



## Better Business Bureau® Senior Awareness Initiative Scams Using Gift Cards Continue to Grow

Better Business Bureau® (BBB®) research shows fraud reports to BBB Scam Tracker involving gift cards as a form of payment spiked in the first three quarters of 2023, up 50% from the same period the year prior. Scammers have doubled down on gift cards as a method to steal money from consumers – especially online shoppers – leading retailers to implement new fraud prevention solutions in response.

BBB uncovered these facts while researching a new study. BBB's newest whitepaper is called "[Growth of gift card scams causes retailers to innovate solutions](#)." BBB findings reveal that, since 2020, over 177,000 consumers have made reports to the Federal Trade Commission (FTC) about scams utilizing gift card payments. This accounts for approximately \$690 million in losses. Research also shows that scammers frequently seek gift cards from big-box, tech, and online stores such as Best Buy and Amazon. Additionally, advance fee loans, government impersonation, phishing, and lottery/sweepstakes are the top scam types used to obtain gift cards.

Recently, a local older couple reported to BBB that they were a victim of a scam using gift cards. "We received a call yesterday on our cell phone from Publishers Clearing House. (The caller said we) won \$7.7 million, a new Mercedes, and a Ford F150 truck." The scammer then told the consumer that he required an upfront payment and advised the consumer to purchase a Vanilla Visa Card "to legalize the transaction." The consumers purchased a \$20 Vanilla Visa gift card and read the numbers on the front and back to the scammer. The caller then wanted \$999.99. The consumers told the scammer they would go to their bank and obtain a certified check for the larger amount. The scammer balked and insisted on the gift card payment. The consumers realized it was a fraud and then called BBB who was able to help "steer us clear of the scam."

To help prevent other consumers from becoming a victim of a gift card scam, BBB is offering the following tips:

- Be wary of anyone asking for payment with a gift card, including "government" agencies. No legitimate government organization will ask you to pay with a gift card.
- If you suspect a scam, contact the gift card seller, the actual business or government organization supposedly asking for money, and BBB to ask if you are dealing with a scammer. To find contact information, go directly to the organization's website rather than search for their customer service number, which can be spoofed by scammers.
- Keep all information related to your purchase if you are scammed, because some retailers may require that information for refunds.
- If you suspect fraud, act immediately, contact the gift card seller or the number on the back of the card to report it.
- Follow advice and report suspected scams to [BBB Scam Tracker](#), the [Federal Trade Commission](#), the [FBI's Internet Crime Complaint Center \(IC3\)](#), and the [Ohio Attorney General](#).

Visit [BBB.org](#) to check out a business or register a complaint, BBB Scam Tracker<sup>SM</sup> to report a scam, and [bbb.org/scamstudies](#) for more on this and other scams.

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## Better Business Bureau® Senior Awareness Initiative Pet Scams Leaving Consumers Feeling Paw-ful

Better Business Bureau® (BBB®) Serving Greater Cleveland is urging consumers to exercise extra caution when purchasing a pet online. Recently, a woman from the Cleveland area attempted to purchase an English Bulldog puppy off of Facebook. The scammer, posing as a breeder, asked for \$100 for a deposit and then another \$150 to register American Kennel Club (AKC) paperwork. The victim sent \$250 through CashApp. When the woman was ready to pick up the puppy, the scammer suddenly requested an additional upfront payment of \$300 to another CashApp account. The consumer, getting suspicious, did not send the scammer money and, instead, called the AKC to verify the paperwork. The AKC said they had no record of the paperwork for the puppy and advised the consumer that it was a scam and to contact BBB. The woman told BBB that the scammer had taken down the English Bulldog posting on Facebook and was now advertising mini Goldendoodles.

Last year, BBB released an in-depth study called [Puppy Scams: How Fake Online Pet Sellers Steal from Unsuspecting Pet Buyers](#). The trends seen last year have continued this year. For example, consumers who attempt to purchase pets sight unseen or use hard-to-track payment methods are at a higher risk of fraud. On the front end, puppy scams operate much like other online frauds. Scammers entice buyers to their website after an online search, social media advertisement, email, or text message. After the initial payment is completed, fraudsters use the shipment of the dog to extract more money. They may tack on hundreds of dollars for bogus charges like “insurance” or heating and cooling devices for crates. When the buyer begins to get suspicious, the scammer may use high-pressure tactics and threats and claim that the consumer will be charged with a crime for failing to safely secure the animal.

BBB Serving Greater Cleveland is offering these additional tips so area consumers don’t fall victim to a puppy scam.

- **Too Good To Be True** - Scammers often solicit “business” by advertising puppies at prices well below market value. Be suspicious when a price seems “too good to be true” because it probably is.
- **Don’t Purchase Puppies Sight Unseen** - Don’t buy a pet without seeing it in person first. If this is not possible, ask a breeder if they are willing to do Facetime or video conferencing. While this is not a preferred method, it’s still a way to validate the breeder has actual possession of the animals.
- **Do A Reverse Image Search of Animal Pictures** Conduct a reverse image search for photographs on the internet by using sites such as Google or TinEye.com. Search for pictures of the pet you are considering. Be careful if the same picture appears on multiple websites, because you may be dealing with fraud.
- **Don’t Wire Money** - Don’t pay a breeder with a money order or mobile app. Instead, use a credit card or PayPal in case you need to dispute the charges later.

For more information on puppy scams, visit [BBB.org](#). If individuals have spotted a scam (whether or not they’ve lost money), they can report it to [BBB.org/ScamTracker](#). These reports can help others avoid falling victim to scams.

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## Better Business Bureau® Senior Awareness Initiative Social Security Cost-of-Living Scammers.

Each year, the Social Security Administration (SSA) approves a cost-of-living adjustment (COLA) for recipients of Social Security benefits and Supplementary Security Income (SSI). In 2023, due to [inflation](#), payments increased by 8.7%. It was a significant increase – the highest COLA approved in more than 40 years. This year, payments are [set to increase 3.2%](#) and scammers are taking advantage. If you or a loved one receive Social Security benefits, stay alert to the signs of a scam.

Scammers contact you by phone, text, or email. This “Social Security Administration representative” claims you must apply for your cost-of-living increase. They might ask you to visit a website, send information via text or email, or speak with them on the phone to get the benefit. The scammer will ask you to verify your identity by sharing personal details, such as your full name, address, or Social Security number. They may even ask for your bank account information, claiming that the representative will deposit the extra money directly into your account.

In any case, if you give your information to the person in question, they will have gained access to your most sensitive personal information, making you susceptible to identity theft. If you give up your banking information, they may even be able to gain access to your money.

- **Remember, the SSA’s COLA is automatic.** You don’t need to do anything to receive the increase in benefits. If someone tells you otherwise, you’re likely dealing with a scammer.
- **Know how the SSA communicates.** [According to SSA](#), “If there is a problem with your Social Security number, we will mail you a letter. Generally, we will only contact you if you have requested a call or have ongoing business with us.” A call, text, or email from an SSA agent out of the blue is a red flag.
- **Don’t give in to threats.** SSA will never threaten you with arrest or legal action. They will never suspend your Social Security number or demand payment from you. They will never ask for personal information or banking details to give you an increase in benefits. If someone demands these things or threatens you over the phone, they are not with SSA.
- **When in doubt, hang up.** If you suspect you might be getting scammed, stop all communications. Visit [SSA.gov](#) to research or call **1-800-772-1213** to confirm that the correspondence is legitimate before taking action.

Read more about [healthcare and government imposter scams on BBB.org](#). If you spot a Social Security scam, report it to [BBB.org/ScamTracker](#) and <https://oig.ssa.gov/report>. Reports like yours help save others from falling victim to a scam.