

# Complaints about scams on sharing economy platforms have tripled: ACCC



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The holiday season is around the corner, and cut-price accommodation deals on websites such as Airbnb that offer live-like-a-local experiences may look attractive.

But the Australian Competition and Consumer Commission is warning holidaymakers to watch out for fraudsters who are increasingly luring victims through deals on sharing economy platforms and scamming them out of thousands of dollars.

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### Airbnb owner returns to find 'junkie den'

Dodgy Airbnb tenants trashed an inner city Sydney apartment causing \$10,000 damage and leaving drug paraphernalia behind.

It has received more than 150 reports of scams on websites such as Airbnb so far this year, with \$80,000 reported lost. That's triple the number of reports in 2015, when \$65,000 was reported lost.

Scammers are running fake websites or requesting payments via third-party wire transfers.

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"When you go to book a break, scammers direct you away from the site and ask you to pay them directly using money orders or wire transfer services such as Western Union and MoneyGram," said Delia Rickard, ACCC's deputy chair.

"Some reports indicate that scammers create very convincing fake versions of the site which they can use to collect personal details and banking information."

Airbnb, a leading player in the "sharing economy", allows individuals to rent out a private room or their home to travellers, offering them a live-like-a-local experience. It boasts 2.5 million listings, from treehouses to castles, in nearly every country.

The number of scam victims is growing, with the US Federal Trade Commission revealing last year that victims were losing sums as big as \$5200.



The view

from a villa on 10 acres in the Gold Coast hinterland that is listed on Airbnb. Photo: airbnb

"I wanted to book a chalet for my winter vacations with Airbnb and I ended up booking and paying for a fake ad," wrote one complainant to the FTC.

"I did a wire transfer ... but I found out it is a scam and now I lost \$5107."



Airbnb is

one of the biggest players in the growing sharing economy. Photo: Ryan Stuart

Ms Rickard said scammers may send "confirmation" emails using a logo or email address that imitates the real thing. Users should never click on links in these emails or reply to them.

"Double check that the URL, website or email address is correct and be aware that links may redirect you towards a fake address that looks similar to the legitimate site," she said.



**ACCC deputy chairwoman Delia Rickard.**

She advised users to only pay for a reservation via secure payment systems where the operator acts as an intermediary.

"Paying through the platform's system provides both owners and customers with safeguards such as refunds, cancellation policies and dispute resolution in the event that problems arise," she said.

"Any request for payment to be made via a method other than through the approved payment methods stated on the actual site, should be ignored."

Airbnb said that with more than 100 million guests, overall, problems were "incredibly rare".

"But we also know that one incident is one too many, which is why we're pleased to work with the ACCC on this to ban folks who do the wrong thing," said Sam McDonagh, Airbnb Australia's country manager.

"The bottom line is when you book a reservation through our secure platform, you receive the benefits of Airbnb's global trust and safety team and the forty safety features that kick in long before a transaction can take even place."