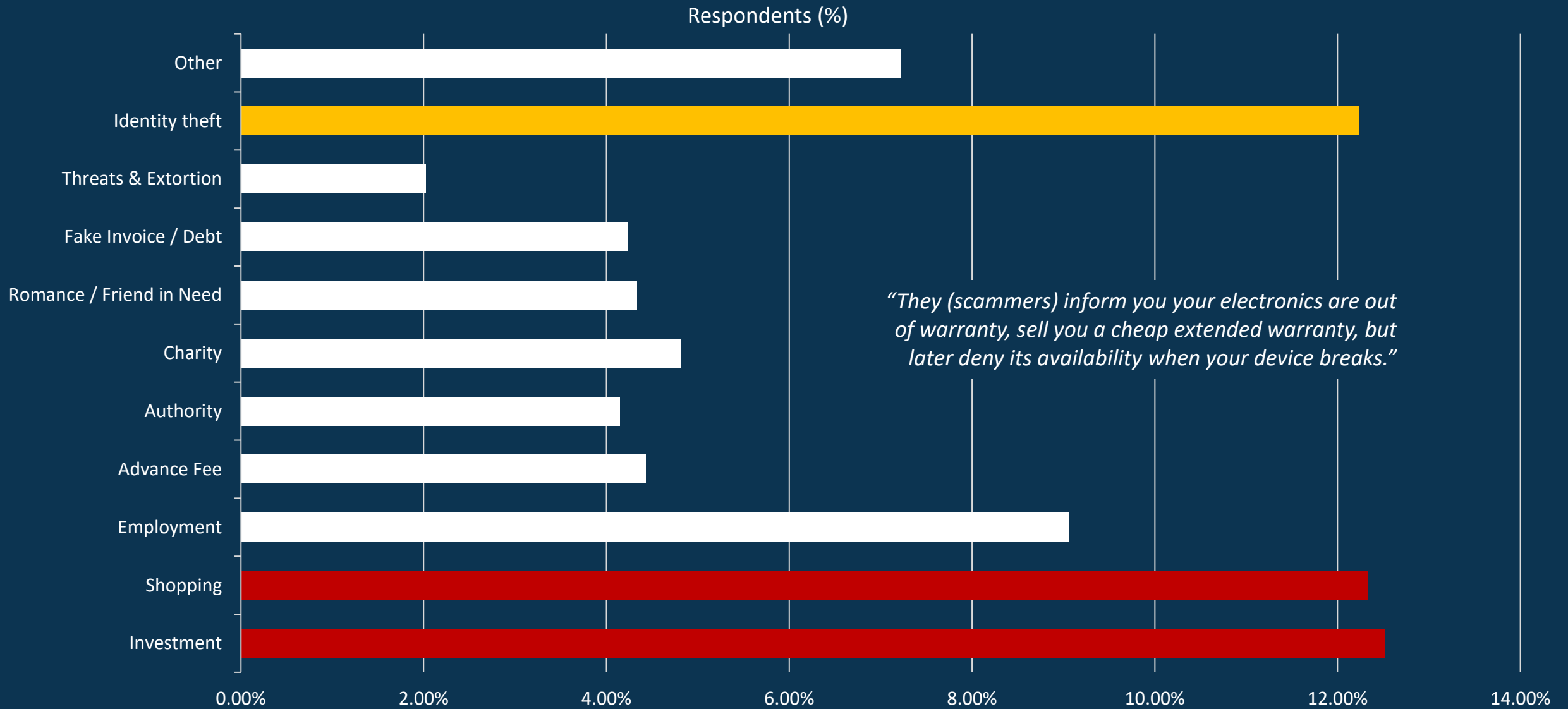
56% stated they had not fallen victim to the most common scams in the last 12 months. 0.8 scams were reported per participant.

Q7: Which of the following situations happened to you in the last 12 months? Select all that apply.

# Identity Theft Scams have the <u>most impact</u> compared to other scams



Answers (%)
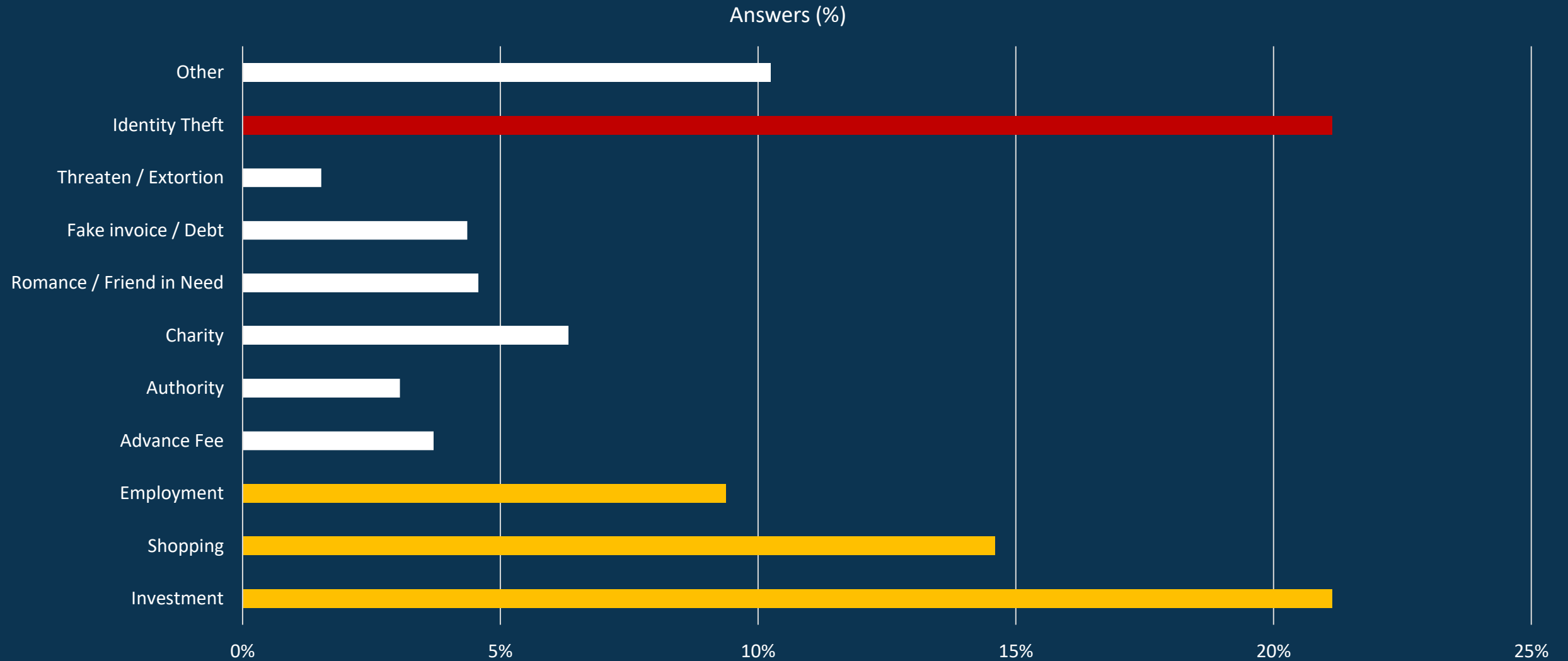
Followed by Investment Scams, Shopping and Employment Scams.

Q8: Which of the incidents you experienced did have the most impact on you?

# Scams are hurting Vietnamese in many ways

*"They (scammers) tricked me into investing in a virtual exchange, and as a result I couldn't withdraw my money and leading to financial loss."*
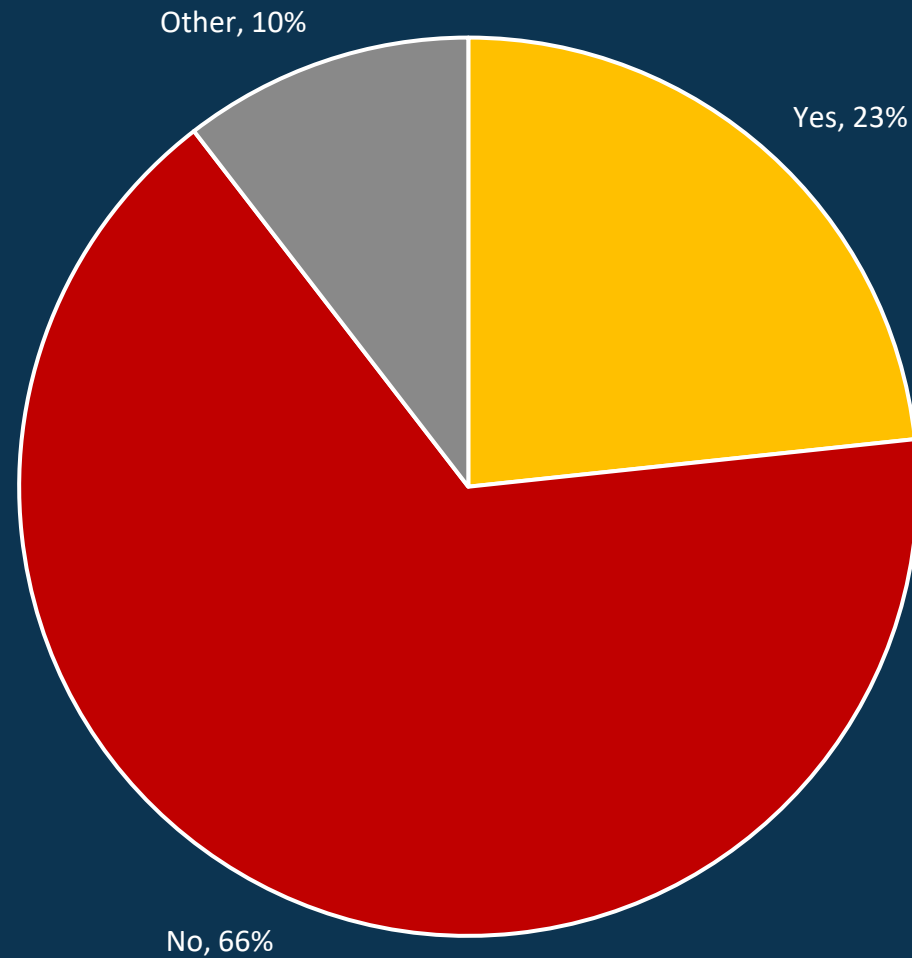
*"I lost all my money, wanted to commit suicide, but my family prevented me."*

*"(I saw) a post to buy a new generation headset with a 50% discount and needed to transfer a deposit of 100,000 VND in advance. I made a transfer and never received the headset."*

*"Hacked (my) Facebook account and used my identity to borrow money from friends around."*

*"I fell victim to a scam on Facebook where I was approached and given a link. The scammers urged me to invest money with the promise of significant profits through a supposed double profit promotion. Unfortunately, I lost 320 million at the beginning of 2023."*
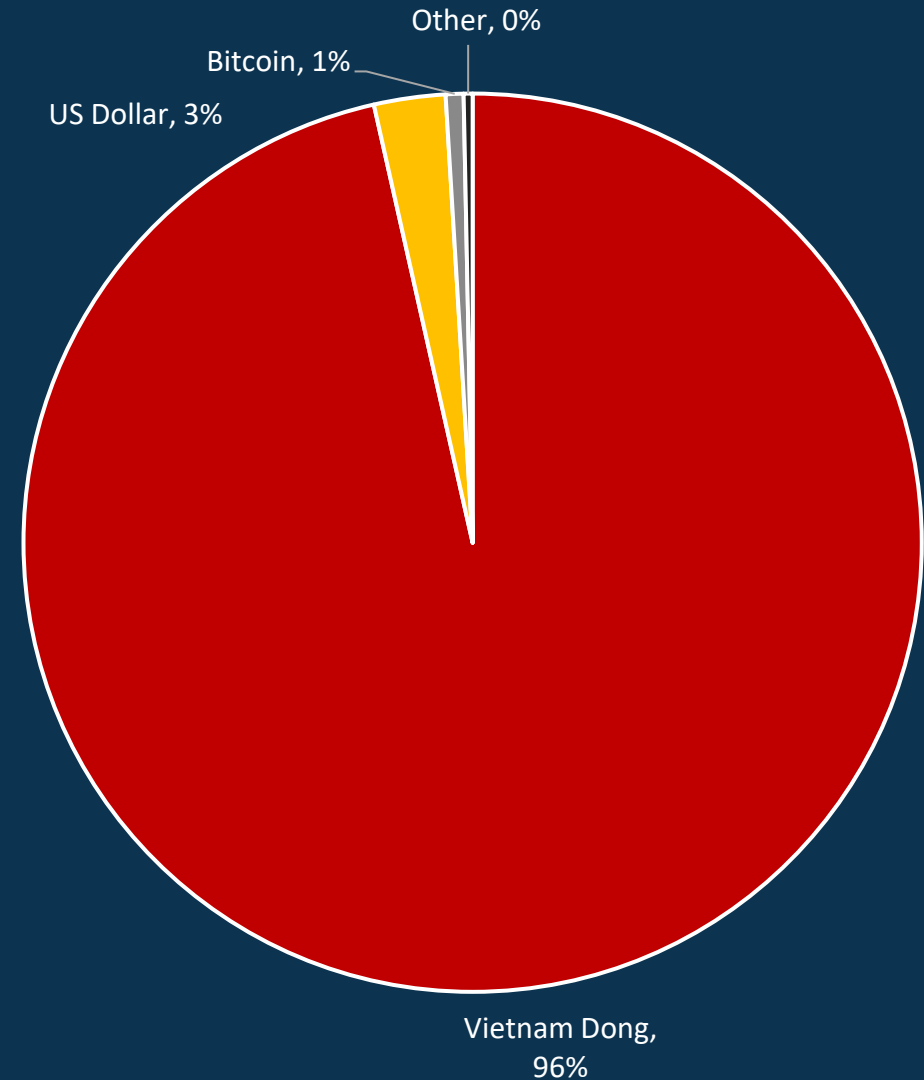
Q9: Regarding the negative experience that impacted you the most, describe what happened.

# 66% did not report the scam to law enforcement



Other, 10%

Yes, 23%

No, 66%

23% stated that they reported the scam to law enforcement or another government authority.

Q10: Regarding said experience, did you report the incident to law enforcement or another government authority?

# In total 29% of the respondents reported losing money in a scam

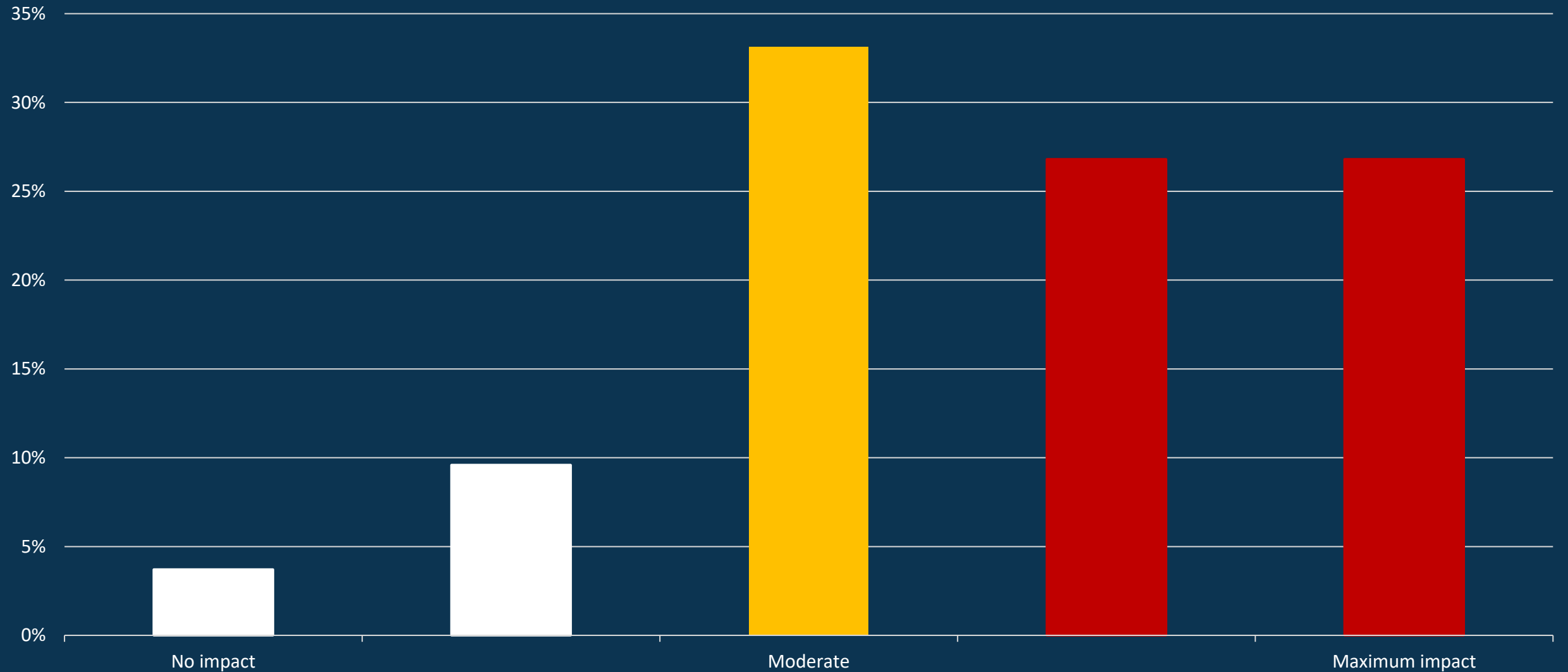| Survey Key Statistics | |
|---|---:|
| Number of persons participating | 1,063 |
| Participants losing money | 311 |
| % losing money / approached persons | 29% |
| Average amount lost in US Dollars | $734 |
| Total country population | 104,799,174 |
| Population over 18 years | 75,555,404 |
| # of people scammed > 18 years | 22,105,109 |
| Total amount lost in scams* | $ 16,225,149,852 |
| Gross Domestic Product ($ millions) | 449,094 |
| % of GDP lost in scams | 3.6% |

Other, 0%

Bitcoin, 1%

US Dollar, 3%

Vietnam Dong, 96%

Most scams are in Vietnamese Dong (96%), the remainder is mainly in US Dollars (3%).

Q11 / 12: Think about the incident that has had the most impact. In total, how much money did you lose before trying to recover the funds? Only enter a round number. If no money was lost enter "0".

# Only 1% of survey participants were able to completely recoup their losses

Answers(%)
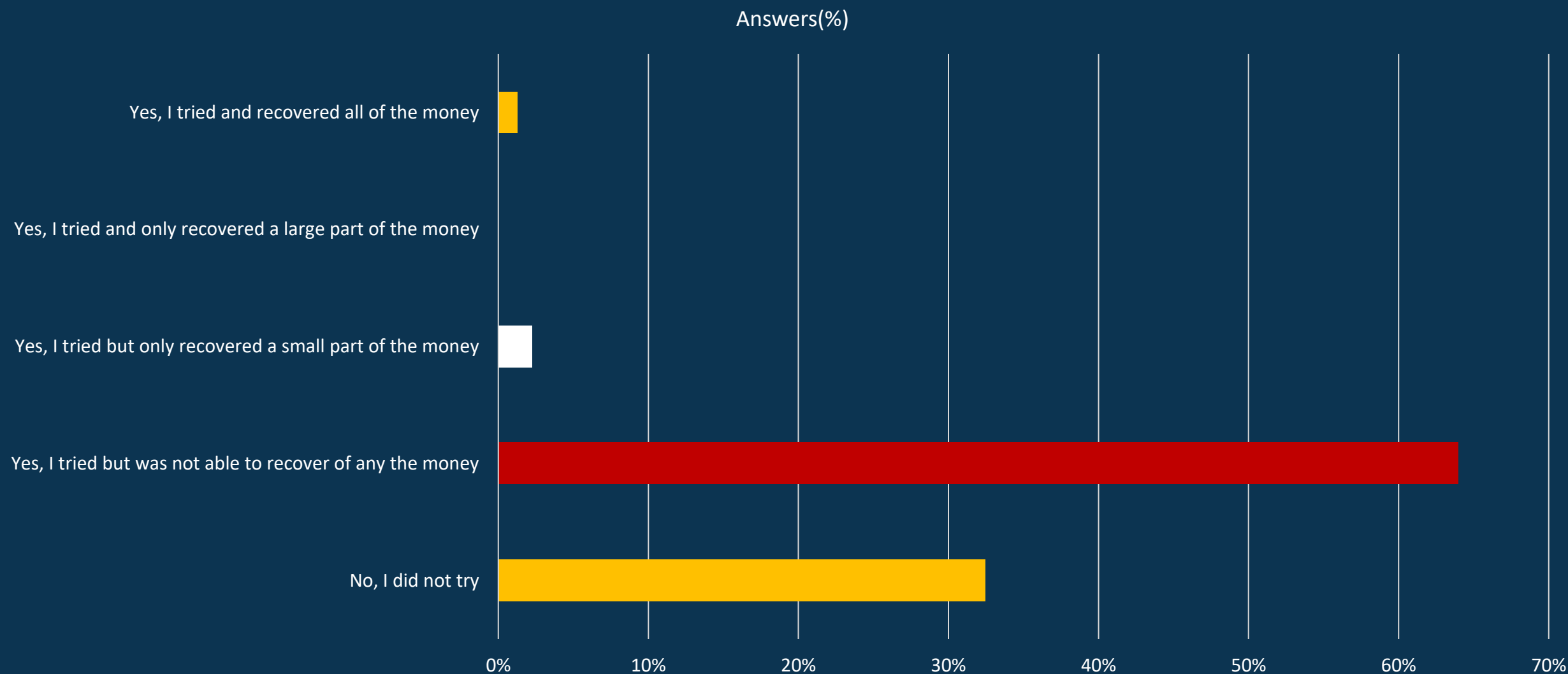


32% did not try to recover their funds. 64% tried but were unable to recover any money.
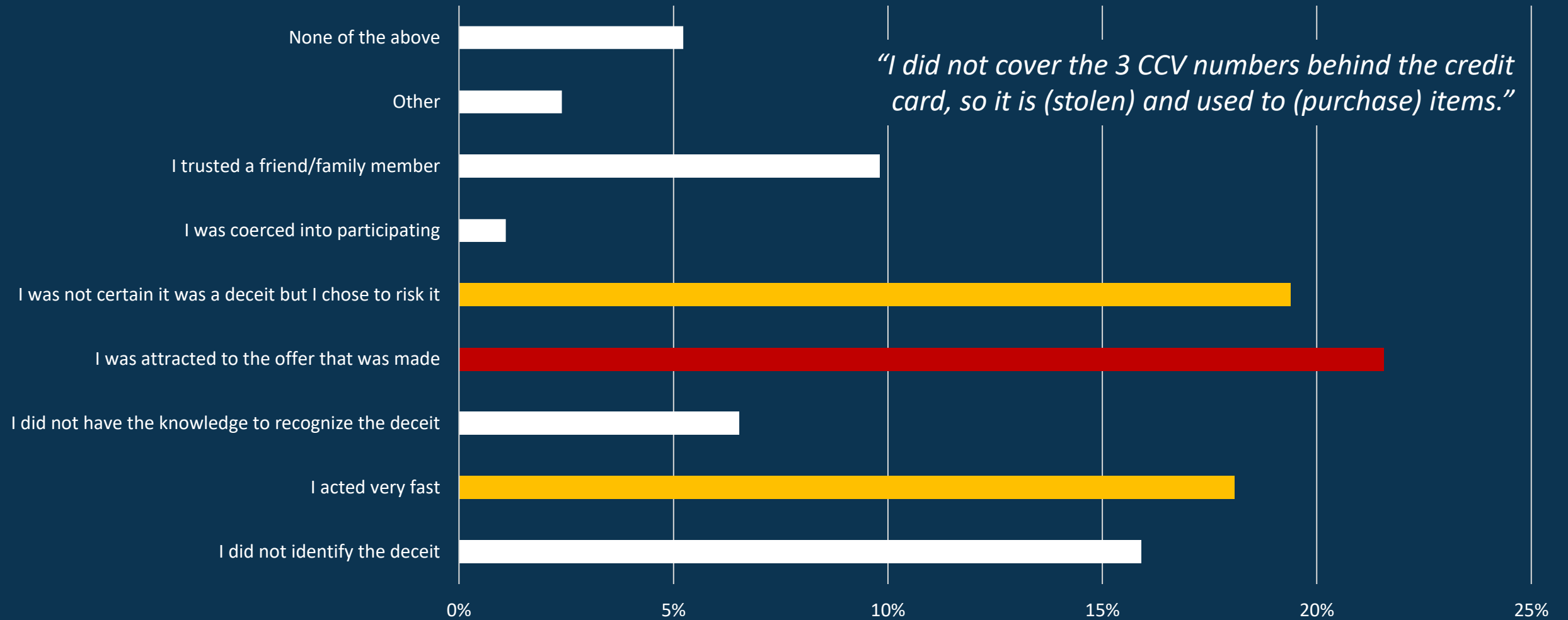
Q13: Did you try to recover the money you lost?

# 54% of the scam victims perceived a (very) strong emotional impact



13% of the participants reported no or little emotional impact.

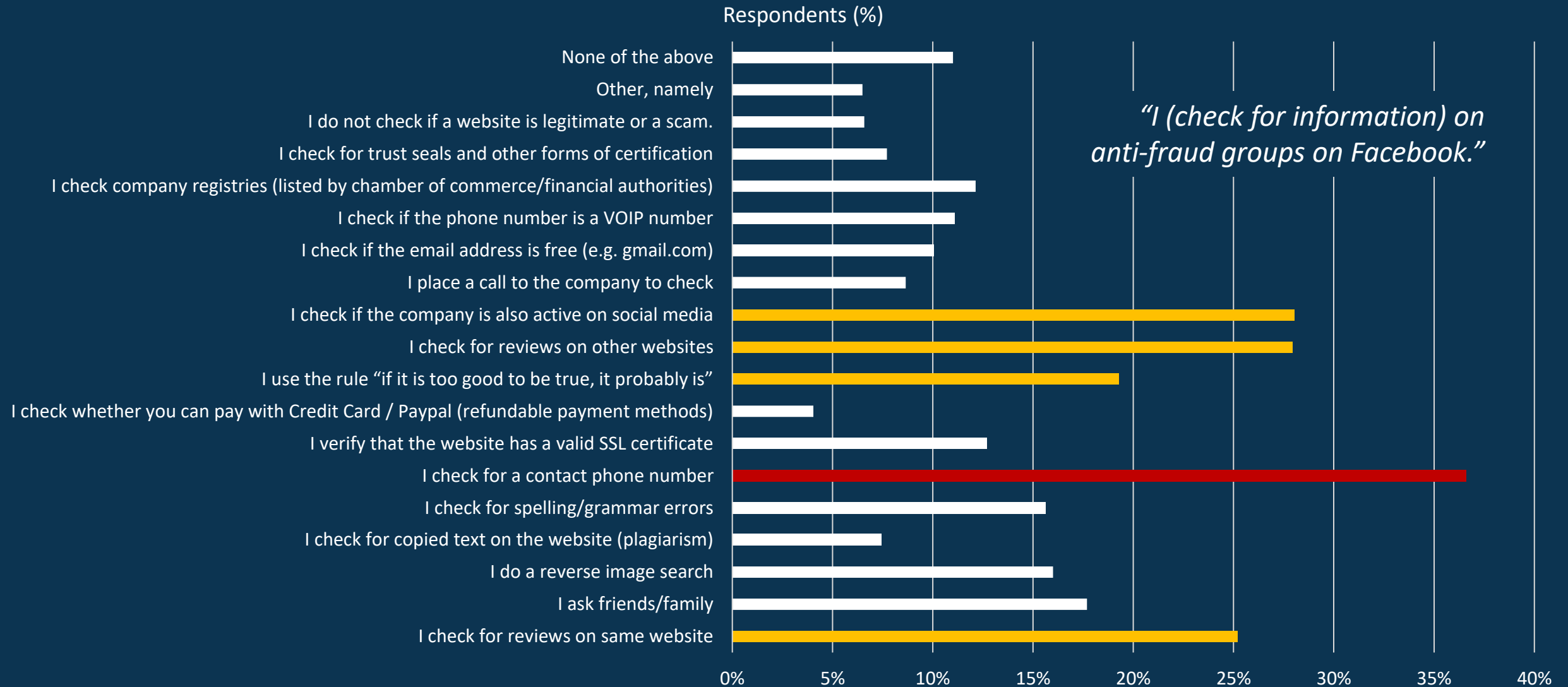Q14: Think about the incident that has had the most impact. To what extent did it affect you emotionally?

# The main reason Vietnamese fall for a scam is attraction to the offer made

Answers (%)

*"I did not cover the 3 CCV numbers behind the credit card, so it is (stolen) and used to (purchase) items."*

| Category | |
|---|---|
| None of the above | |
| Other | |
| I trusted a friend/family member | |
| I was coerced into participating | |
| I was not certain it was a deceit but I chose to risk it | |
| I was attracted to the offer that was made | |
| I did not have the knowledge to recognize the deceit | |
| I acted very fast | |
| I did not identify the deceit | |

0%  5%  10%  15%  20%  25%

Several victims also reported uncertainty whether it was a deceit but chose to risk it or acted too fast.

Q15: You stated losing money or personal/financial information in a deceit. What was the main reason this happened?

# The most common scam check is checking the contact phone number

Respondents (%)

| Method | |
|---|---|
| None of the above | |
| Other, namely | |
| I do not check if a website is legitimate or a scam. | |
| I check for trust seals and other forms of certification | |
| I check company registries (listed by chamber of commerce/financial authorities) | |
| I check if the phone number is a VOIP number | |
| I check if the email address is free (e.g. gmail.com) | |
| I place a call to the company to check | |
| I check if the company is also active on social media | |
| I check for reviews on other websites | |
| I use the rule "if it is too good to be true, it probably is" | |
| I check whether you can pay with Credit Card / Paypal (refundable payment methods) | |
| I verify that the website has a valid SSL certificate | |
| I check for a contact phone number | |
| I check for spelling/grammar errors | |
| I check for copied text on the website (plagiarism) | |
| I do a reverse image search | |
| I ask friends/family | |
| I check for reviews on same website | |

*"I (check for information) on anti-fraud groups on Facebook."*

0%   5%   10%   15%   20%   25%   30%   35%   40%

Several "unsafe" methods like checking reviews on the same site and checking the SSL certificate are often used as well.

Q16: Which methods do you usually apply to check if an offer is legitimate or a scam? Select all that apply.

# Scams are mostly shared with Family & Friends and Local Police Department
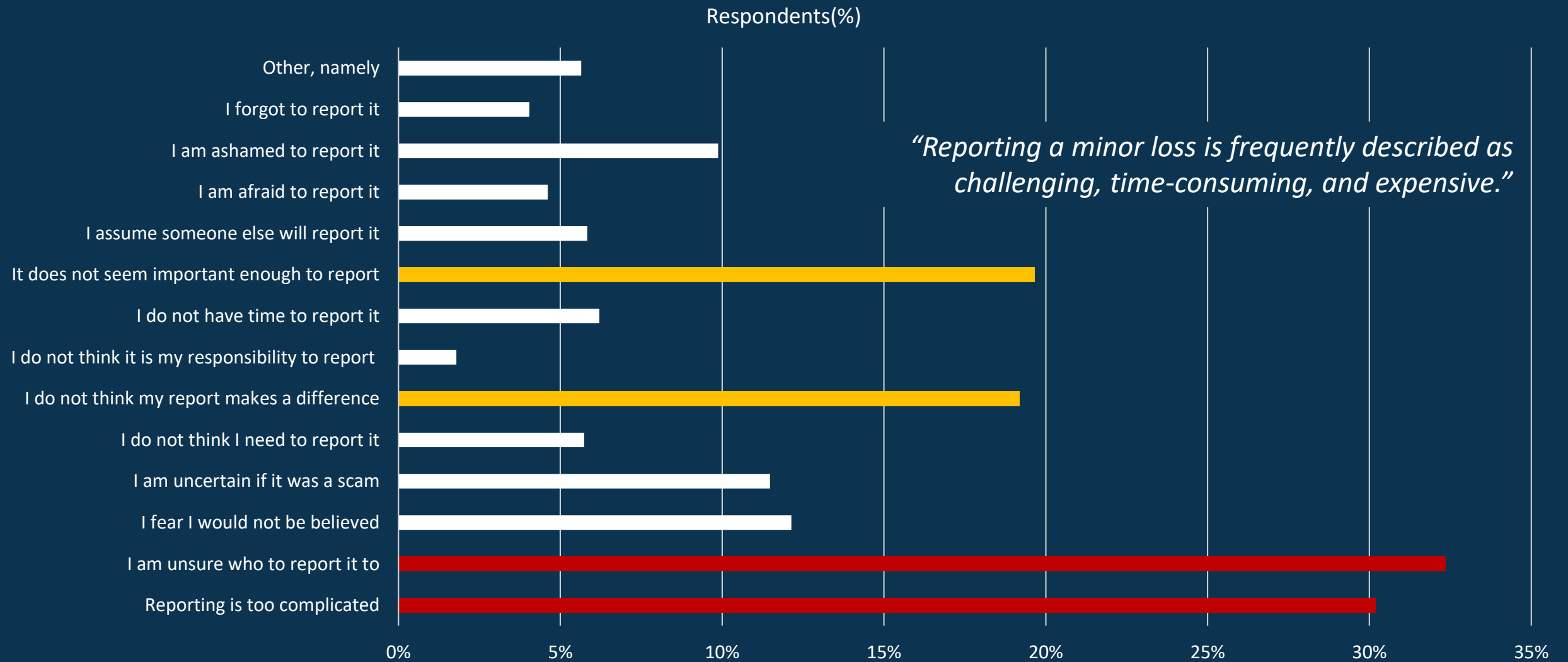
Respondents (%)
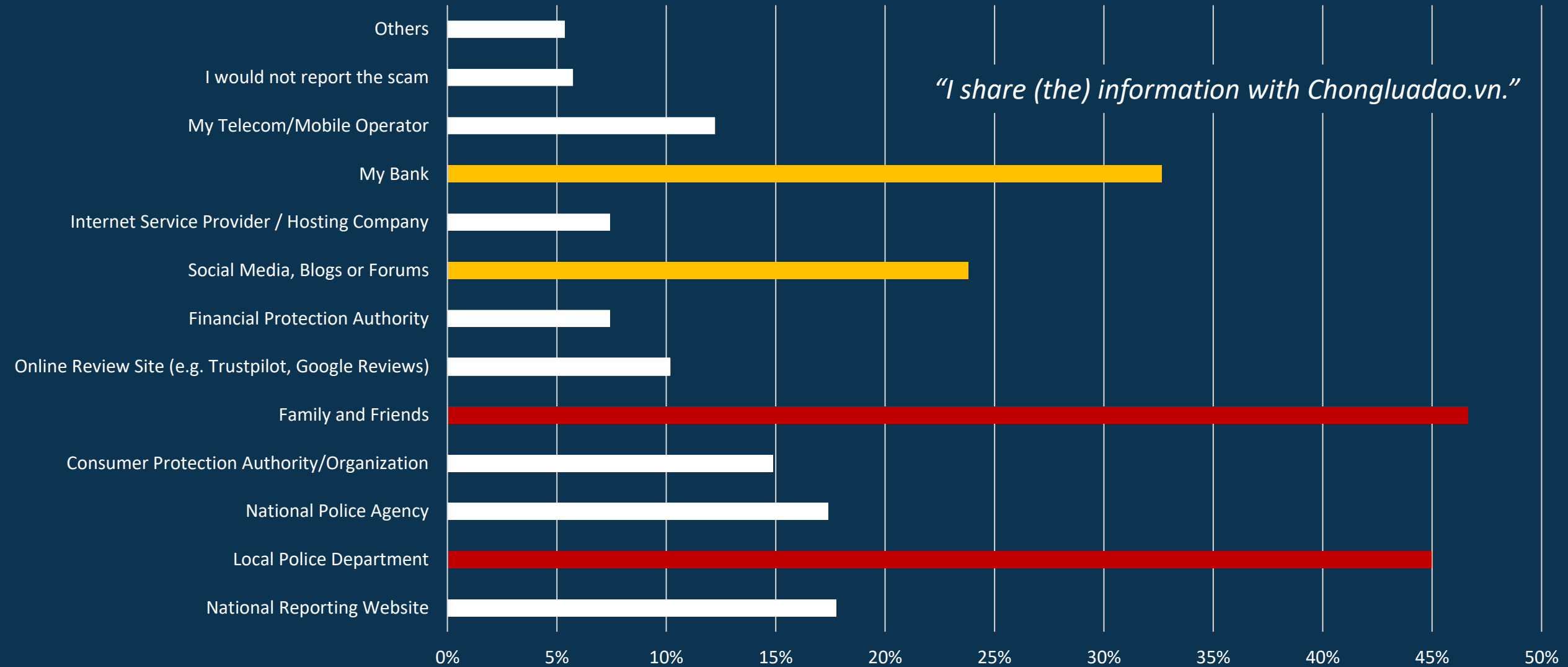


*"I share (the) information with Chongluadao.vn."*

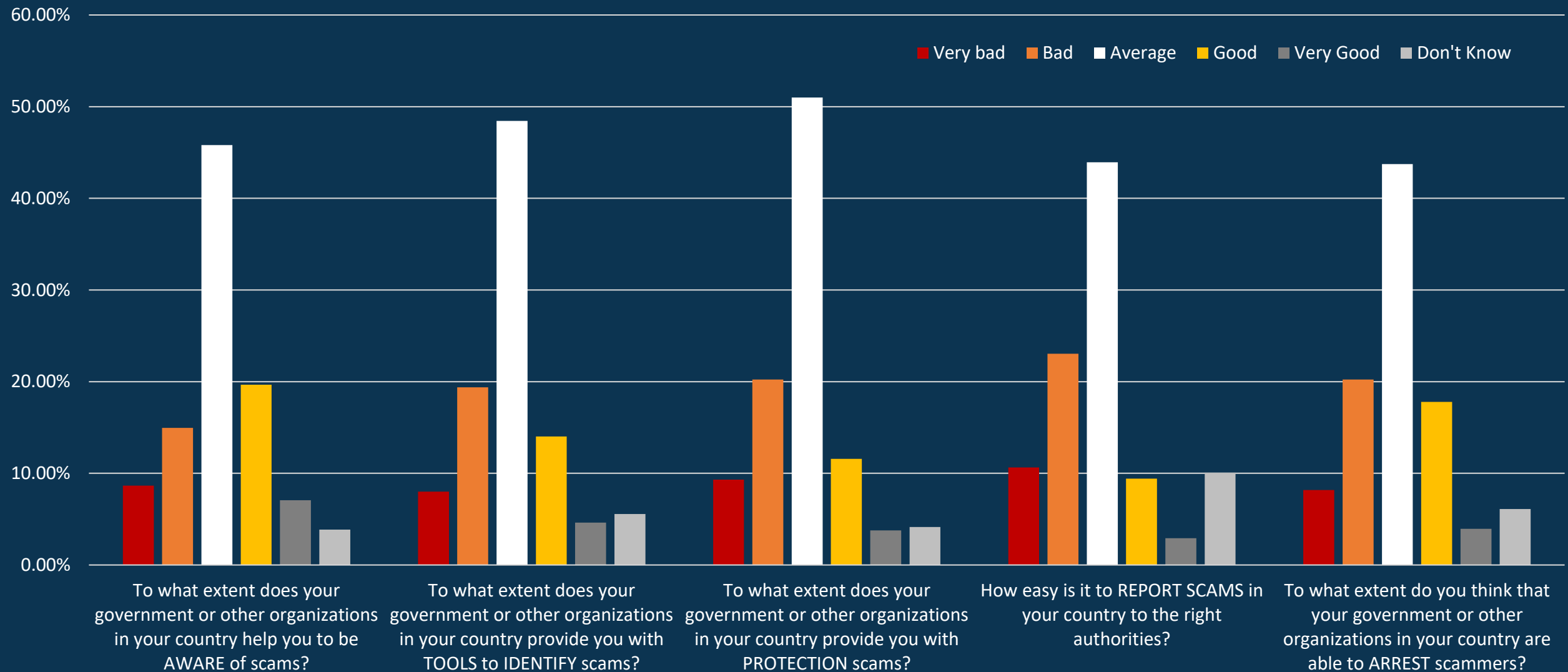Banks, Social Media, Blogs, or Forums are popular scam reporting destinations.

Q17: If you were to be deceived, who would you report this to?

# Many Vietnamese Don't Report Scams Due to Uncertainty on Where to Report



Respondents(%)

*"Reporting a minor loss is frequently described as challenging, time-consuming, and expensive."*

Other key reasons for not reporting are complex reporting process while others believe it is not important enough to report.

Q18: What reasons might you have to not report a scam?

# Vietnamese are displeased with their government's efforts to arrest scammers

**Legend:** ■ Very bad ■ Bad ■ Average ■ Good ■ Very Good ■ Don't Know



Overall, 29% of the participants rate the actions of the Vietnamese government as (very) bad, 19% as (very) good.

Q19: How would you rate the efforts of your government and other organizations in your country in fighting online scams?

# Some remarkable quotes

*"The government needs to take measures to prevent fraud. If people report scams, they must guide them and need to solve the problem quickly and without clutter."*

*"Young people (should) be careful about everything, even websites ending in .com are not always reputable."*

*"Specialized agencies dedicated to addressing cyber-fraud should offer guidance to district-level police agencies on investigating cyber-frauds. There is a crucial need for effective coordination between police agencies and other relevant entities."*

*"Hopefully the national cybersecurity system will be tighter so that no more unfortunate incidents will happen."*

*"Stricter control of spam phone numbers, emails, and spam Facebook accounts. Simplify the scam reporting process so older people can also report scams. Protecting the elderly from being scammed."*

# About this Report
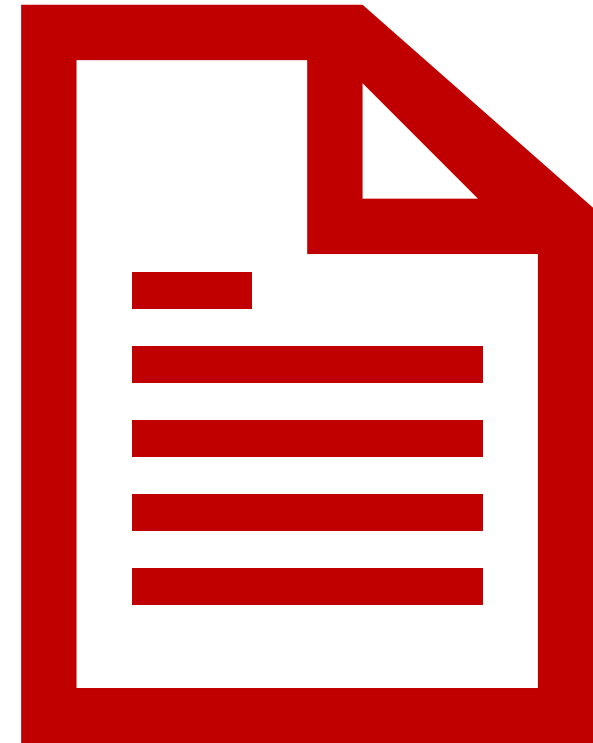
# Who are we?



The Global Anti-Scam Alliance (GASA) is a non-profit, bringing together policy makers, law enforcement, consumer authorities, NGOs, the financial sector, cybersecurity, and commercial organizations to share insights and knowledge surrounding scams.

ScamAdviser.com checks the likelihood of a website being legit or a scam for more than 6.5 million consumers monthly. More than 1 million new domains are added to its database every month. Via its Data Partners, ScamAdviser protects more than 1 billion consumers worldwide.

# Special Thanks & Methodology

**Special Thanks**

We like to thank Professor Mark Button, Co-Director of Centre for Cybercrime and Economic Crime at the University of Portsmouth and Jack Whittaker, PhD Candidate Criminology at the University of Surrey for their feedback and support. We would also like to thank Hieu Minh Ngo of Chongluadao.vn for supporting this report by collecting survey responses from the Vietnamese people.

**Methodology**

We used Pollfish.com to set-up the consumer survey and get participants. Pollfish utilizes a survey methodology called Random Device Engagement. RDE is the natural successor to Random Digit Dialing (RDD). Our survey was delivered via Pollfish inside popular mobile apps, RDE utilizes the same neutral environment as RDD, and an audience who are not taking premeditated surveys, by reaching them inside mobile apps they were using anyway.

Pollfish uses non-monetary incentives like an extra life in a game or access to premium content. With additional layers of survey fraud prevention including AI and machine learning, Pollfish removes potentially biased responses, improving data quality even further.

In addition to Pollfish we used the following sources:

- Worldometers.info for the number of inhabitants per country.

- Xe.com for the conversion of local currencies to US Dollars.

- For the flag on the cover of the report we used commons.wikimedia.org

The survey itself has been party Inspired by DeLiema, M., Mottola, G. R., & Deevy, M. (2017). Findings from a pilot study to measure financial fraud in the United States. Available at SSRN 2914560.

Feedback is greatly appreciated. You can contact us at partner@gasa.org

# About The Authors

**Jorij Abraham** has been active in the Ecommerce Industry since 1997. From 2013 to 2017 he has been Research Director at Thuiswinkel.org, Ecommerce Europe (the Dutch and European Ecommerce Association) and the Ecommerce Foundation.

Nowadays, he is a Professor at TIO University and Managing Director of the Global Anti-Scam Alliance (GASA) & ScamAdviser.

**Marianne Junger** is Professor Emeritus of Cyber Security and Business Continuity at the University of Twente. Her research investigates the role of human factors of fraud and of cybercrime, more specifically she investigates victimization, disclosure and privacy issues. The aim of her research is to develop interventions that will help to protect users against social engineering and to increase compliance.

She founded the Crime Science journal together with Pieter Hartel and was an associate-editor for 6 years.

**Luka Koning** is a Researcher/PhD Candidate at the University of Twente. His research focuses on victimization of fraud and cybercrime, in particular the prevalence, risk factors, impact, and willingness to report. His work includes victim studies and experiments, aimed at how victimization arises and subsequently how it could be prevented.

**Clement Njoki** is Editor and Researcher at GASA. His role involves creating engaging content about scams and fraud, simplifying complex financial information for various platforms. He also works on building GASA's online presence through blogs and news updates.

Clement possesses comprehensive expertise in identifying and combating deceptive practices and fraud, along with a strong background in cybersecurity.

**Sam Rogers** is Director of Marketing at GASA. Before moving into marketing management, he worked as a copywriter and content manager, specializing in cutting-edge areas of electrical engineering, such as photonics and the industrial applications of electromagnetic radiation. Sam left the world of industry in search of fulfilment and now uses his skills to expose the impact of online scams to a global audience.

Interested in participating in this report next year? Please contact jorij.abraham@gasa.org.