The Scam Economy:
The True Cost of Online Scams and Crimes in America

A **Consumer Federation of America** Report

UPDATED
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Consumer Federation of America

FOREWORD

When we first published *The Scam Economy: The True Cost of Online Scams*, our goal was to shine a light on the enormous gap between reported losses and the true scale of harm experienced by consumers. Behind the data in our report are shattered families, retirement savings drained, rent money lost, and victims left in emotional distress. Unfortunately, the problem has only grown more urgent and social media increasingly remains at the center of the scam economy. The updated numbers show more losses, more scams, and less recourse.

In recent months, the national conversation around scams has begun to catch up with the reality of platform-enabled fraud that consumers face every day. The 2025 scam loss numbers from the Federal Trade Commission described that "people reported losing far more money to scams on Facebook alone than they reported losing to text or email scams" and that "social media scams produced far more in losses [than the year before] – an eightfold increase since 2020 – more than any other contact method used by scammers to reach consumers." A National Council on Aging survey found that once older adults learned how platforms profit from scam ads, an overwhelming majority supported stronger safeguards and accountability measures on social media. At the same time, lawsuits brought by us in Washington DC and Santa Clara County in California seek to hold Meta liable for facilitating and profiting from scam ads, joining the Virgin Islands Attorney General who filed a lawsuit on it in 2025.

Policymakers have also begun to respond to the moment. In Congress, a bipartisan group of lawmakers in the House and Senate introduced the SCAM Act, which establishes clear responsibilities for platforms to verify advertisers and act against fraudulent content. States like New York have also started to advance proposals aimed at holding social media platforms accountable for online fraud. These efforts reflect a growing consensus that solving the nation's scam epidemic requires more than just outreach and awareness efforts. It requires confronting the infrastructure that allows scams to spread at massive scale.

The updated data presented in this report underscore both the scale of the harm and the stakes of this debate. Behind every dollar lost is a consumer whose trust has been exploited and whose financial security has been threatened. As lawmakers and regulators consider solutions to protect consumers, understanding the true cost of online scams and the role of platforms in enabling them has never been more important.

Ben Winters
Director of AI and Privacy
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THE SCAM ECONOMY: THE TRUE COST OF ONLINE SCAMS, 2025 UPDATE

Since the release of *The Scam Economy: The True Cost of Online Scams*, the FBI Internet Crime Complaint Center (IC3) released its annual Internet Crime Report for 2025, and this summary serves as an update and brief comparison to the 2024 totals.

For this update, we used all the same methodologies as we did in the original paper, but did update to newer census data for per-capita estimations, and did new analysis on per-household true losses.

Top findings:

Using the 7.1x multiplier as the most accurate available estimate of underreporting, the **total true losses are $148.2 billion. Over half of all reported losses involved cryptocurrency**, up 21.93% since 2024, with $11.4B in reported losses and an estimated true cost of $80.7B.

Drawing on new data from the IC3 and the U.S. Census Bureau's 2024 American Community Survey (ACS), we estimate the true cost of scams and crimes at $1,009 per U.S. household.

2025 continues the trend of year-over-year increases in both the number of reports and total losses from internet-based fraud or crime. IC3 received **1,008,597 complaints, a 17.3% increase from 2024**, resulting in **$20.877 billion in losses, up 25.8% from $16.6 billion in 2024**. **Annual losses have tripled since 2021.**

Seniors 60+ remained the largest targeted demographic and saw an increase of over 60% in reported losses, averaging $38,500 per report. The under-20 age group remains the smallest, but saw a 198% increase in reported losses from 2024.

IC3 tracked AI-enabled crime instances for the first time in 2025, with $893M in reported losses and an estimated **$6.3B in true costs from 22,364 complaints**.

TWO MEASURES OF TRUE COST

As we mentioned in the previous report IC3 uses the term "cyber-enabled fraud" synonymously with what most would call "online scams."

It distinguishes these online scams or "cyber-enabled fraud" from broader cybercrime (data breaches, ransomware, malware, botnet, and SIM Swap) to better examine online-originating scams. Cyber-enabled fraud was responsible for almost 85% of all losses reported to IC3 in 2025, up from 83% in 2024. For further context, the Better Business Bureau noted that Meta's platforms — Facebook at 57%, Instagram at 22%, and WhatsApp at 8% — as the top three online platforms associated with scams.

ALL SCAMS & CRIMES	CYBER FRAUD TOTALS
IC3 Reported Totals: $20.877B	IC3 Reported Totals: $17.69B
Est. True (×7.1): $148.2 Billion	**Est. True (×7.1): $125.6 Billion**
YoY: +$30.3B (+25.8%)	YoY: +$25.2B (+26%)

ADDITIONAL STATS:

TOP 5 CYBER-ENABLED FRAUD CRIME TYPES BY LOSS			
Category	**2025 Totals**	**True Cost Calculation**	**% Change from 2024**
Investment	$8,648,617,756	$61,405,186,068	31.63%
BEC	$3,046,598,558	$21,630,849,762	9.98%
Tech Support	$2,134,675,818	$15,156,198,308	45.74%
Confidence/ Romance	$929,287,469	$6,597,941,030	38.28%
Government Impersonation	$797,943,193	$5,665,396,670	96.72%

LOSSES BY AGE GROUP			
Category	**2025 Totals**	**True Cost Calculation**	**% Change from 2024**
Under 20	$67,102,440	$476,427,324	198%
20 - 29	$563,103,982	$3,998,038,272	4%
30 - 39	$1,742,438,917	$12,371,316,311	24%
40 - 49	$2,957,773,418	$21,000,191,268	34%
50 - 59	$3,676,138,586	$26,100,583,961	47%
Over 60	$7,748,911,371	$55,017,270,734	61%

APPENDIX

METHODOLOGY: THE 7.1X UNDERREPORTING MULTIPLIER

As we did in our previous report, the 14% reporting rate applied throughout this update is based on the Bureau of Justice Statistics' 2017 Supplemental Fraud Survey, the most recent nationally representative measure of fraud reporting behavior. Only about 14% of financial fraud victims report to law enforcement. Based on this reporting rate, we apply a 7.1x multiplier to IC3-reported losses to estimate true losses. This is the conservative choice; some studies report rates as low as 4–5%, implying multipliers of 20–25x.

Note on Census data: Per-capita figures use the U.S. Census Bureau's Vintage 2025 state population estimates (reference date July 1, 2025). This is an update from the prior Scam Economy report, which used Vintage 2024 estimates. Per-household figures, a new addition in this update, use household counts from the U.S. Census Bureau's 2024 American Community Survey (ACS) 1-year estimates, the most recent ACS 1-year data available. The two products use different methodologies but are widely used as paired demographic denominators.

STATE BY STATE BREAKDOWN FOR APPENDIX (RANKED BY ESTIMATED TRUE COST PER STATE)

TRUE COSTS BY STATE								
Rank	State	2025 Pop.	Reports	Reported Losses	Est. True Losses	Est. True Per Capita Losses	Total Households	Est. True Per Household Losses
1	CA	39,355,309	116,414	$3,674,716,305	$26,090,485,765	$662	13,797,638	$1,890
2	TX	31,709,821	97,912	$1,825,636,181	$12,962,016,885	$408	11,449,769	$1,132
3	FL	23,462,518	71,843	$1,596,138,595	$11,332,584,024	$483	9,141,675	$1,239
4	NY	20,002,427	45,255	$1,226,307,877	$8,706,785,926	$435	7,828,074	$1,112
5	NJ	9,548,215	20,648	$660,411,901	$4,688,924,497	$491	3,543,944	$1,323
6	AZ	7,623,818	28,868	$630,700,609	$4,477,974,323	$587	2,982,475	$1,501
7	PA	13,059,432	31,154	$537,787,231	$3,818,289,340	$292	5,361,724	$712
8	IL	12,719,141	32,977	$535,255,201	$3,800,311,927	$298	5,105,448	$744
9	GA	11,302,748	25,936	$534,581,965	$3,795,531,951	$335	4,220,732	$899
10	VA	8,880,107	25,314	$476,120,025	$3,380,452,177	$380	3,449,307	$980
11	WA	8,001,020	25,619	$458,165,375	$3,252,974,162	$406	3,168,080	$1,026
12	NC	11,197,968	25,940	$431,561,716	$3,064,088,183	$273	4,496,359	$681
13	OH	11,900,510	27,626	$421,289,526	$2,991,155,634	$251	4,929,322	$606
14	MA	7,154,084	22,936	$410,924,066	$2,917,560,868	$407	2,829,804	$1,031
15	MD	6,265,347	19,430	$390,242,821	$2,770,724,029	$442	2,401,394	$1,153
16	MI	10,127,884	22,191	$381,068,131	$2,705,583,730	$267	4,131,281	$654

TRUE COSTS BY STATE

Rank	State	2025 Pop.	Reports	Reported Losses	Est. True Losses	Est. True Per Capita Losses	Total Households	Est. True Per Household Losses
17	CO	6,012,561	18,847	$355,049,719	$2,520,853,004	$419	2,479,892	$1,016
18	NV	3,282,188	13,366	$302,235,247	$2,145,870,253	$653	1,238,925	$1,732
19	TN	7,315,076	16,261	$269,214,519	$1,911,423,084	$261	2,928,765	$652
20	SC	5,570,274	14,699	$264,083,026	$1,874,989,484	$336	2,222,890	$843
21	MN	5,830,405	13,595	$248,892,986	$1,767,140,200	$303	2,363,442	$747
22	MO	6,270,541	14,087	$233,933,401	$1,660,927,147	$264	2,563,244	$647
23	IN	6,973,333	20,777	$233,016,771	$1,654,419,074	$237	2,775,637	$596
24	CT	3,688,496	9,714	$219,500,212	$1,558,451,505	$422	1,455,235	$1,070
25	UT	3,538,904	9,903	$195,417,205	$1,387,462,155	$392	1,184,428	$1,171
26	WI	5,972,787	16,680	$194,227,722	$1,379,016,826	$230	2,535,198	$543
27	OR	4,273,586	12,477	$193,196,479	$1,371,695,000	$320	1,744,270	$786
28	AL	5,193,088	9,936	$167,212,658	$1,187,209,871	$228	2,059,528	$576
29	KS	2,977,220	7,927	$147,337,101	$1,046,093,417	$351	1,204,374	$868
30	OK	4,123,288	11,964	$131,921,776	$936,644,609	$227	1,603,748	$584
31	KY	4,606,864	9,414	$119,685,861	$849,769,613	$184	1,865,456	$455
32	HI	1,432,820	3,328	$106,447,375	$755,776,362	$527	493,151	$1,532
33	LA	4,618,189	8,623	$105,440,238	$748,625,689	$162	1,848,965	$404
34	AR	3,114,791	6,161	$102,541,947	$728,047,823	$233	1,246,754	$583

TRUE COSTS BY STATE

Rank	State	2025 Pop.	Reports	Reported Losses	Est. True Losses	Est. True Per Capita Losses	Total Households	Est. True Per Household Losses
35	DC	693,645	3,113	$97,368,097	$691,313,488	$996	329,687	$2,096
36	IA	3,238,387	5,436	$95,520,131	$678,192,930	$209	1,343,422	$504
37	WV	1,766,147	4,209	$92,648,544	$657,804,662	$372	740,840	$887
38	ID	2,029,733	4,479	$88,725,284	$629,949,516	$310	751,181	$838
39	NM	2,125,498	5,688	$85,571,285	$607,556,123	$285	856,970	$708
40	MS	2,954,160	5,084	$77,360,761	$549,261,403	$185	1,176,690	$466
41	RI	1,114,521	2,700	$71,960,439	$510,919,116	$458	448,318	$1,139
42	NE	2,018,006	3,724	$71,844,724	$510,097,540	$252	824,012	$619
43	DE	1,059,952	3,089	$62,012,494	$440,288,707	$415	412,304	$1,067
44	NH	1,415,342	4,374	$59,283,023	$420,909,463	$297	570,689	$737
45	ME	1,414,874	2,888	$56,536,020	$401,405,742	$283	615,235	$652
46	MT	1,144,694	2,618	$53,192,859	$377,669,298	$329	468,981	$805
47	SD	935,094	2,514	$51,452,806	$365,314,922	$390	382,302	$955
48	AK	737,270	3,202	$39,972,438	$283,804,309	$384	274,045	$1,035
49	ND	799,358	1,418	$37,865,442	$268,844,638	$336	349,705	$768
50	VT	644,663	1,580	$26,567,033	$188,625,934	$292	285,548	$660
51	WY	588,753	1,552	$25,826,205	$183,366,055	$311	256,289	$715
National Total		**341,784,857**	**915,490**	**$18,873,969,353**	**$134,005,182,406**	**$392**	**132,737,146**	**$1,009**