



2023 ANNUAL REPORT



Mission/Vision

Our Vision

A trusted marketplace where consumers and businesses prosper.

Our Mission

To educate and protect consumers, promote best practices for businesses, and solve complex marketplace problems.

We do this by:

- Creating and delivering consumer education programs that address scams, deceptive advertising, and subpar marketplace behavior.
- Conducting research that challenges assumptions and delivers new insights about how to address marketplace problems.
- Developing and delivering public information resources and campaigns aimed at empowering the public, including vulnerable populations, to choose better businesses and avoid scams.
- Convening experts and multiple stakeholders to create innovative resources and programs that address marketplace issues.



LETTER FROM THE CHAIR

In 2023, BBB Institute for Marketplace TrustSM (BBB Institute) expanded its efforts to empower consumers and businesses to thrive and avoid scams and other subpar marketplace behavior. Our work is made possible thanks to the support of our strategic partners, the network of Better Business Bureaus serving communities across the United States and Canada, and the International Association of Better Business Bureaus.

BBB Institute continued to expand the capabilities of the BBB Scam TrackerSM prevention and reporting platform this year by introducing the Scam Prevention Guide, which empowers people to gain knowledge that can help them spot and avoid scams. In 2023, we estimate that BBB Scam Tracker enabled people to avoid losing \$24.3 million.

Research is an important part of our work. Self-reported data enables BBB Institute to publish timely research about the latest scams and how people are being impacted. This information also informs our decisions about BBB Institute's programs and initiatives. This year, we published two research reports, including our annual *BBB Scam Tracker Risk Report*, an annual study that spotlights the riskiest scam types, and a report highlighting the impact of scams on young people.

BBB Institute expanded the overall reach of our programs this year thanks to the support of our partners. The Fighting Financial Fraud program, sponsored by the FINRA Investor Education Foundation, reached more than 19,000 people in 2023. Our "red flags" campaign with Zelle that taught people how to spot and avoid scams reached more than 7.5 million people.

The BBB Institute team was invited to speak and participate in a wide range of events this year, from a gathering of state attorneys general to a webinar for bank employees to an in-person summit of global fraud fighters in Lisbon, Portugal.

We thank our partners for their support and look forward to continuing our work together in 2024.

A handwritten signature in black ink that reads "Frank J. Navratil". The signature is written in a cursive, flowing style.

Chairman of the Board
BBB Institute for Marketplace Trust



2023 BY THE NUMBERS:

BBB Scam TrackerSM



Enabled people to avoid losing an estimated \$24.3 million.



Nearly 4.6 million views to search or report scams



More than 65,000 scam reports published

Consumer Education Campaign *Red Flags of Scams*



1.5 million YouTube impressions



Almost 470,000 video views



5.9 million Facebook impressions

Fighting Financial Fraud



455 workshops presented



19,321 workshop participants

Military & Veterans Initiative



Almost 1,100 military workshop participants



More than 10,000 subscribers to *Saluting Trust* e-newsletter

Research

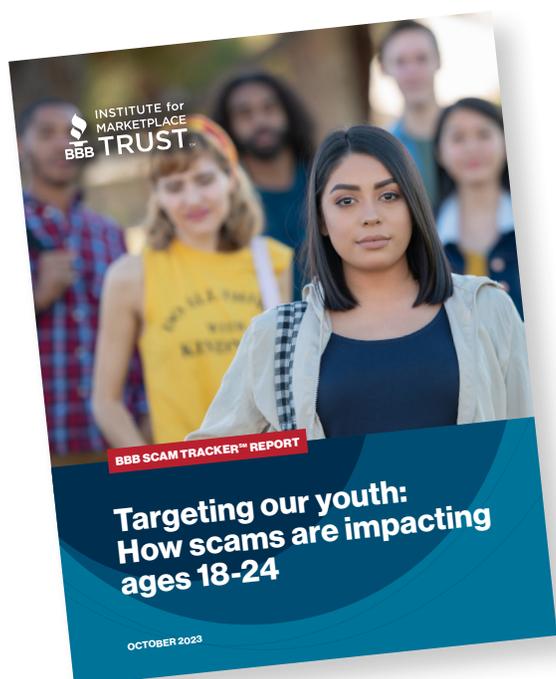
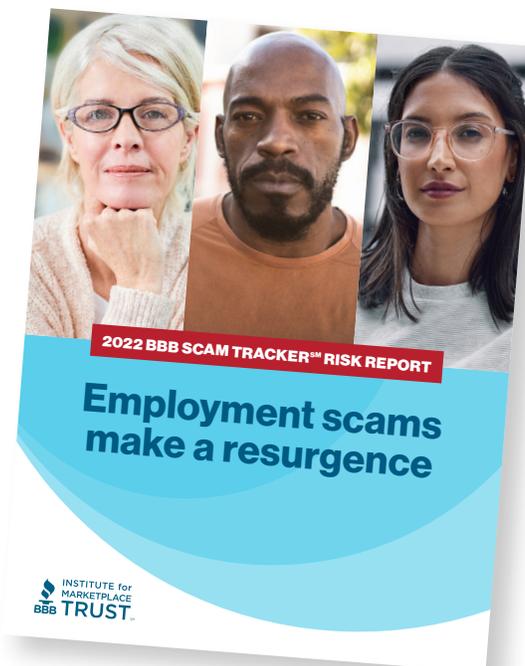


Published two new research reports that reached tens of thousands of people

2023 RESEARCH HIGHLIGHTS

To understand the latest challenges arising in the marketplace, BBB Institute continually monitors and analyzes data that is self-reported by consumers and businesses to BBB Scam Tracker. Scam criminals continually change their tactics to take advantage of new technologies and the latest news. For this reason, timely research is critical to learning how fraud is being perpetrated and who is being targeted. This year, BBB Institute published two research reports.

- The **2022 BBB Scam Tracker Risk Report** spotlights reports submitted to BBB Scam Tracker. The report highlights the scam types posing the highest risk in the marketplace based on the BBB Risk Index, a three-dimensional approach for measuring risk, that includes exposure (the volume of reports for a scam type), susceptibility (the percentage of people who reported losing money to a scam type), and monetary loss (the median dollar loss reported for a scam type). The riskiest scam types reported for 2022 were: Online purchase, employment, and cryptocurrency scams.
- **Targeting our youth: How scams are impacting ages 18-24** takes a closer look at how scams are being perpetrated against this age group.



Highlights:

- › Employment scams were No. 1 riskiest for ages 18-24, making up 29.9% of all scams reported by this age group.
- › About 43% of employment scams reported by ages 18-24 mentioned fake checks. Scammers often ask their targets to deposit a check and transfer funds to another person or account for training or equipment; by the time the person realizes the check is fake, they owe the bank the funds they transferred from their account.
- › Ages 18-24 were more likely to report being targeted via text message than other age groups. They also reported a higher median dollar loss than other age groups.

BBB Scam TrackerSM

In 2023, BBB Institute continued to expand the capabilities of the **BBB Scam Tracker** prevention and reporting platform. The **BBB Scam Prevention Guide** provides a wide range of resources such as motion graphics videos, online quizzes, a library of curated resources, and a **Risk Calculator** that enables an individual to learn about the scam types that pose the biggest risk to them based on their age, gender, military status, and country (United States or Canada). The online guide was made possible with support from BBB Institute's strategic partners: Amazon, Capital One, the FINRA Investor Education Foundation, PayPal, and Zelle.



Fighting Financial Fraud

BBB Institute teamed up with the FINRA Investor Education Foundation to provide fraud prevention training to BBB professionals throughout the United States. In 2023, Zelle joined the program, providing guidance on digital payment app safety. Following the training session, participants conducted workshops on how to avoid financial fraud in their communities.





Military & Veterans Initiative

According to BBB research, military consumers report losing more money to scams than non-military consumers. We continue to share our research findings with our partners through BBB Institute's Military & Veterans Initiative. BBB Institute works with BBBs to deliver consumer educational resources, including a free, monthly e-newsletter (Saluting Trust), for military consumers.

"Red Flags of Scams" Campaign

BBB Institute partnered with Zelle to deliver a campaign focused on empowering people to spot the signs of payment scams ([BBB.org/Red-Flags](https://www.bbb.org/red-flags)). The campaign highlighted some of the tactics commonly used by scammers and recommends that people "Slow down. Stay aware. Watch out for red flags," garnering more than 7.5 million impressions.

Webinars

BBB Institute hosted several virtual events on a wide range of topics this year, from identity theft awareness for businesses to protecting yourself from romance and employment scams.

Building Trust

BBB4GoodSM

The BBB4Good program ([BBB.org/BBB4Good](https://www.bbb.org/BBB4Good)) empowers people to choose purpose-driven businesses doing social and/or environmental good in their communities and across the globe by having them vetted by the Better Business Bureau. The program was offered in seven communities in 2023.

A graphic for the "Red Flags of Scams" campaign. It features a close-up of a hand in a black jacket pointing at a black door handle on a brick wall. The text is overlaid on the image. At the top, it says "Workers knock on your door and offer to fix your broken porch if you pay today." in white and red. Below that, it says "SLOW DOWN. STAY AWARE. WATCH OUT FOR RED FLAGS." in white. At the bottom left, there is a red button that says "LEARN MORE" in white. At the bottom left of the graphic is the BBB logo and the text "INSTITUTE for MARKETPLACE TRUST". At the bottom right is the Zelle logo.



FINANCIALS

Statements of Financial Position (December 31, 2023 and 2022)

Assets	2023	2022
Cash	\$162,332	\$294,329
Contribution receivables	100,000	-
Grant receivable	20,000	40,027
Total current assets	282,332	334,356
Software Development Costs, Net	394,833	497,833
Total assets	\$677,165	\$832,189
Liabilities		
Due to affiliate	\$325,057	\$417,651
Net Assets		
Without donor restrictions	277,108	414,538
With donor restrictions	75,000	-
Total net assets	352,108	414,538
	\$677,165	\$832,189

Statements of Activities and Changes in Net Assets (Years ended December 31, 2023 and 2022)

Revenue and support without donor restrictions	2023	2022
Grants and contributions	\$716,147	\$713,700
Other program revenue	-	20,000
Interest income	12,464	2,550
Net assets released from donor restrictions	-	300,000
Total revenue and support without donor restrictions	728,611	1,036,250
Functional Expenses		
Program services:		
Marketplace trust	708,536	471,018
Supporting services:		
Management and general	72,481	88,139
Fundraising	85,024	87,474
Total supporting services	157,505	175,613
Total functional expenses	866,041	646,631
Change in net assets without donor restrictions	(137,430)	389,619
Net assets with donor restrictions		
Grants and contributions	75,000	-
Net assets released from donor restrictions	-	(300,000)
Change in net assets with donor restrictions	75,000	(300,000)
Change in net assets	(62,430)	89,619
Net assets		
Beginning of year	414,538	324,919
End of year	\$352,108	\$414,538



BECOME A BBB INSTITUTE PARTNER

The reach and impact of BBB Institute's programs and outreach are possible thanks to its partnerships with organizations that share its vision of fostering a trustworthy marketplace. BBB Institute seeks strategic partners interested in joining forces and offers a wide array of partnership opportunities.

The **Corporate Trust Council** is a coalition of select companies that have joined with BBB Institute to foster a marketplace that is trustworthy and accessible for all by providing their expertise, resources, and funding support. These companies share our passion for strengthening better businesses and helping people avoid scams through education. The Corporate Trust Council seeks to:

- Build a community of better businesses by establishing best practices and delivering educational resources.
- Identify new threats to a trustworthy marketplace and create strategies to address them.
- Deliver programs, resources, and tools to protect consumers and build trust between consumers and businesses in the marketplace.

For more information about partnership opportunities or joining the Corporate Trust Council, contact Institute@IABBB.org.





BBBMarketplaceTrust.org

Website: BBBMarketplaceTrust.org

LinkedIn: [@Better Business Bureau Institute for Marketplace Trust](https://www.linkedin.com/company/bbb-institute-for-marketplace-trust)

X/Twitter: [@BBB_Institute](https://twitter.com/BBB_Institute)