

Research on Nuisance Communications - Business

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Commission for
Communications Regulation



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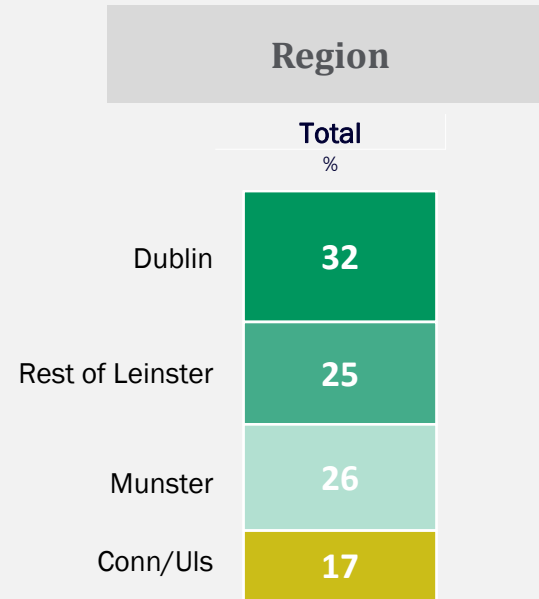
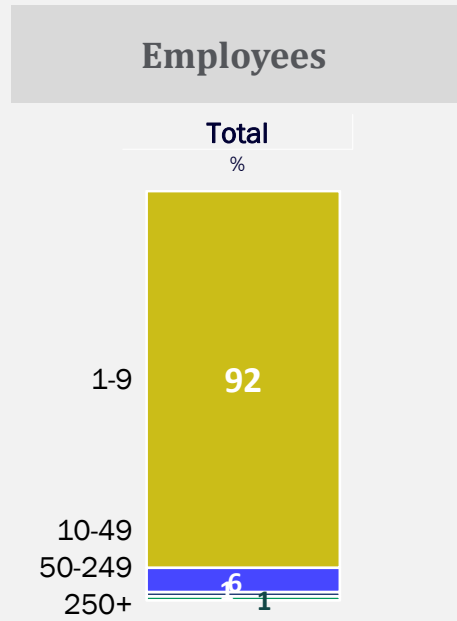


Sample Profile



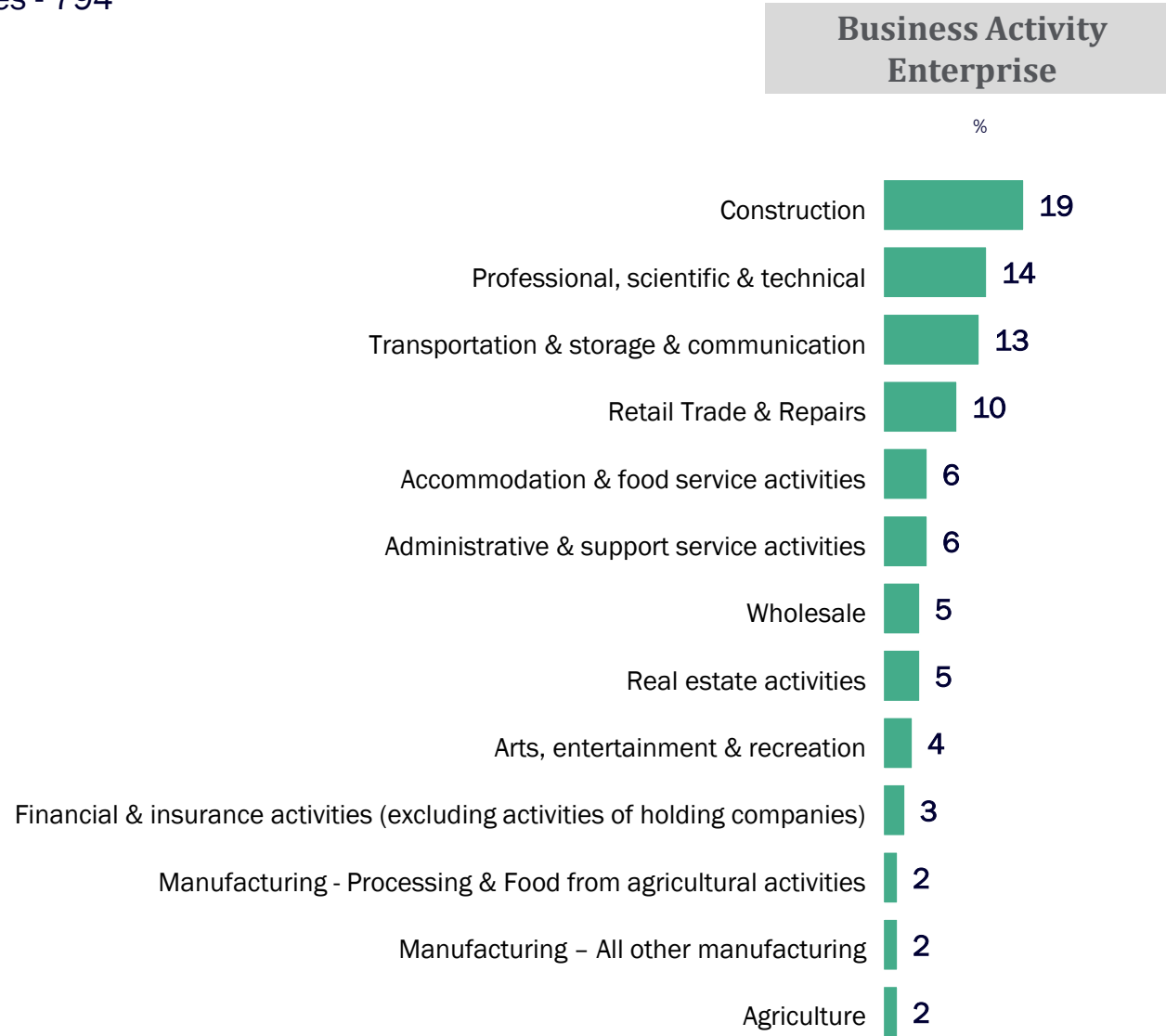
Profile of Respondents

Base: All businesses - 794



Profile of Respondents

Base: All businesses - 794



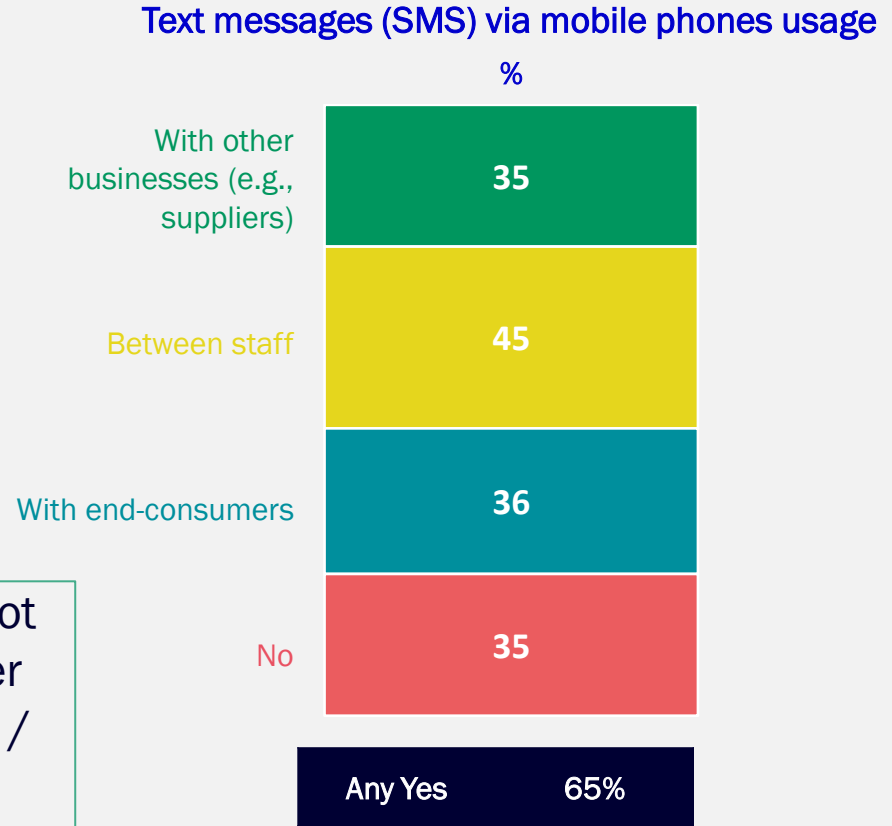
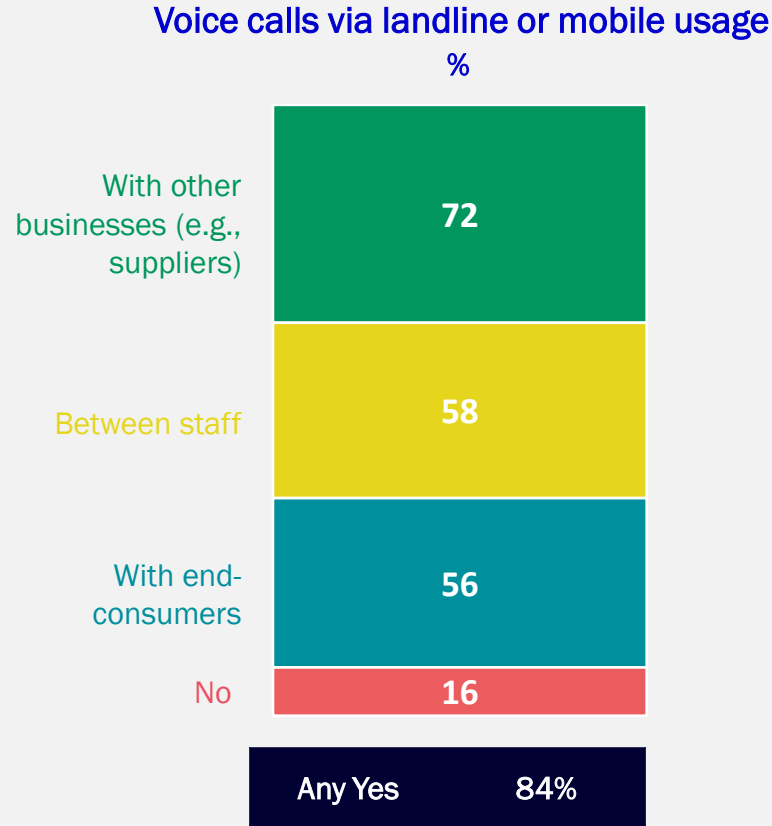


General Usage



Voice calls and text messages usage

Base: All businesses – 794

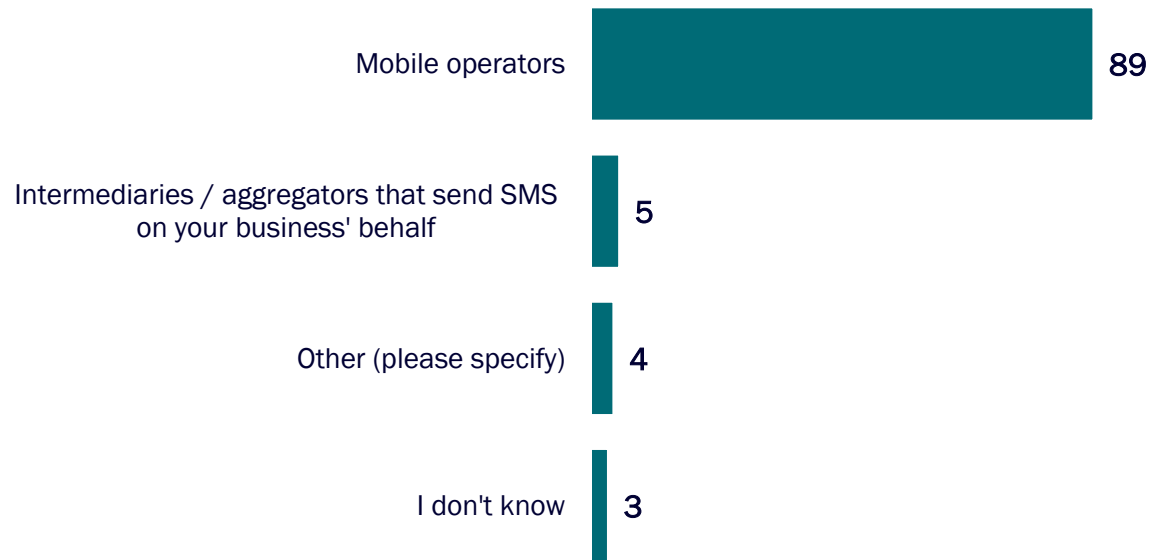


13% do not use either voice call / SMS to communicate

There is high usage, particularly for voice calls. Voice calls are particularly useful for engaging with other businesses, though it should be noted that communication is more popular through the use of voice calls when compared to SMS comms.

Type of service provider / platform(s) used to communicate

Base: All businesses using SMS in Q1a - 237



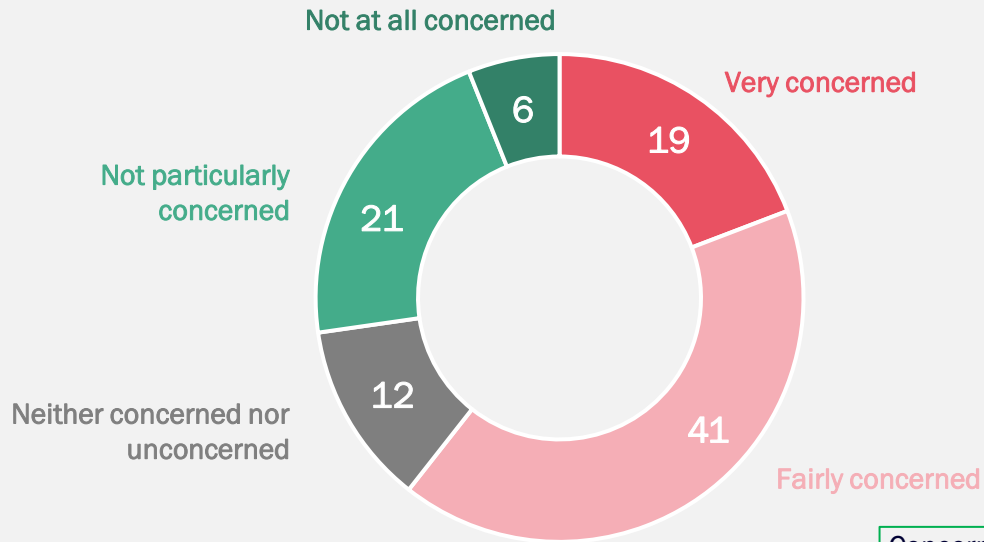
Employees				Business Activity Enterprise		
1-9	10-49	50-249	250+	Retail and Wholesale	Services	Other
148	63	12*	14*	39*	67	131
%	%	%	%	%	%	%
90	84	97	97	83	87	93
4	13	35	37	10	5	3
4	4	-	13	5	8	1
3	5	-	-	7	0	5

Mobile operators are the dominant approach to communication for most, though intermediaries play a larger role within larger companies of 50+ employees.

Concern regarding scam calls and texts

Base: All businesses – 794

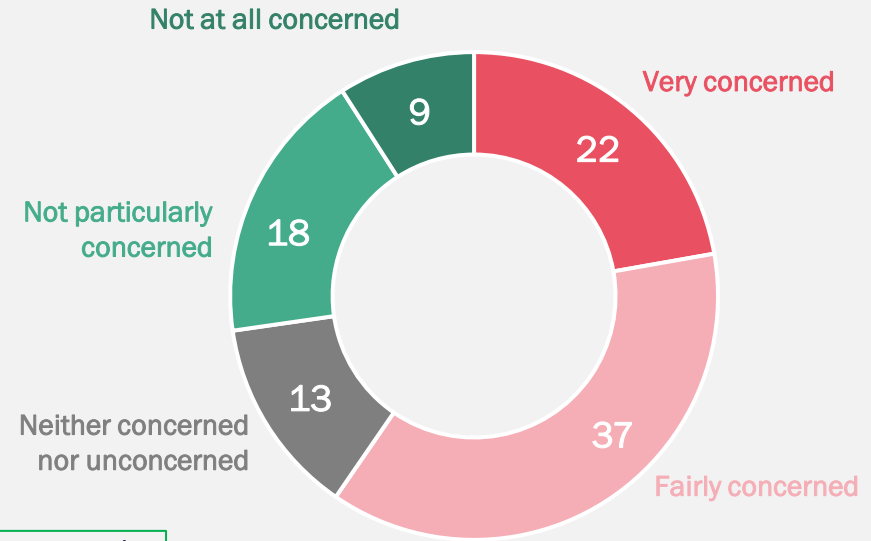
Concern for scam calls
%



Any Concerned	60%
Any Not Concerned	27%

Concern increases as companies grow in size with those with 50+ employees more concerned. Those using mobile operators to communicate also showing higher levels of concern.

Concern for scam texts
%



Any Concerned	59%
Any Not Concerned	28%

Concern regarding scam calls and texts are consistent with 3 in 5 noting concern for both.

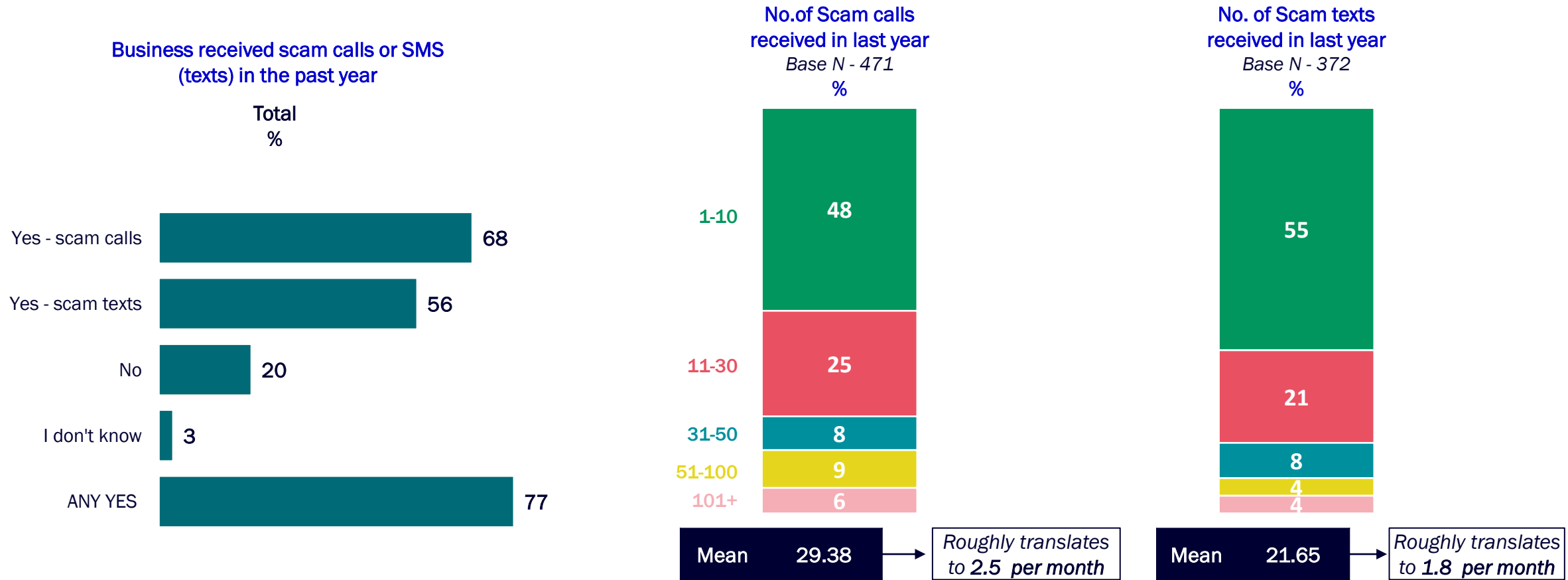


Scam Communications – General Prevalence and Impact



Prevalence of scam communications in past year

Base: All Businesses - 794



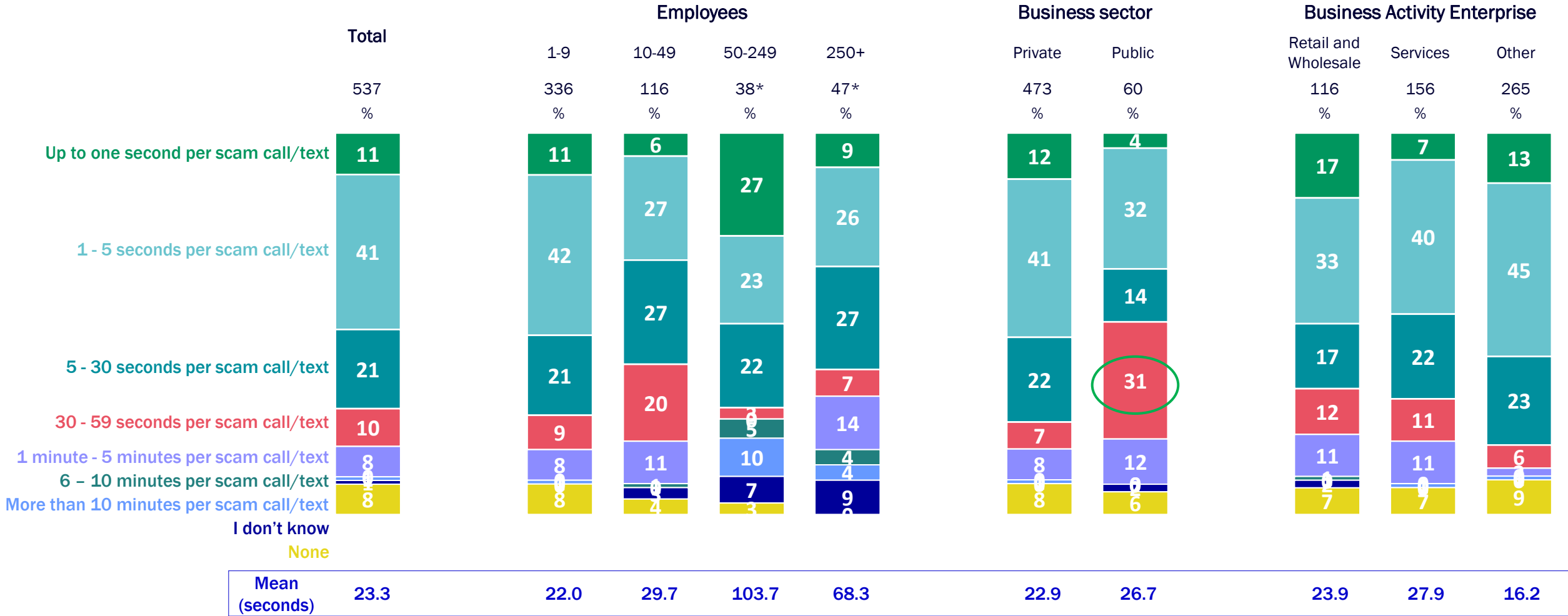
When comparing to the consumer research we see that less businesses experience scam calls and texts, however among those experiencing these scam calls, the frequency is significantly higher. The frequency of calls increases among larger companies, with retail and wholesale sector showing higher frequency of scam calls. It appears that there is a correlation between high frequency of scam calls and texts, with those experiencing high levels of scam calls also often experiencing high levels of scam texts and vice versa.



Q.3 Has your business received scam calls or SMS (texts) in the past year?
 Q.4a Approximately how many scam calls has your business received in the past year?
 Q.4b And approximately how many scam texts has your business received in the past year?

Time spent on the last scam call or text

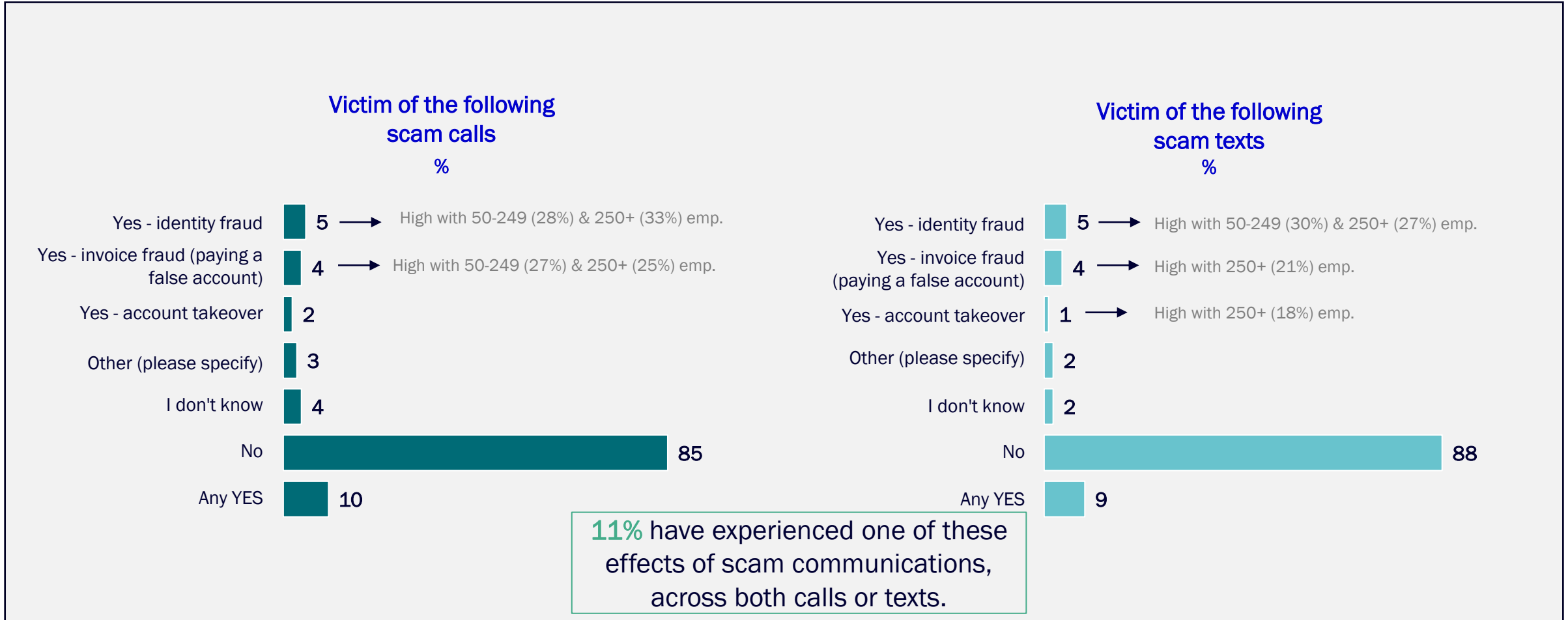
Base: Businesses receiving scam calls / texts – 537



Time spent on scam calls/texts is minimal with the average time spent being 23 seconds. This does increase to 1 min 44 seconds for those with between 50 and 249 employees, and over a minute for those with 250+ employees.

Incidence of being a victim of scam calls and texts in the past 12 months

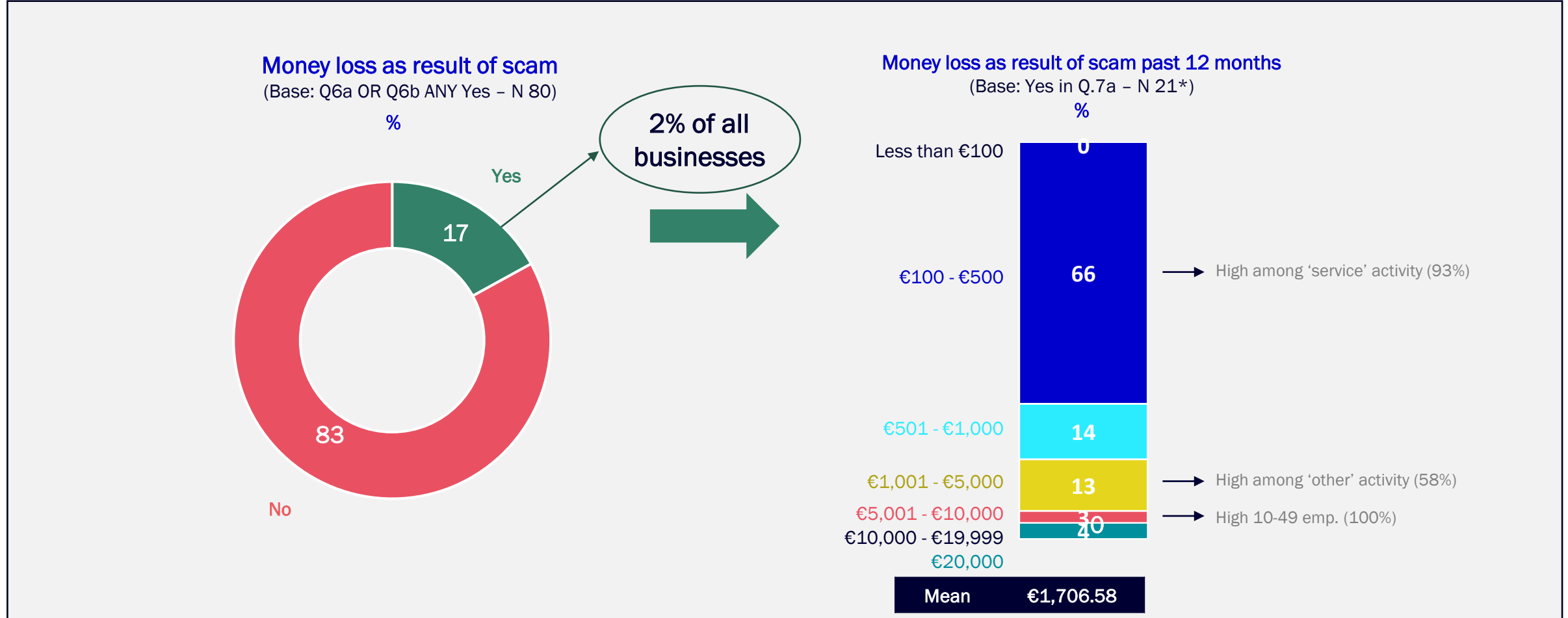
Base: All businesses – 794



The vast majority have not experienced any of the listed adverse effects of scam calls/texts in the past year. Interestingly, although there are less exposed to scam texts, the overall impact of scam texts are in line with scam calls. These scam effects are much more common among larger companies.

Money loss as result of scam in the past 12 months

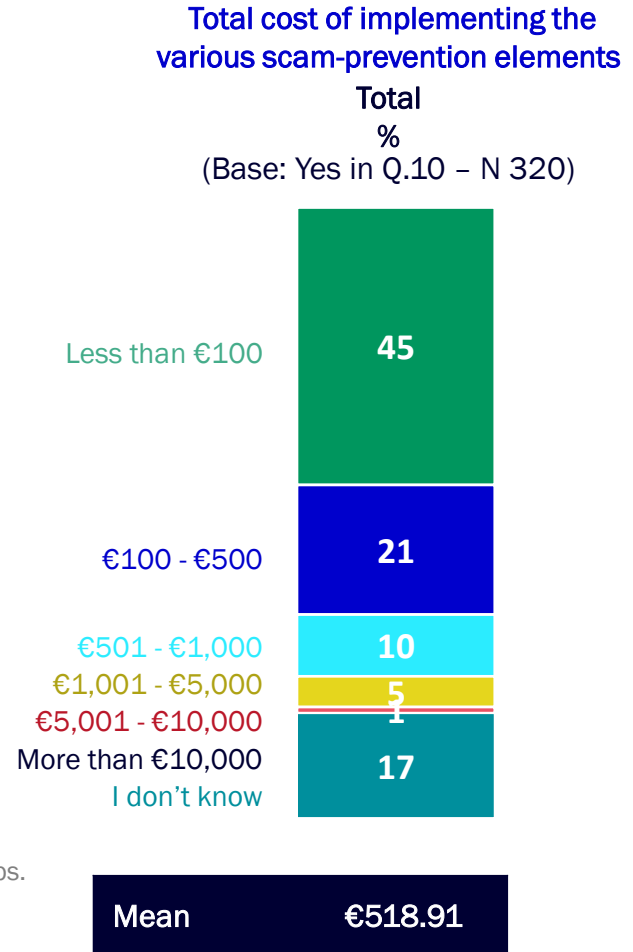
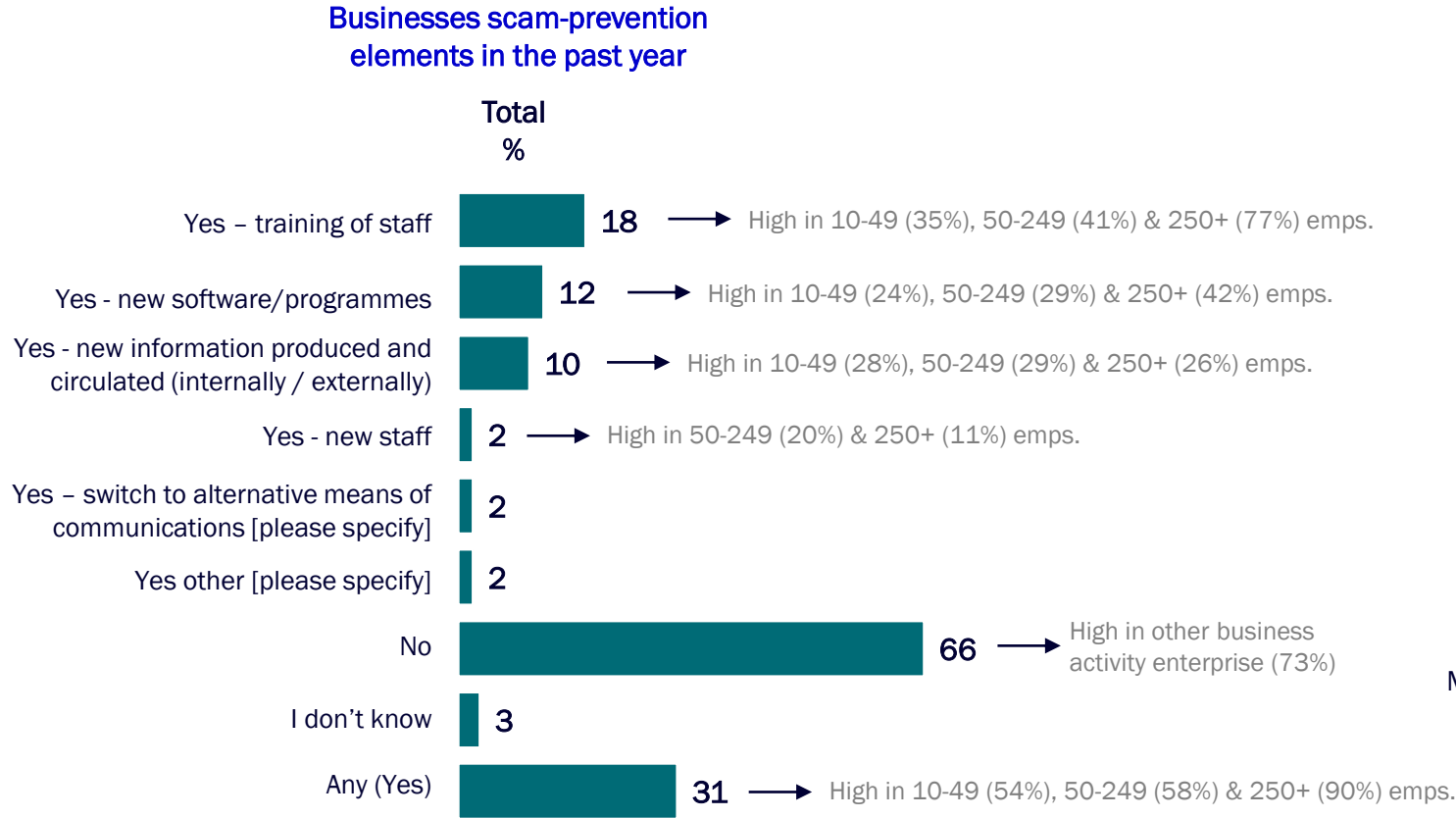
Base: Businesses experiencing adverse effects of scam comms (Q6a/6b) - 80



Of those who experienced these adverse effects of scam comms, 1 in 5 claim to have suffered monetary loss, with the average loss being just over €1,700. This increases substantially as the company increases in size. It should be noted that, although the mean is relatively high, the vast majority of businesses note that they lose €1000 or less (4 in 5). However, this is a small base size.

Scam-prevention elements

Base: All Businesses – 794



2 in 3 claim to have not introduced any scam-prevention elements in their business. Among those who have, training of staff, new software, and circulation of new information are the key methods of scam-prevention. The average spend on scam-prevention among those who have introduced this into their business, is just over €500. It should be noted that just under 1 in 5 are unaware of the cost.





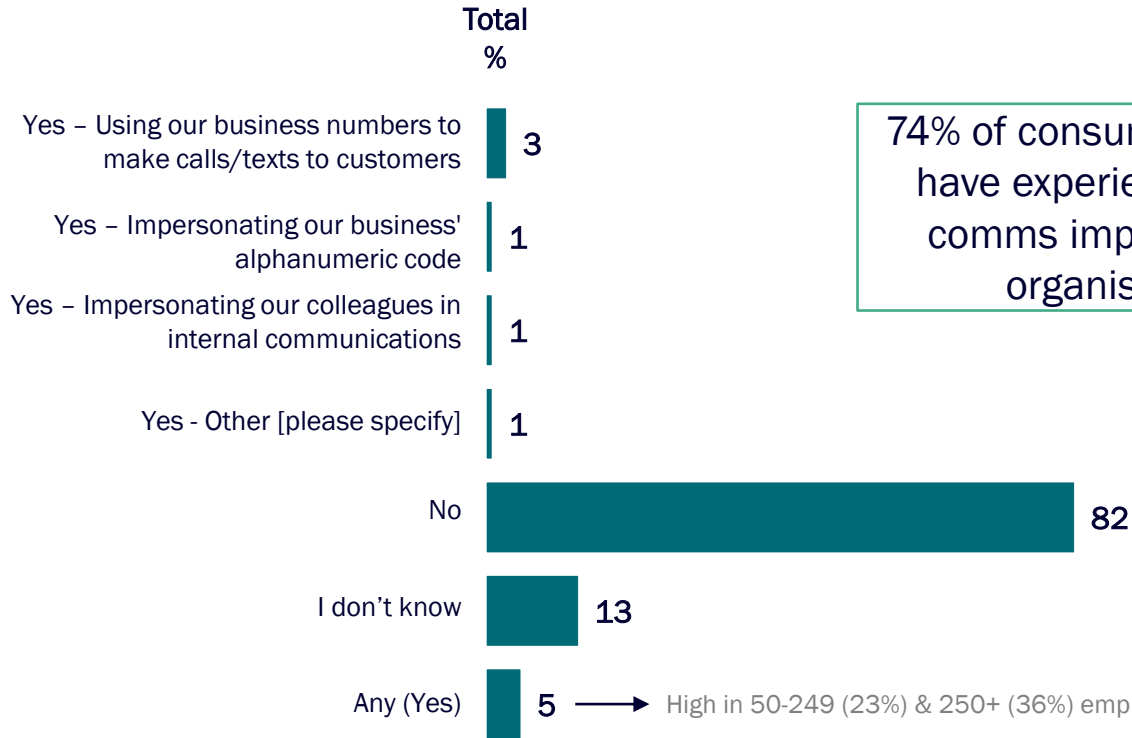
Impacts of Attempts to Impersonate Business'



Prevalence of impersonation and time spent resolving complaints

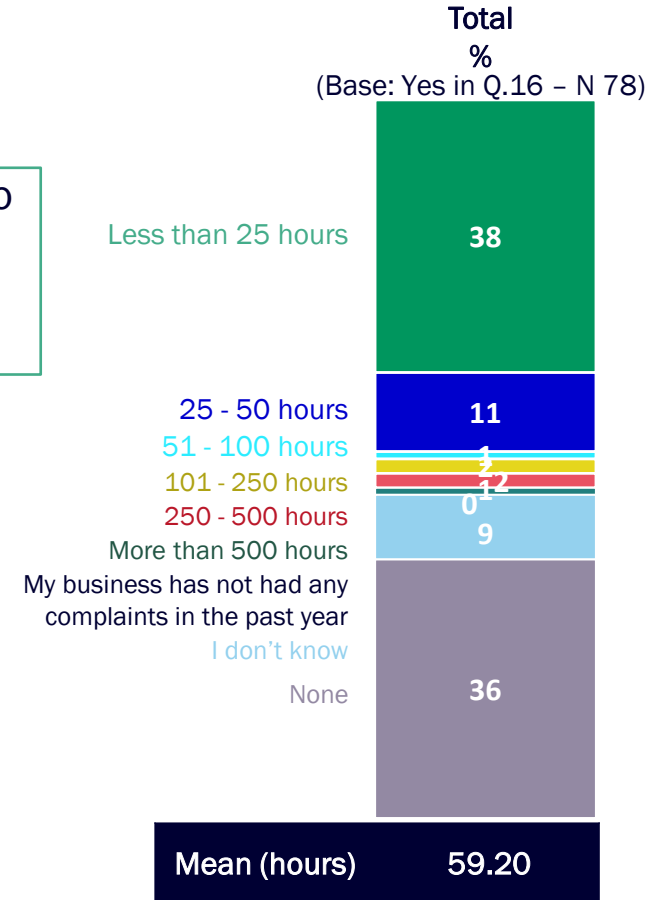
Base: All Businesses – 794

Business ever been impersonated by a scam call/text to your knowledge



74% of consumers claim to have experienced scam comms impersonating organisations

Time resolving customer complaints resulting from customers being contacted and or defrauded by scam calls/texts in past year

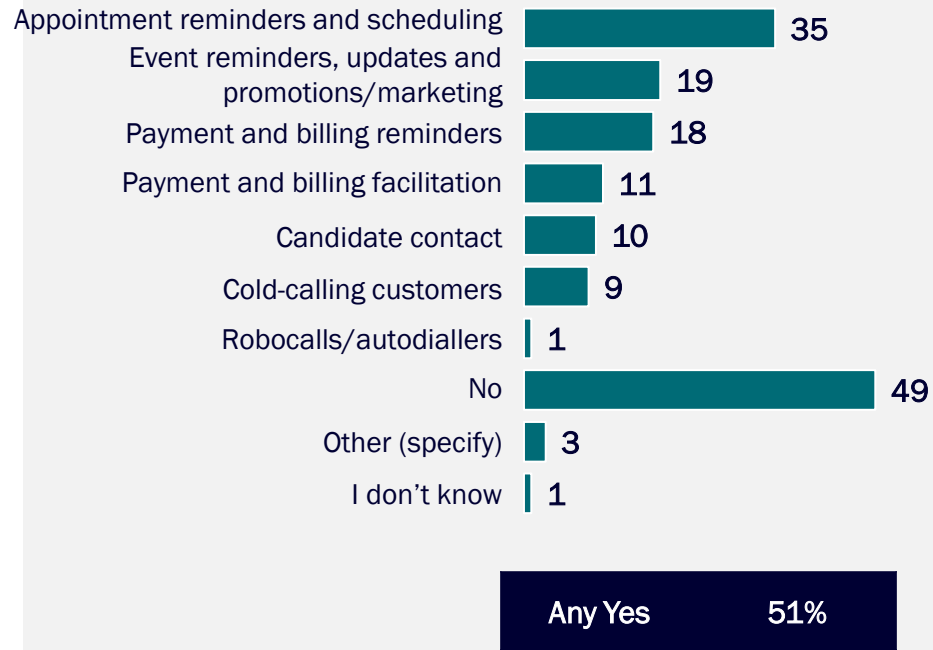


Only 5% claim to have experienced their business being impersonated. When compared to the consumer research, from the cohort breakdown, it seems that impersonation is impacting mainly larger companies. Among those experiencing impersonation, the majority indicate that the impact is somewhat modest with 3 in 4 claiming to spend less than 25 hours or no time at all resolving in the past year.

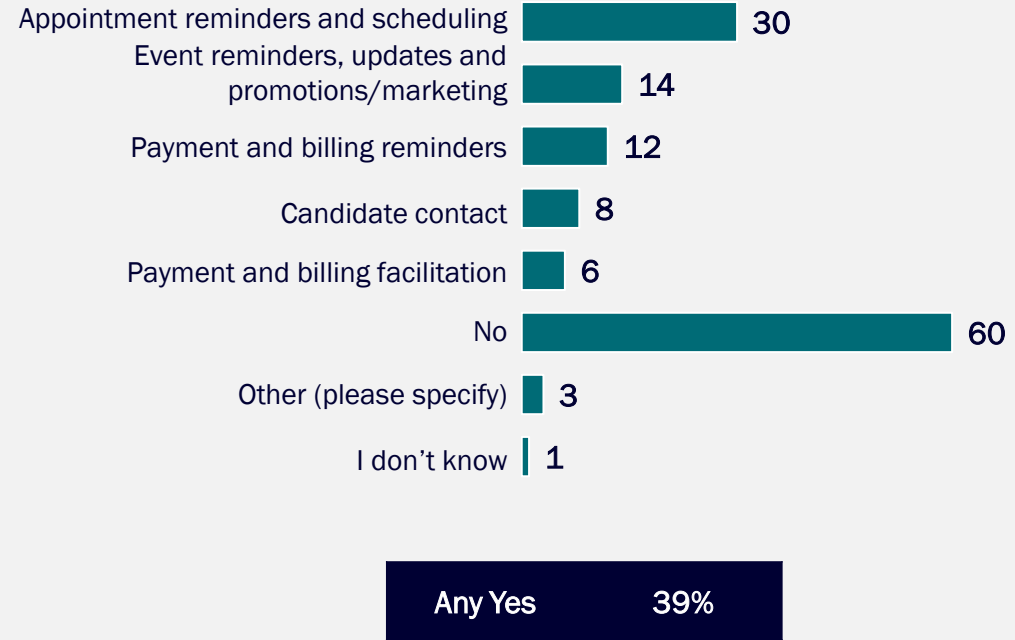
Use of phone calls / text messages in telecommunication strategy

Base: All businesses – 794

Use of mobile calls for any of the following parts of telecommunication strategy
%



Use of text messages for any of the following part of telecommunication strategy
%

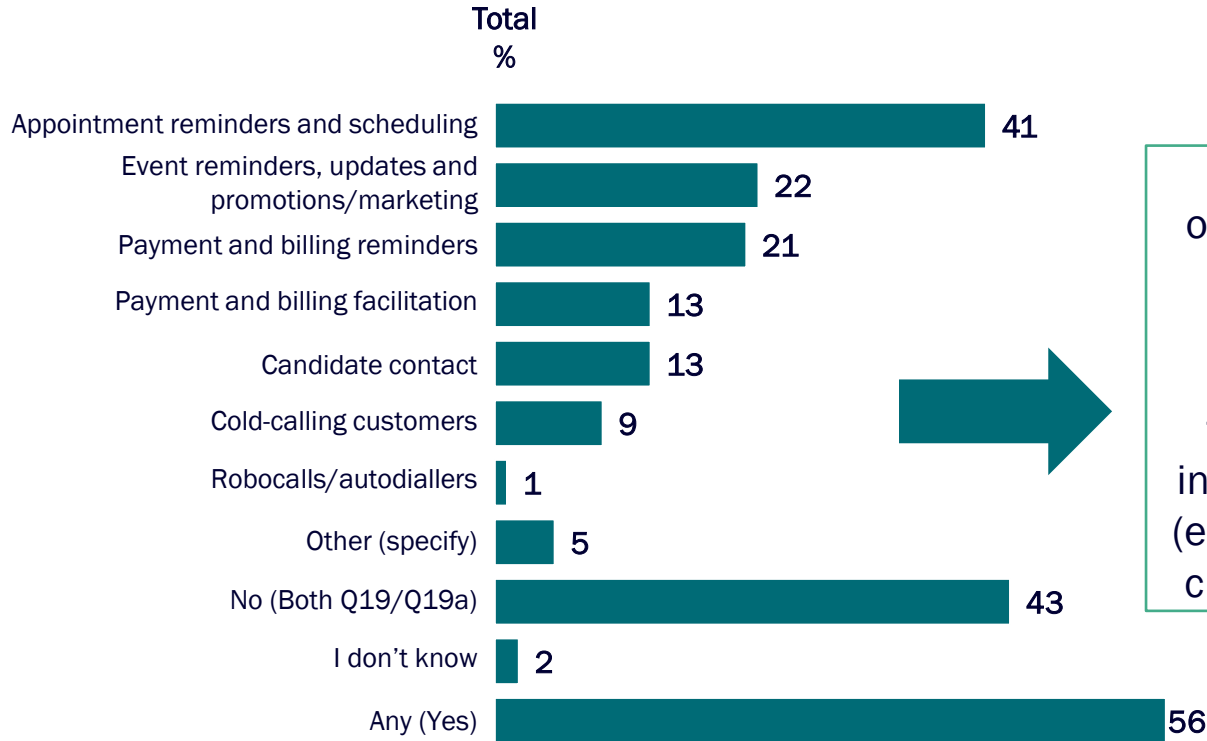


Overall, mobile calls appear to be a more utilized telecommunication tool, though only half the sample use this. This reduces to 2 in 5 for text messages. Appointment reminders and scheduling, and payment and billing are the man uses.

Either Voice call and text message usage in telecommunication strategy and level of revenue generated from this

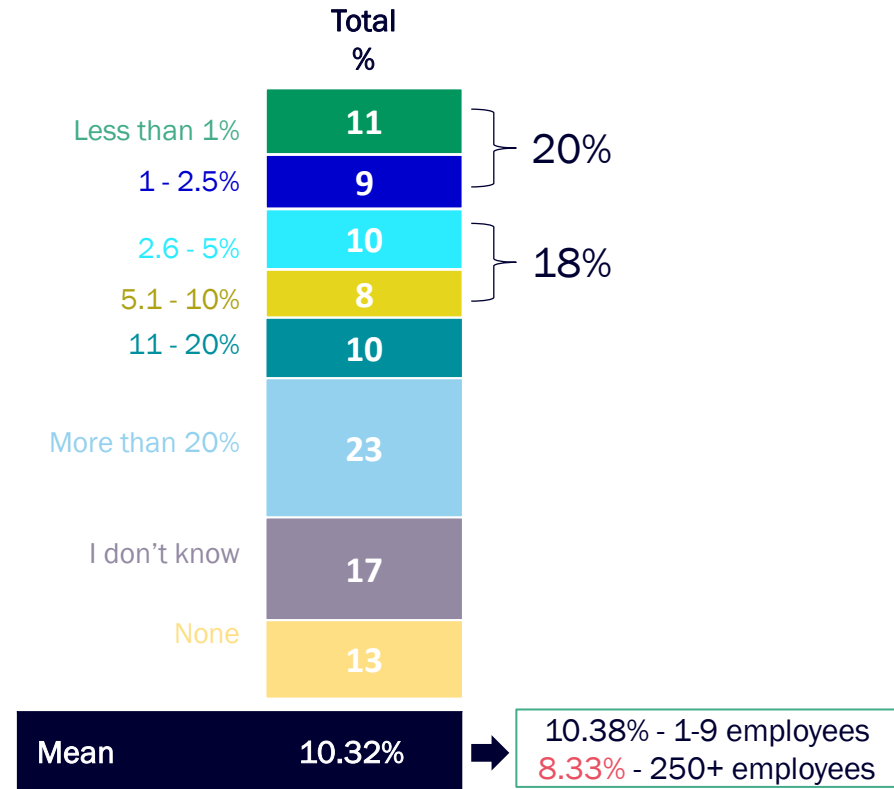
Base: All businesses – 794

Use of mobile calls/texts for any of the following parts of telecommunication strategy



Many organisations likely using alternative methods of telecoms – internet based (email, website chatbots, etc)

Proportion of your business revenue is generated or facilitated by mobile communication in the past year.



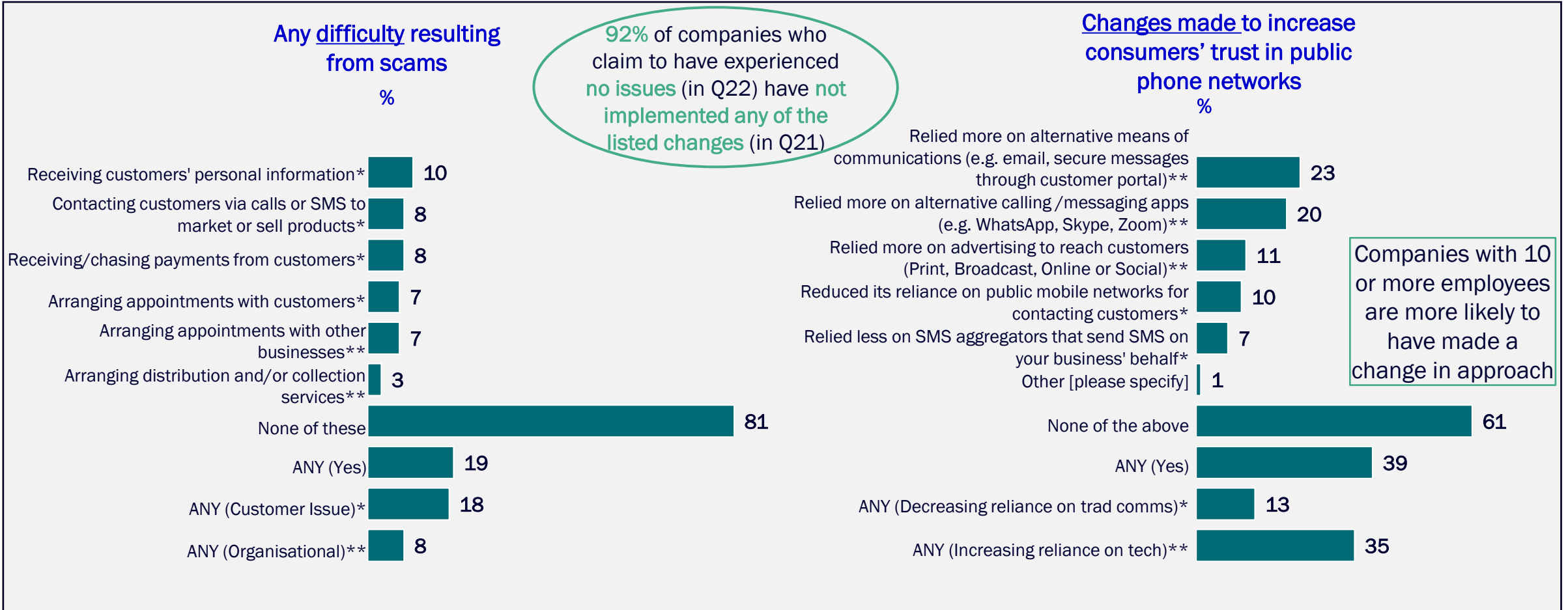
When combining the use of both mobile calls and text messages, we see usage rates remain modest with just over half utilizing these. When focusing on the revenue garnered from mobile comms, it becomes clear that smaller businesses are often more reliant on mobile communications.



Q.19 Does your business use mobile calls for any of the following parts of its telecommunication strategy?
 Q.19a Does your business use text messages for any of the following part of its telecommunications strategy?
 Q.20 If so, approximately what proportion of your business revenue is generated or facilitated by mobile communication in the past year?

Impact of scam communications in the past year and action taken to combat issues

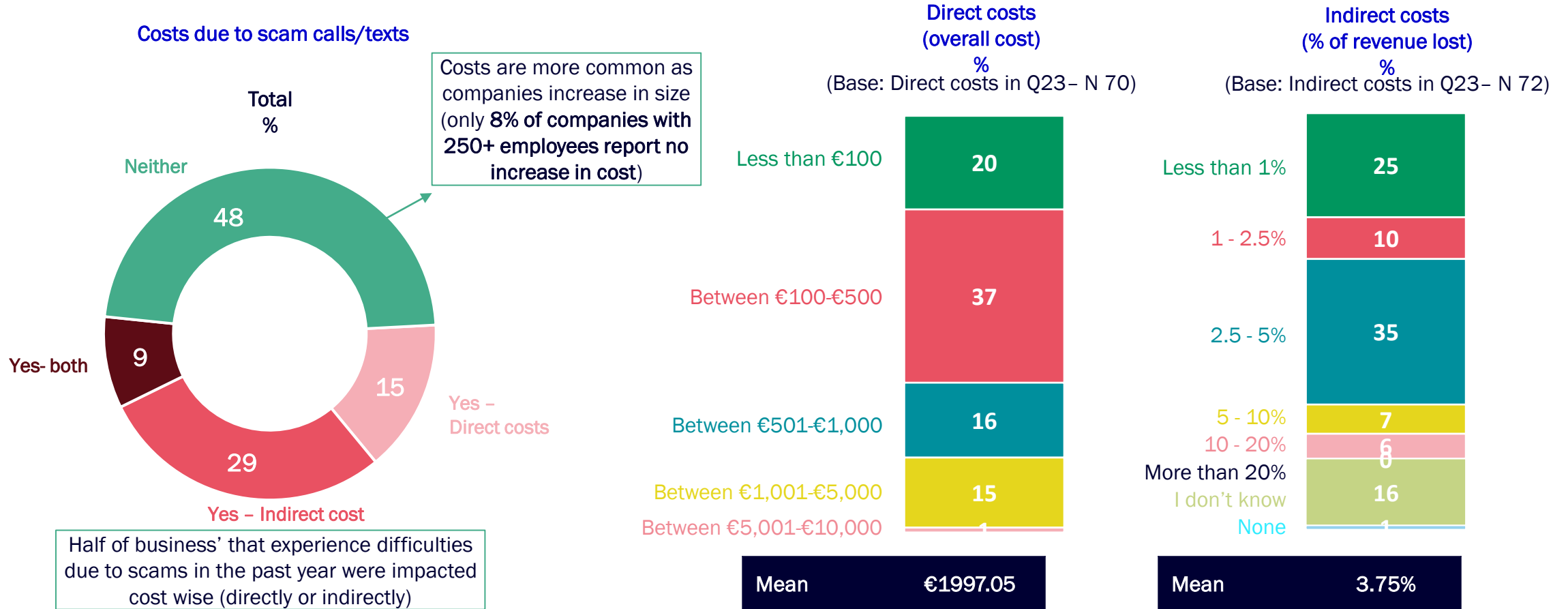
Base: All businesses – 794



The vast majority of organisations claim to not have experienced any of the listed issues, with the most cited issue relating to receiving customers' personal information, though this is only noted by 10% of the sample. There have been more companies implementing changes however, regardless of the lack of issues faced for more than 4 in 5 businesses. Alternative communication and calling/messaging apps are the most cited changes implemented.

Costs inflicted due to scam communications in the past year

Base: All businesses with difficulties mentioned (Codes 1-6 in Q21) – 168



Among those who mentioned having issues in relation to scam communications, just over half claim that these issues have increased their costs, with indirect costs being the most common. Larger businesses and those in the services industry show higher costs, both directly and indirectly.

Q.23 You mentioned more difficulties due to scam calls/texts, has this raised your direct costs (spending more money/time to contact customers) and indirect costs (lost revenue from missed marketing or missed appointments).

Q.24 Thinking of direct costs (e.g spending more to contact customers, etc), approximately how large were these costs in the past 12 months due to scam calls/texts? Please estimate as best you can

Q.25 Thinking of indirect costs, how much revenue do you think you may have lost in the past year

as a result of consumers not engaging with you via voice or SMS communications?



Summary of Findings

Use of traditional comms is very common



87% of business' use either voice calls or text messages as a means of communication, with only 13% stating they do not use either of these, indicating strong usage. Furthermore, **over half use voice and over one third use text in telecoms strategies** (e.g. appointment reminders, event reminders, payment and billing, candidate contact, cold-calling, etc).

Differing experiences for business compared to consumer



Overall, it appears that scam communications are having less of an (perceived) impact on businesses compared to consumer research, in terms of concern and prevalence.

However, this is not to say that concern levels are low, with **3 in 5 still concerned** (compared to 7 in 10 consumers).

When focusing on prevalence, we see **less businesses experiencing scam comms** compared to consumers (68% of businesses experiencing scam calls, compared to 91% of consumers, for example). However, **frequency is higher among companies with the average being 2.5 calls per month, compared to 1.5 for consumers.**

Impact of impersonation more significant than direct scam comms



There appears to be a **contrast in experience between direct scams directed at the business and impersonation of businesses.**

The businesses who have been impersonated note that on average, they spend 59 hours resolving customer complaints as a result of impersonation.

Half of business that experiences difficulties due to scams in the past year were impacted cost wise (directly or indirectly). Furthermore, when focusing on amounts spent to combat the effects of impersonation generally, the average cost is **€1,997, compared to €519 spent to protect against incoming scam comms to business.**

Larger businesses more effected



Throughout the research, it appears that larger businesses are more effected by scam comms, with higher costs, incidences, etc.

For example, the impersonation of legitimate organisations is a much more common experience for larger companies with 23% of companies with 50-249 employees and 36% of companies with 250+ employees claiming to have been impersonated (versus 5% of all businesses).

Larger companies are also more likely to have made changes to approach when contacting customers, which is likely brought about by experiences of impersonation, but also having the resources to adapt – something that smaller organisations may not have.

Smaller businesses less likely to adapt



Small SMEs (under 10 employees) either do not have the resources to implement changes in approach to comms, or alternatively they do not feel that scam comms impact their business / comms as much as larger businesses (and there may be some merit in this perhaps, with small SMEs much less likely to have been impersonated, etc).

This indifference is reinforced by the fact that businesses not impacted (ie not experiencing difficulty with customer contact), are not investing in additional measures of communication in an attempt to counteract any consumer distrust in telecoms.

There may be some benefit to taking a proactive step to encourage scams protections among this group.

Thank You



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Delve Deeper