Protect yourself against fraudsters

Online fraud is growing at an alarming rate, unsuspecting consumers are being targeted with invoice fraud, fake adverts and refund scams - just to mention a few. This is according to security specialist and J2 Software CEO, John Mc Loughlin.

John Mc Loughlin, CEO at J2 Software

The inaugural digital banking crime statistics by the South African Banking Risk Information Centre (SABRIC) show how the advent of digital technology has seen the exploitation of digital platforms by criminals.

According to the research, there were 13,438 incidents across banking apps, online banking and mobile banking that cost the industry more than R250-million in gross losses in 2017 and incidents for the first eight months of 2018 showed an astounding 64% increase.

Frighteningly, the report discloses that a comparison between the first eight months of 2018 to the same period the previous year shows that mobile banking incidents increased by 100%, with gross losses in excess of R23-million. Online banking incidents increased by 44% with gross losses of nearly R90-million.

The report confirms the statistics quoted are solely industry losses and do not even account for the personal losses in

events where the bank does not refund the victim.

Over the same period, banking app incidents increased by 20% with gross losses of R70m. SIM swaps saw a 104% increase to 8,254 incidents for the first eight months of 2018.

These statistics should be enough to strike fear into the heart of any society as our lives are increasingly intricately linked to a digital world, including banking, shopping, recreation and more. The Internet of everything has arrived, and with it, vulnerability to abuse businesses, small or large, and on the personal level.

Small businesses and individuals are particularly at risk. Both home and SME users are aware of the risks, but both are left out in the cold to handle things themselves.

From the home user perspective, it can be quite a dilemma of where to begin. There is online banking fraud, fake classifieds adverts, phishing scams, malware and viruses, ATM fraud, refund scams, fake invoices, and that's before one even gets to advanced threats and more importantly, one's children.

Children of all ages are online using a wide range of devices; they are always researching, looking for music, downloading and playing online games. Children have grown up in a digital world, but does digital savvy translate into digital safety? Definitely not.