



# Fraud, Scams, Ransomware: Small Businesses React

Full Survey Results

— FEBRUARY 2026



# Key Takeaways

1

## The \$131 Billion Annual Fraud Burden

Small businesses face significant financial impact from cybercrime: fraud, scams, and ransomware cost small businesses at least an estimated **\$131 billion last year**. More than seven-in-ten (72%) experienced attacks , with incidents disrupting operations—43% report difficulty **accepting online payments**, and 40% struggle to attract **new customers** as a result. Those attacks cost an estimated average of **\$92k per business** .

2

## Awareness Spreads Faster Than Preparedness

While 63% of small businesses view cyber threats as a problem, **only 30% feel well-prepared** for ransomware attacks and just 31% for social engineering scams. Larger small businesses feel more prepared and have the tools to defend against fraud better than their smaller peers.

3

## Fraud Defense is a Shared Responsibility

Small businesses accept responsibility for defense while expecting others to share the burden—82% say business owners should be responsible for prevention and protection, but 81% **also expect banks and payment platforms** to bear some responsibility largely because they are most likely to have visibility. **85% say they are willing to report incidents** when an incident occurs and **77% of victims do report**.



## INTRODUCTION

# Methodology

This poll was conducted between **December 19 - 29, 2025** among a sample of **506 small business owners in the United States**. The interviews were conducted online, and the data were weighted to approximate a target sample of small businesses based on enterprise size, NAICS industry grouping, and region.

Results from the full survey have a margin of error of plus or minus **4 percentage points**



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The Preparedness Gap

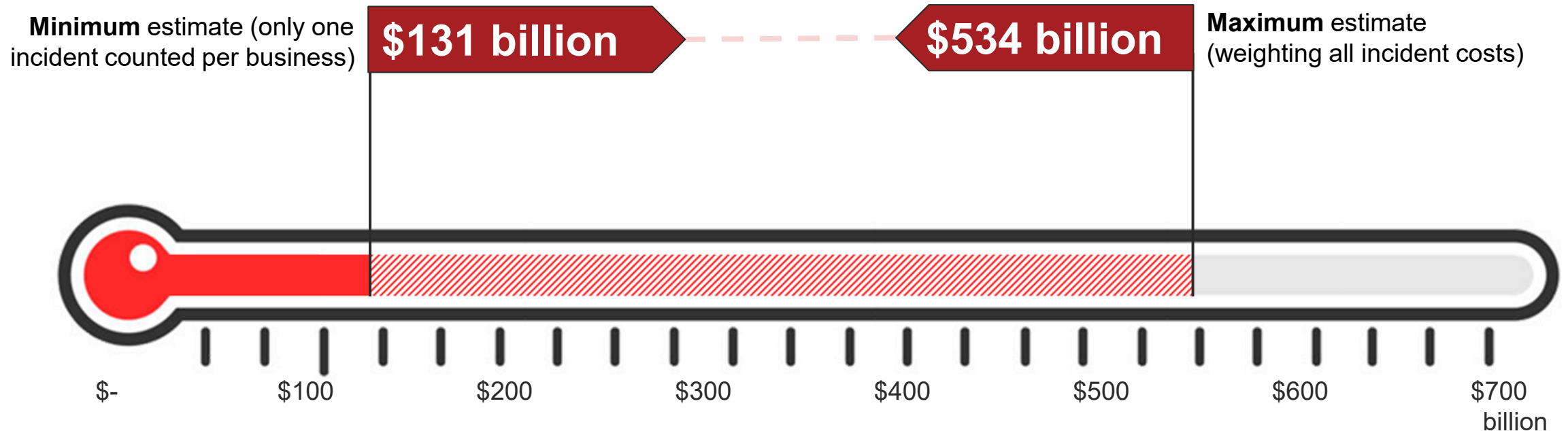
Responsibility and Resolution



## LARGE AND GROWING BURDEN

### Scams and Fraud Directly Cost Small Businesses At Least \$131 Billion Last Year

How much would you say each of the following kinds of scams and fraud have directly cost your business in the past 12 months or so?



## LARGE AND GROWING BURDEN

### Most Small Businesses Experienced Some Type of Scam, Fraud or Ransomware in the Last Year

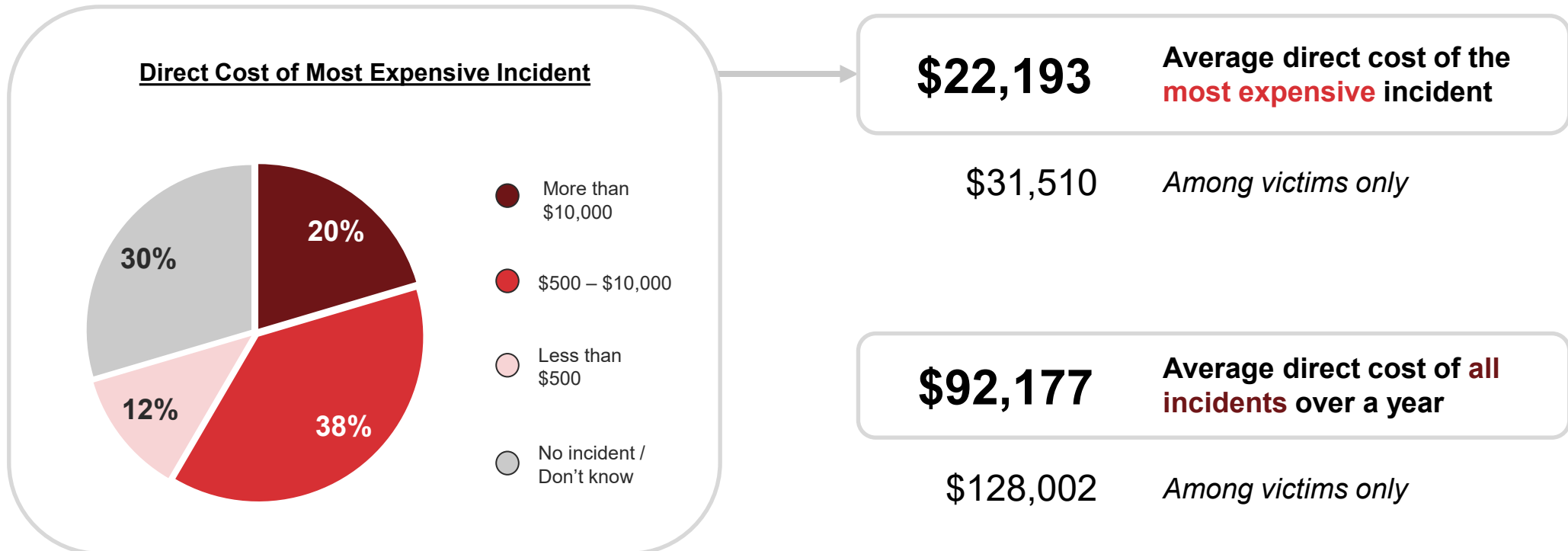
Which, if any, of the following kinds of scams, fraud, or ransomware has your business experienced in the last year, whether or not the attempt was successful? *Please select all that apply.*



## LARGE AND GROWING BURDEN

# Scams and Fraud Directly Cost Small Businesses an Estimated \$92,000 Each Last Year – with the Most Expensive Incident Per Business Costing on Average \$22,000

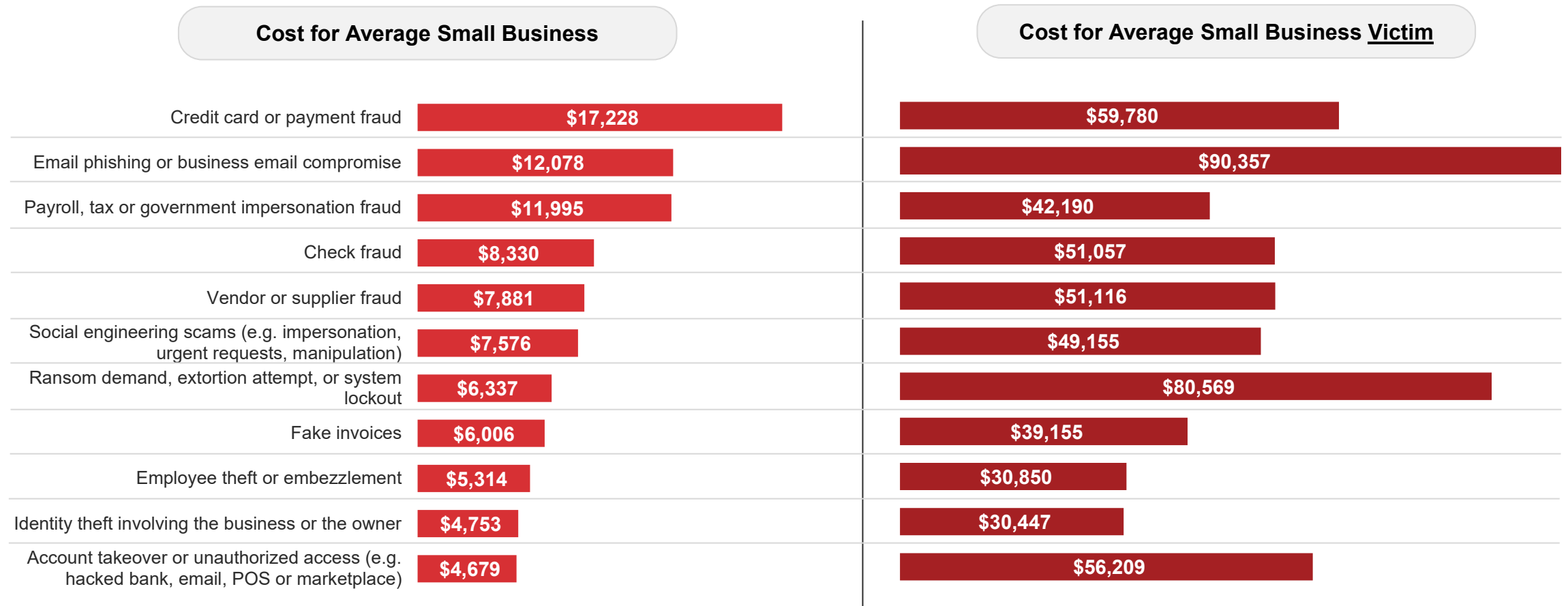
How much would you say each of the following kinds of scams and fraud have directly cost your business in the past 12 months or so?



## LARGE AND GROWING BURDEN

# Credit Card Fraud Leads in Cost, Hurting Small Businesses More Than \$17,000 on Average. More Complex Fraud Methods Are More Rare but Also More Costly (\$80,000+ in Damage per Victim)

How much would you say each of the following kinds of scams and fraud have directly cost your business in the past 12 months or so?

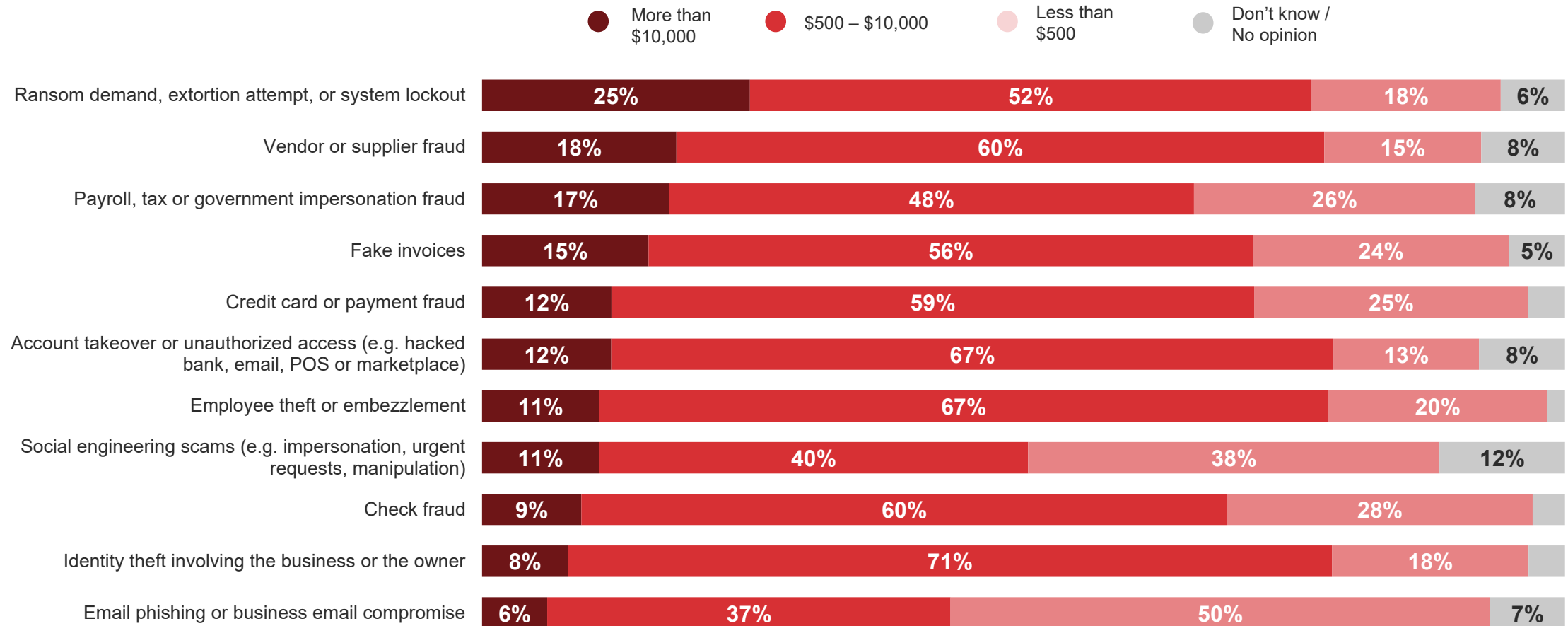


All averages are underestimates formed by using the lower bound of each incident cost range. Right-hand-side figures (victims) are the cost estimates among only the businesses which experienced each incident type.

## LARGE AND GROWING BURDEN

# Ransom Demands and Fraud Are Some of the Costliest Threats Reported by Small Businesses—While More Common, Email Phishing Is Considered Less Expensive in Experience

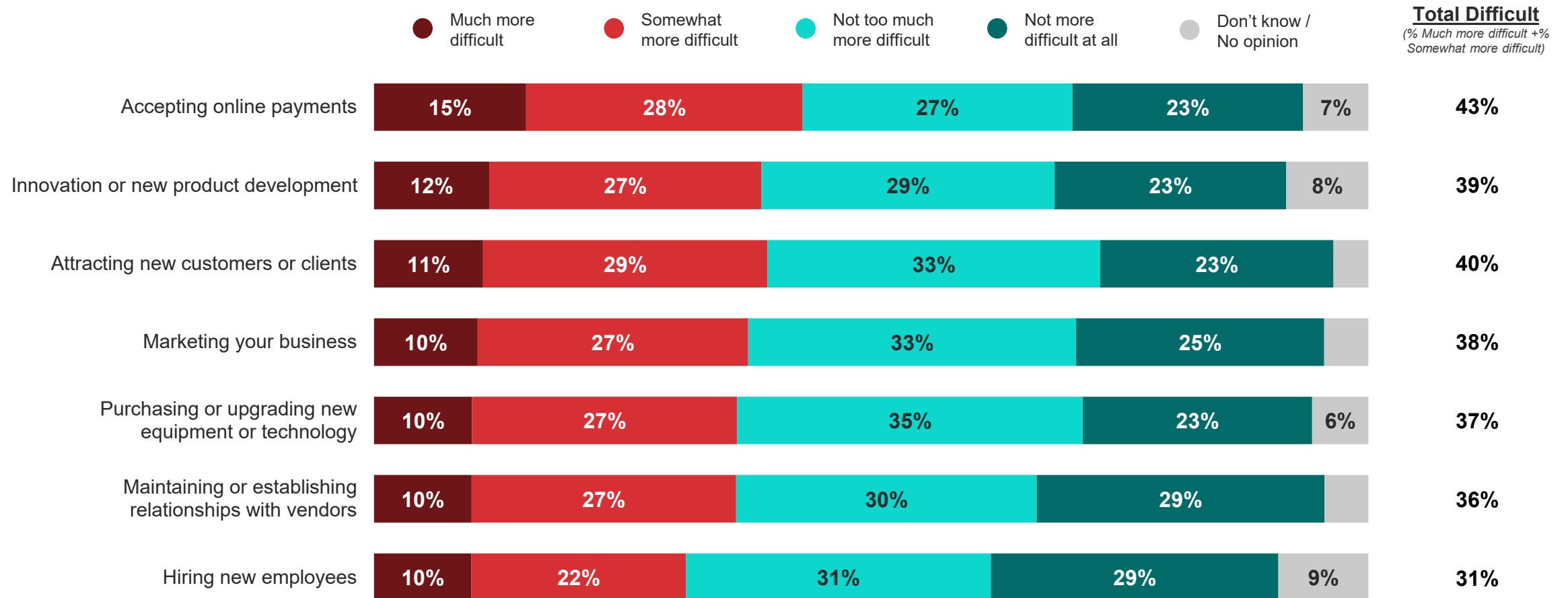
How much would you say each of the following kinds of scams and fraud have directly cost your business in the past 12 months or so?



## LARGE AND GROWING BURDEN

# Threat of Fraud, Scams and Ransomware Puts a Drag on Small Business Growth

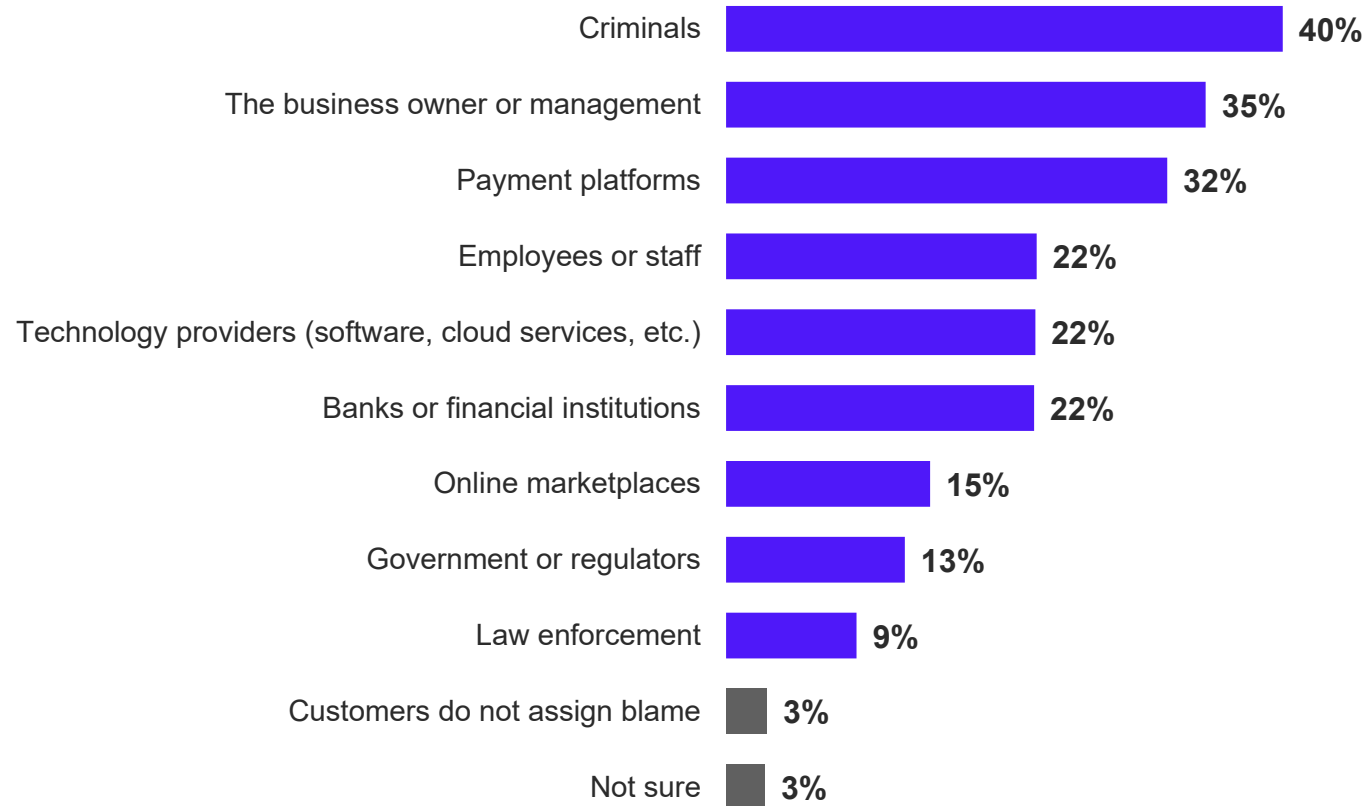
Does managing the threat of scams, fraud, and ransomware make the following more difficult, if at all, for your business?



## LARGE AND GROWING BURDEN

# Small Businesses Believe Customers Blame Them for Fraud or Security Issues, Creating an Obstacle to Future Transactions

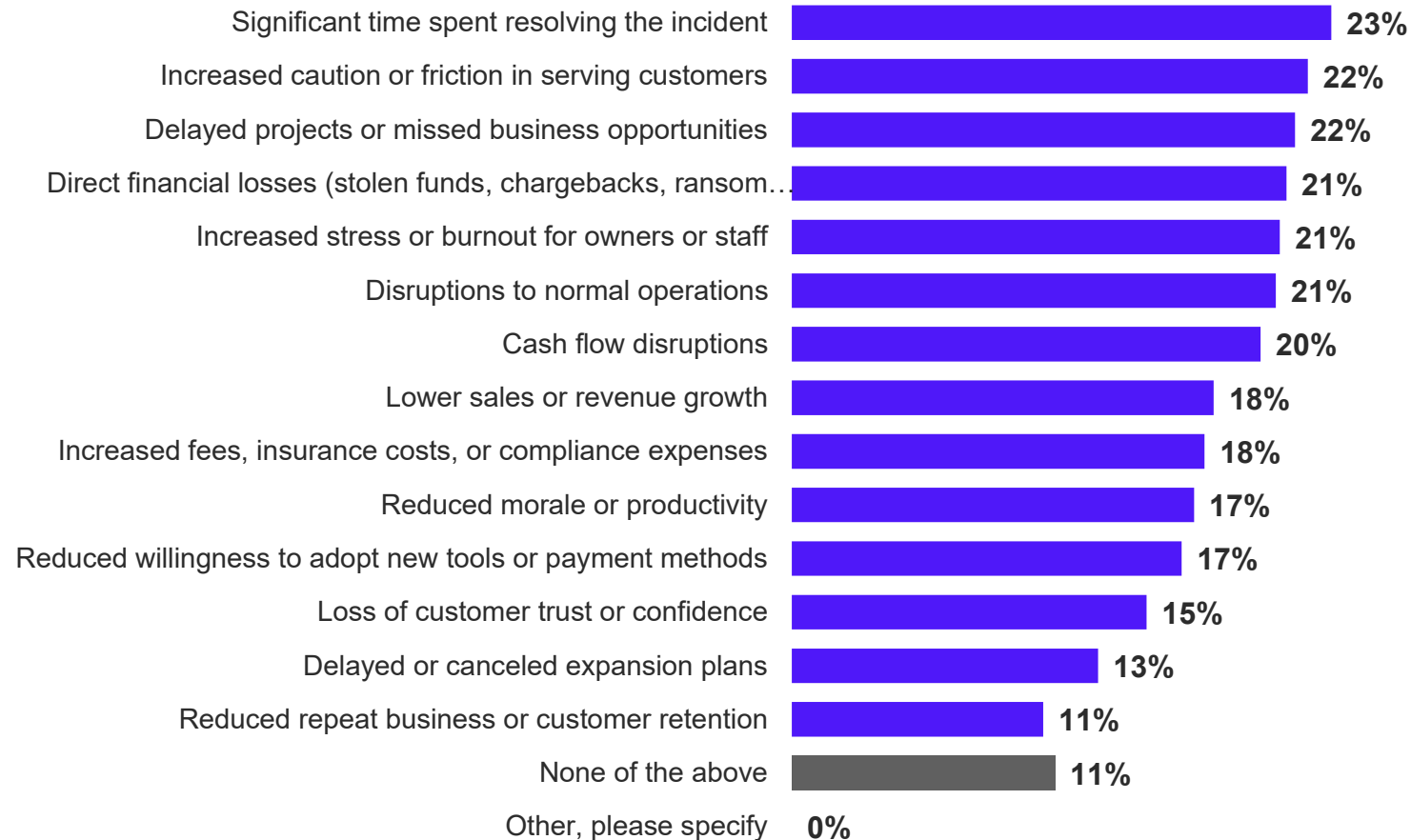
When fraud or security issues occur during platform-based transactions, who do you believe customers tend to blame most? *You may select up to three.*



## LARGE AND GROWING BURDEN

### Small Businesses Targeted by Cybercriminals Cite Wasted Time, Delays Serving Customers, Missed Business Opportunities, and Financial Losses as Results of the Incident(s)

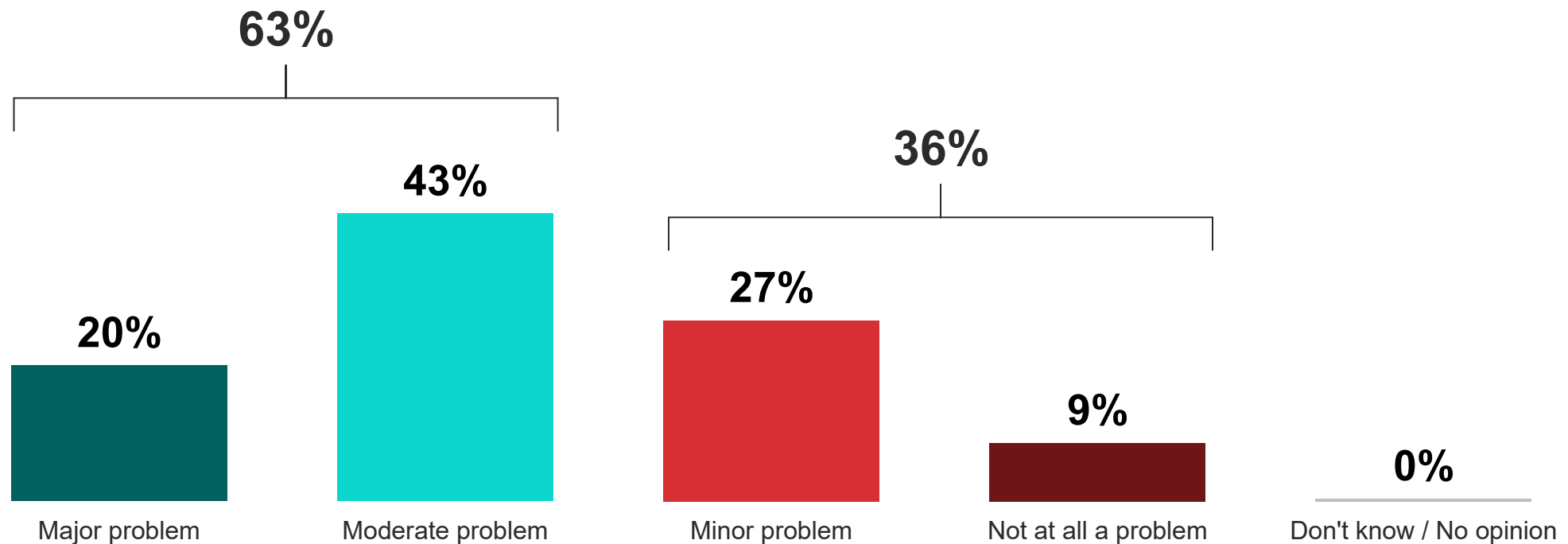
After experiencing fraud, scams, or ransomware-related incidents, did you experience any of the following as a result? *Please select all that apply.*



## LARGE AND GROWING BURDEN

### Most Business Owners Think Scams, Fraud, and Ransomware Are a Problem with One-in-Five Saying that Scams, Fraud, and Ransomware is a Major Problem

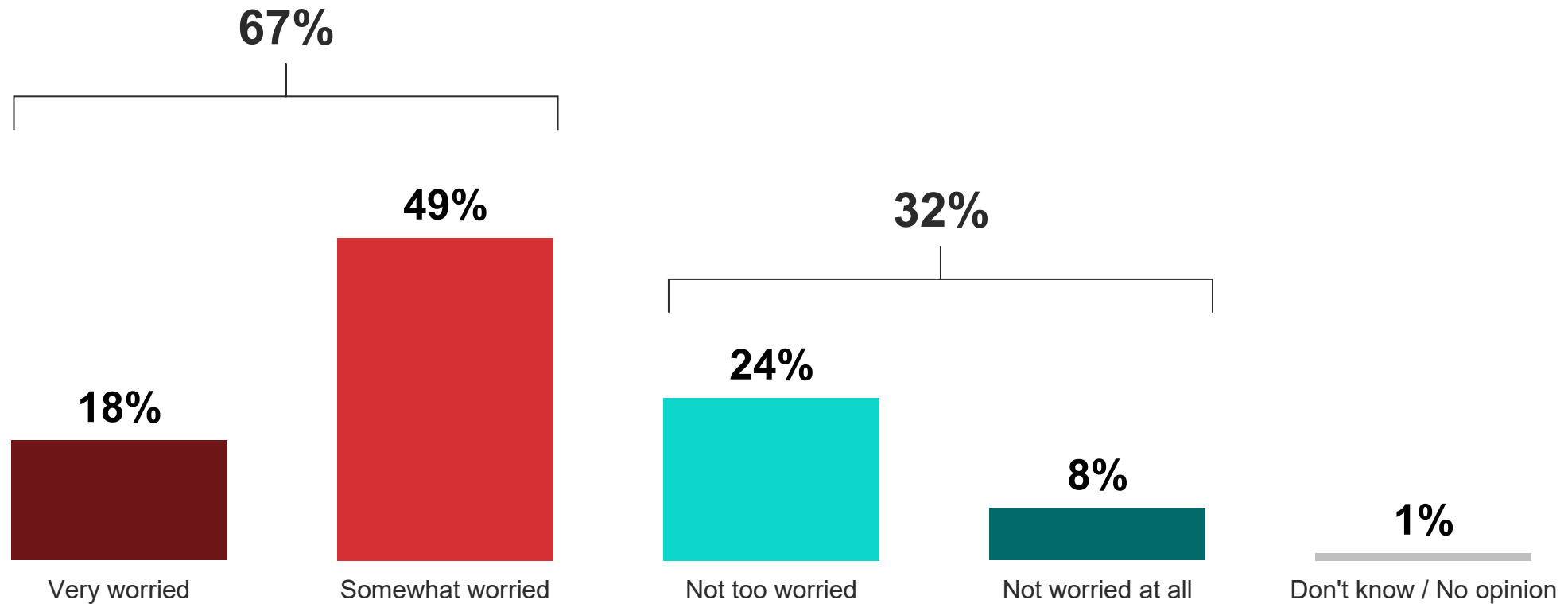
When it comes to running your business, how big of a problem, if at all, do you consider the threat of scams, fraud, and ransomware?



## LARGE AND GROWING BURDEN

### One-in-Five Small Businesses Are Very Worried About Future Scams and Fraud

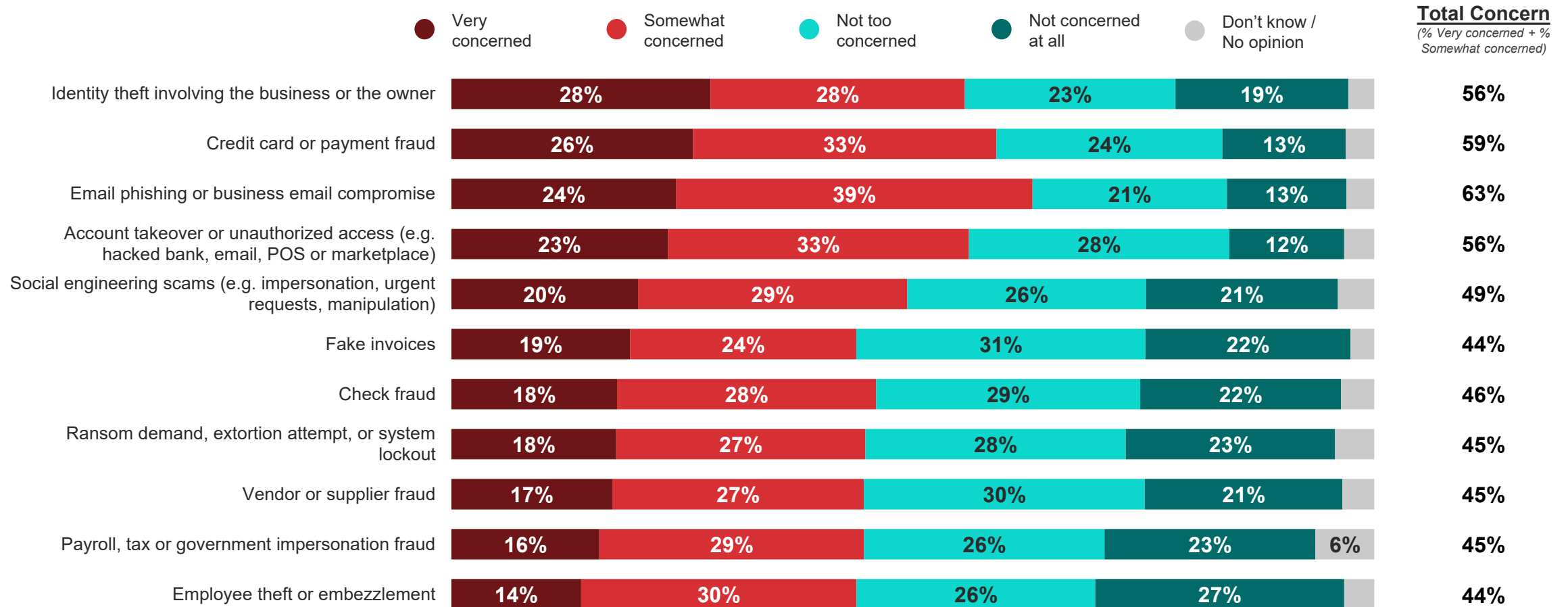
Thinking into the future, how worried are you that new scams and fraud may affect your business?



## LARGE AND GROWING BURDEN

### Concerns Run the Gamut

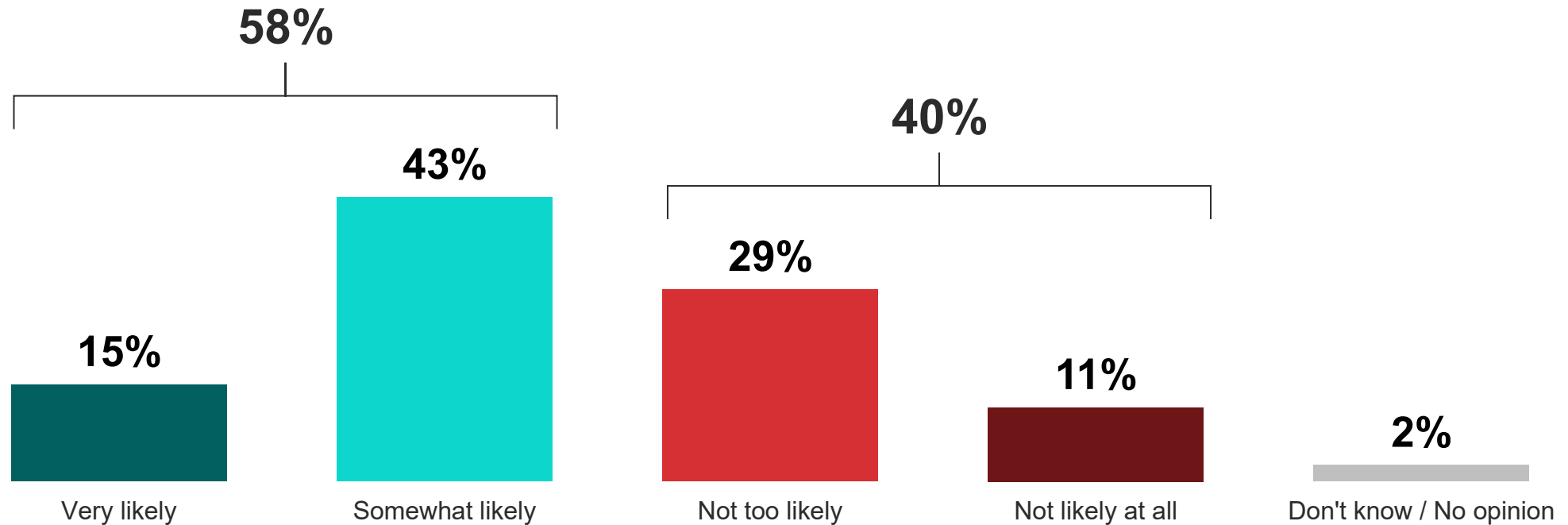
When it comes to your business, how concerned are you, if at all, about the following kinds of scams, fraud, and ransom?



## LARGE AND GROWING BURDEN

### More Than Half of Small Businesses Expect to Be Targeted by Cybercriminals

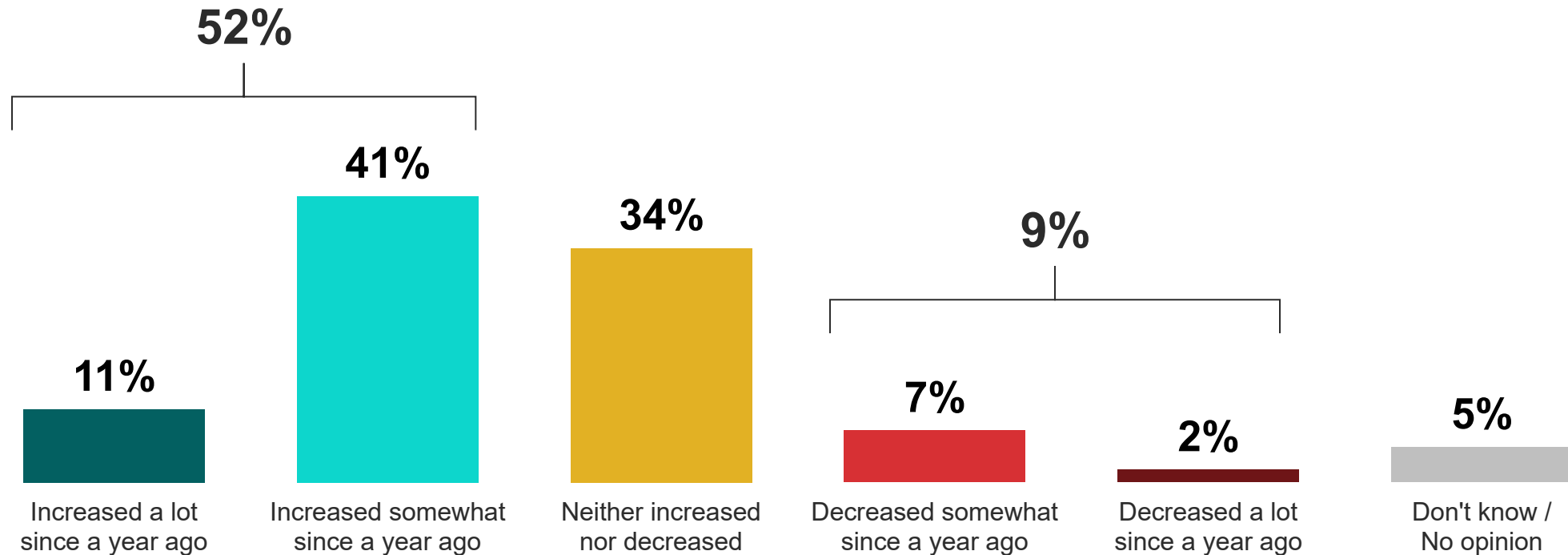
How likely do you think your business is to be targeted by cybercriminals?



## LARGE AND GROWING BURDEN

### Perceived Threat Of Scams, Fraud, and Ransomware Is Growing

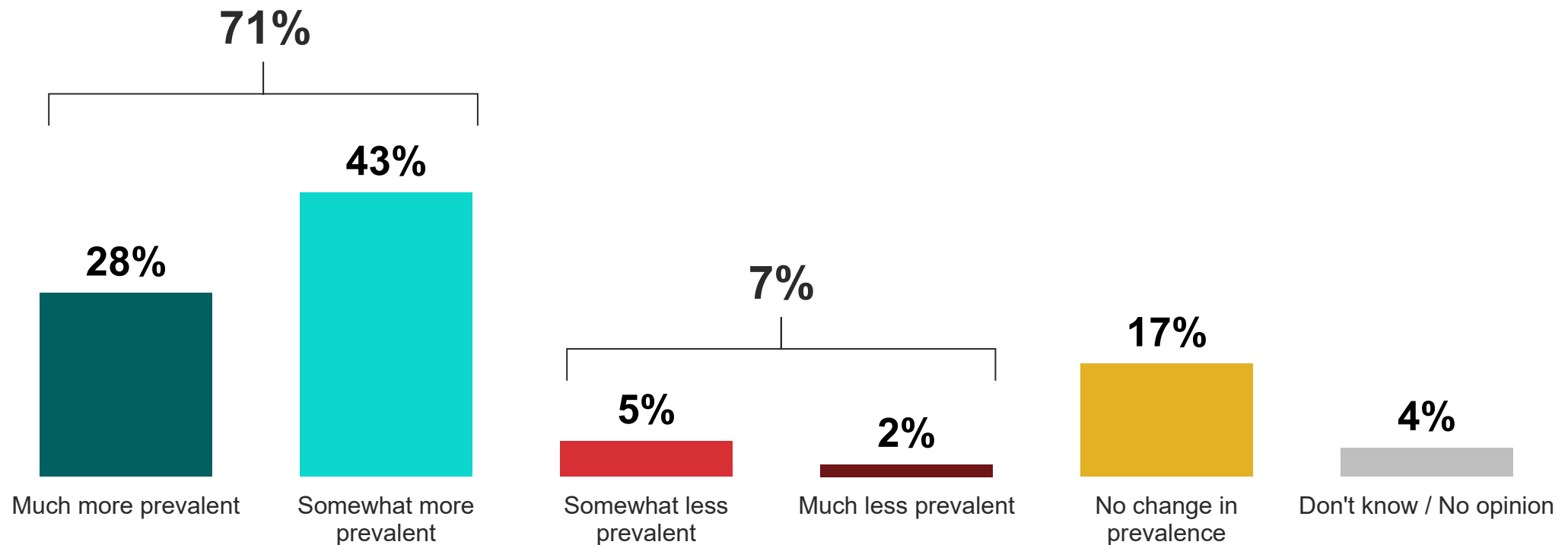
In your business experience, has the threat of scams, fraud, and ransomware increased— or decreased— compared with a year ago?



## LARGE AND GROWING BURDEN

### Three-in-Ten Small Businesses Say That AI Will Make Incidents Much More Prevalent

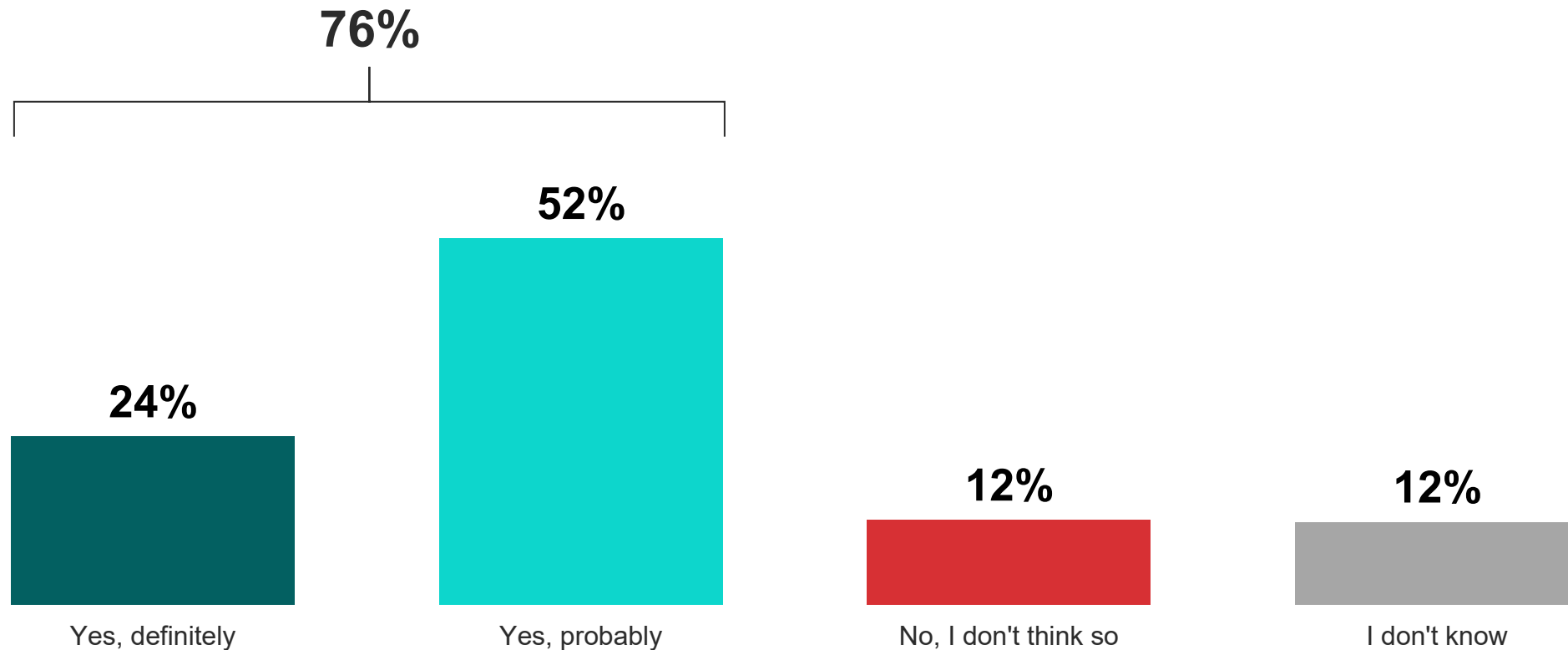
Do you think fraud, scams, or ransomware will become more prevalent with AI, or less prevalent?



## LARGE AND GROWING BURDEN

### One-in-Four Small Businesses Who Have Been Targeted by Cybercriminals Believe That Those Same Attackers Definitely Used AI as Part of the Attempt

Earlier, you said your business had been the target of fraud, scams or ransomware. Do you think the cybercriminals used AI as part of the scam or fraud?



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**The Preparedness Gap**

Responsibility and Resolution



## THE PREPAREDNESS GAP

# Small Businesses Are Ready to Handle Common Threats like Credit Card Fraud – They Are Less Prepared to Address Dangerously Complex Threats like \$80k+ Ransomware Attacks

Which of the following kinds of scams, fraud, or ransomware do you believe your business is well-prepared to handle?

Which, if any, of the following kinds of scams, fraud, or ransomware has your business experienced in the last year, whether or not the attempt was successful?

	% Experienced	% Well-Prepared	<u>Difference</u>
Credit card or payment fraud	29%	44%	+16
Email phishing or business email compromise	28%	41%	+13
Employee theft or embezzlement	17%	39%	+22
Check fraud	16%	33%	+16
Identity theft involving the business or the owner	16%	37%	+22
Vendor or supplier fraud	15%	33%	+18
Social engineering scams (e.g. impersonation, urgent requests, manipulation)	15%	31%	+15
Fake invoices	15%	45%	+30
Payroll, tax or government impersonation fraud	13%	33%	+20
Account takeover or unauthorized access (e.g. hacked bank, email, POS or marketplace)	8%	33%	+25
Ransom demand, extortion attempt, or system lockout	8%	30%	+23

## THE PREPAREDNESS GAP

### Small Businesses Feel Most Prepared When It Comes to the Threats They Can Control (invoices, payments, emails)

Which of the following kinds of scams, fraud, or ransomware do you believe your business is well-prepared to handle? *Please select all that apply.*



## THE PREPAREDNESS GAP

### Small Businesses Generally Rely on a Mix of Third-Party Solutions Like Cybersecurity Software and Management Actions Like Training Programs for Defense

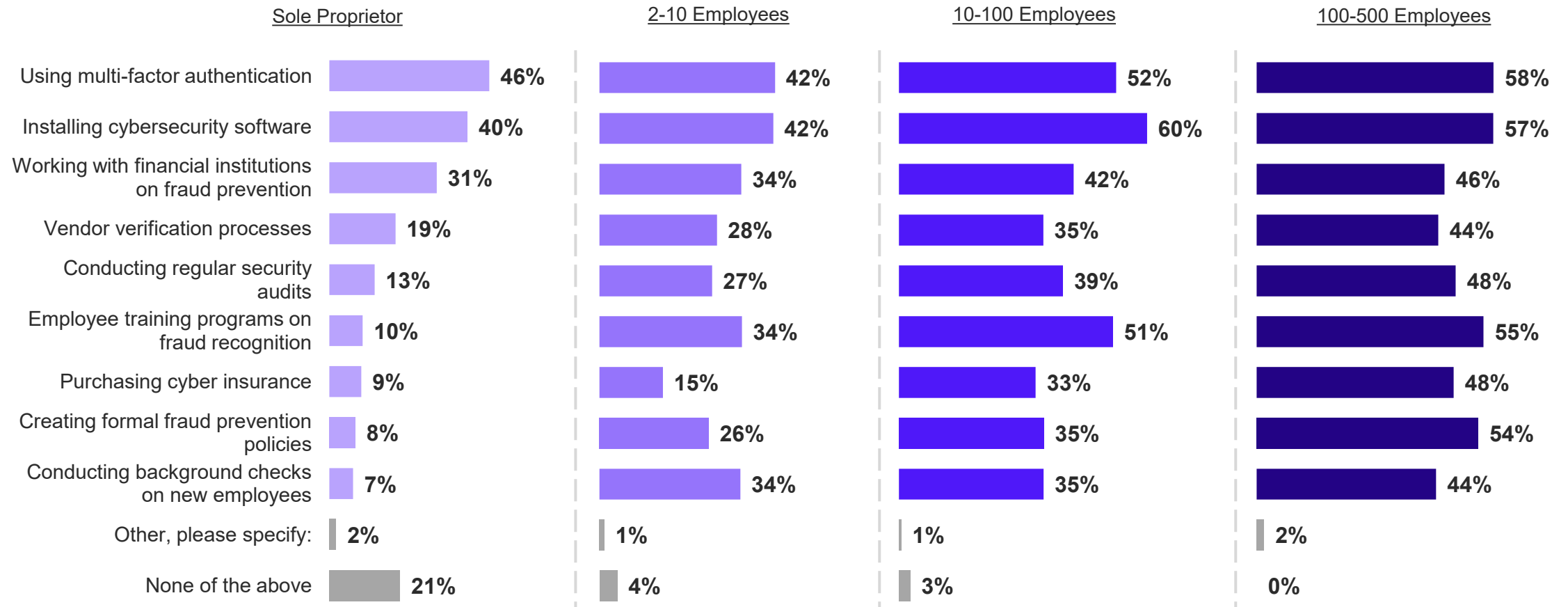
Which, if any, of the following steps has your business employed to fight scams and fraud? *Please select all that apply.*



## THE PREPAREDNESS GAP

### Larger Small Businesses Employ More Tools to Fight Scams and Fraud

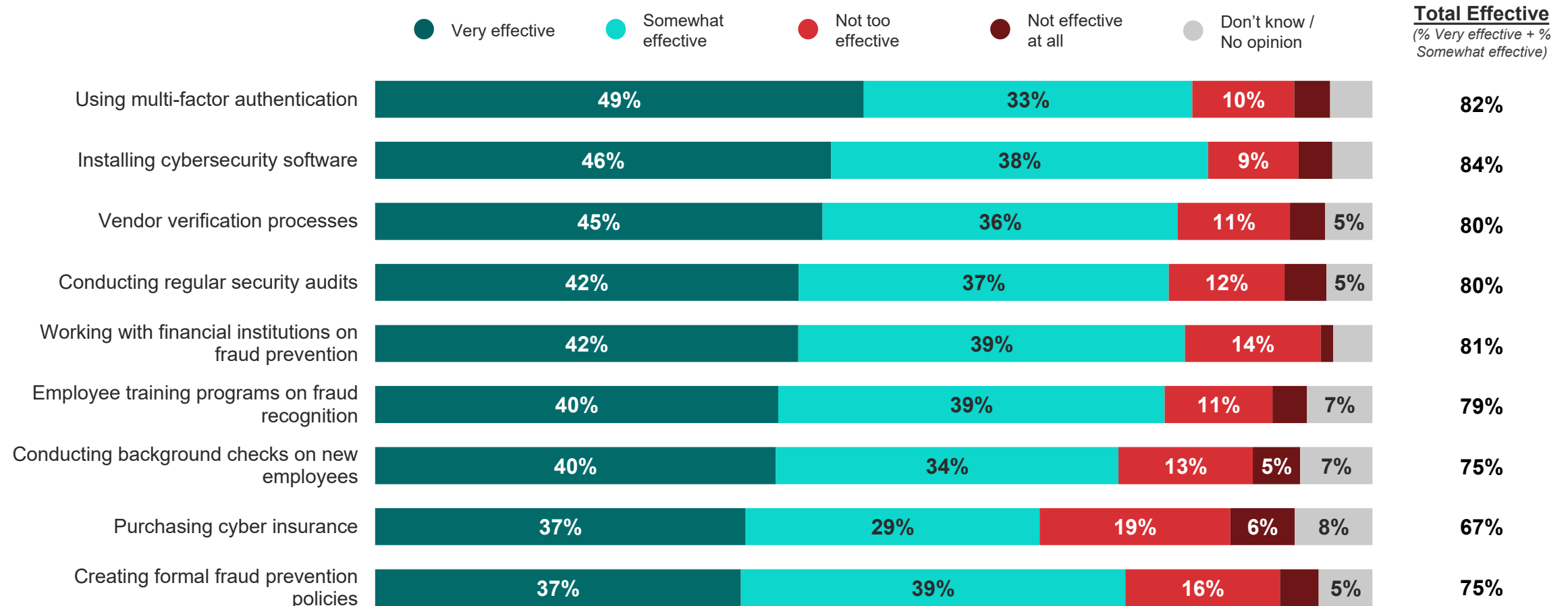
Which, if any, of the following steps has your business employed to fight scams and fraud? *Please select all that apply.*



## THE PREPAREDNESS GAP

# Small Businesses Say That Cybersecurity Software, Multi-Factor Authentication, and Working with Financial Institutions Are Effective Defenses for Preventing Scams and Fraud

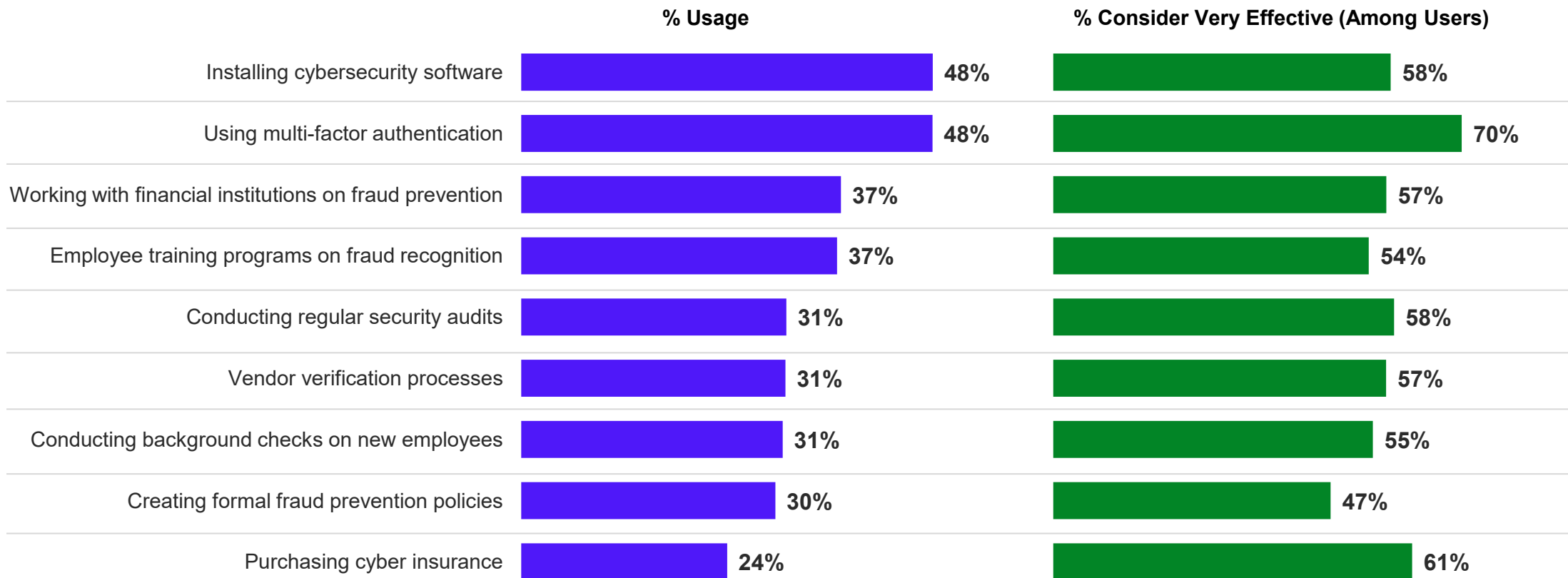
How effective do you think the following tools or approaches are for preventing scams and fraud at your business?



## THE PREPAREDNESS GAP

### Small Businesses All Say The Tools They Use Are Effective – Especially Multi-Factor Authentication, Cybersecurity Software, and Partnerships with Financial Institutions

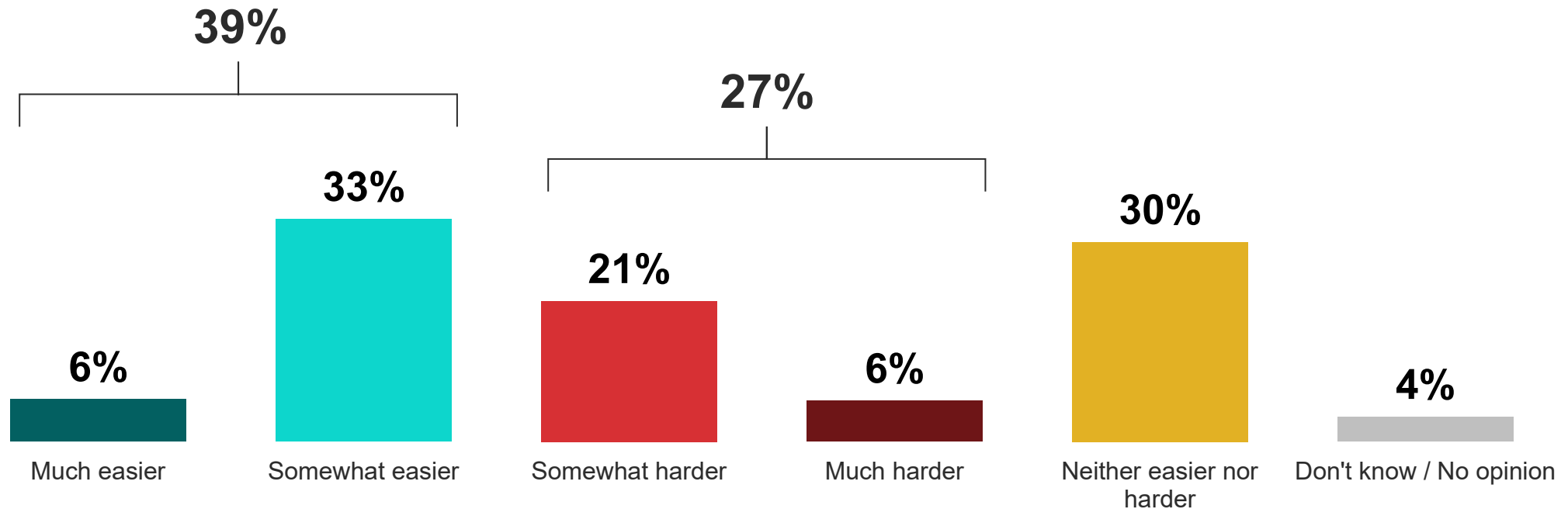
Which, if any, of the following steps has your business employed to fight scams and fraud? *Please select all that apply.*  
How effective do you think the following tools or approaches are for preventing scams and fraud at your business?



## THE PREPAREDNESS GAP

### Small Businesses Are Divided on Whether Future Advances Will Make It Easier or Harder to Defend Themselves

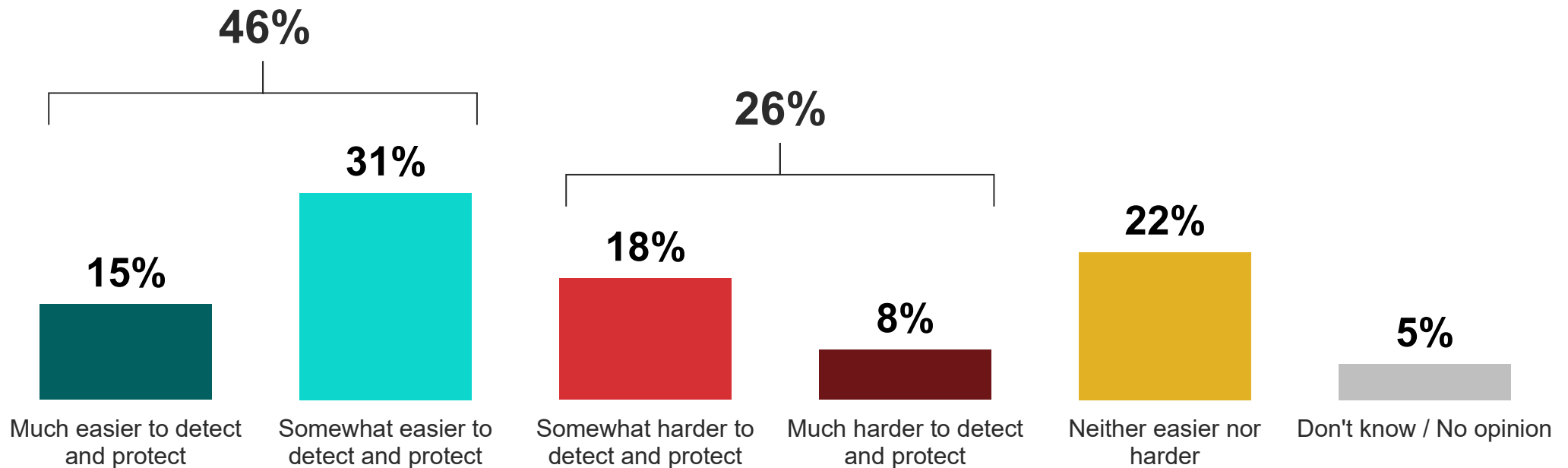
As new types of fraud— and new defenses— become more common, do you expect it will be easier or harder to protect your business from fraud a year from now?



## THE PREPAREDNESS GAP

### Conversely, Small Business Owners Are Also Optimistic That AI Will Improve Defenses

Based on what you know, do you think artificial intelligence (AI) will make it easier to detect fraud / scams or will it make it harder to protect businesses like yours?



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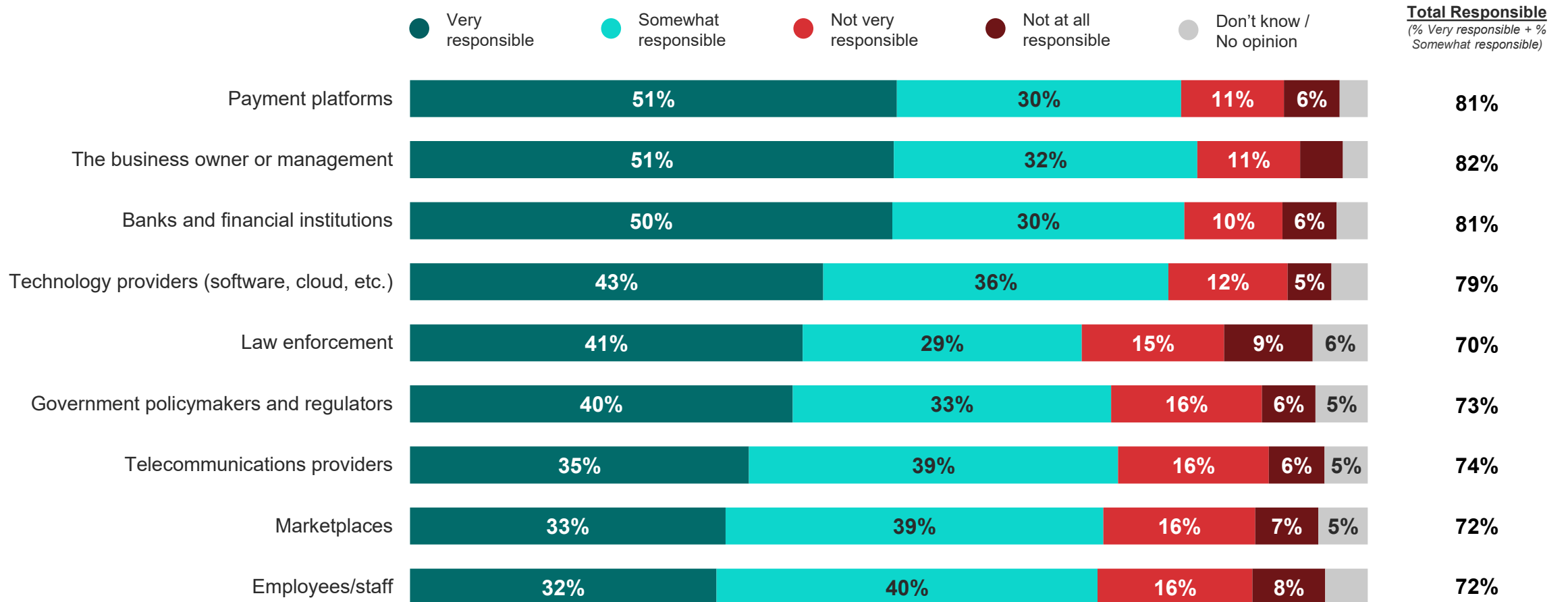
**Responsibility and Resolution**



## RESPONSIBILITY AND RESOLUTION

### Small Business Owners See Combatting Fraud as a Shared Responsibility

How responsible, if at all, do you believe each of the following should be for preventing and protecting small businesses from scams, fraud, and ransom?



## RESPONSIBILITY AND RESOLUTION

### Awareness, Control, and Legal Authority Shape How Small Businesses Assign Responsibility for Prevention and Protection

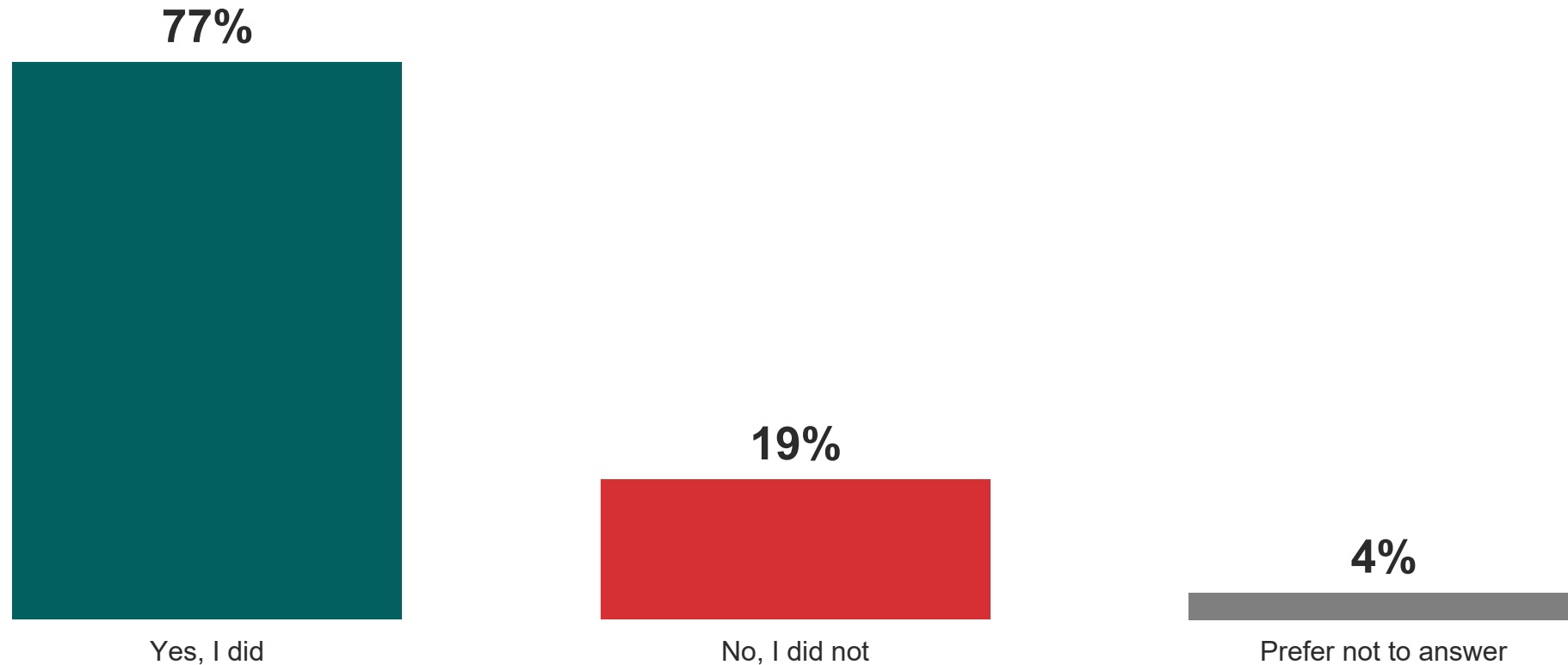
Thinking again about the question you just answered about which groups are responsible for preventing and protecting small businesses from scams, fraud, and ransom, what factors most influence how you view who is responsible? *You may select up to three responses.*



## RESPONSIBILITY AND RESOLUTION

### Small Businesses Say They Would Report an Incident – and Do

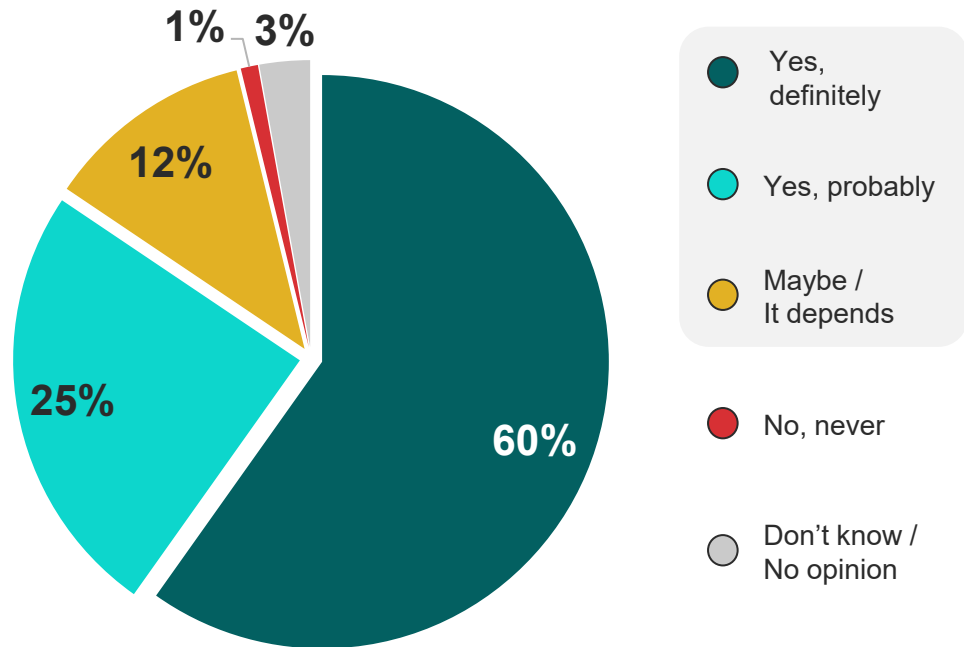
Earlier, you said your business had been the target of fraud, scams or ransomware. Did you report the incident?



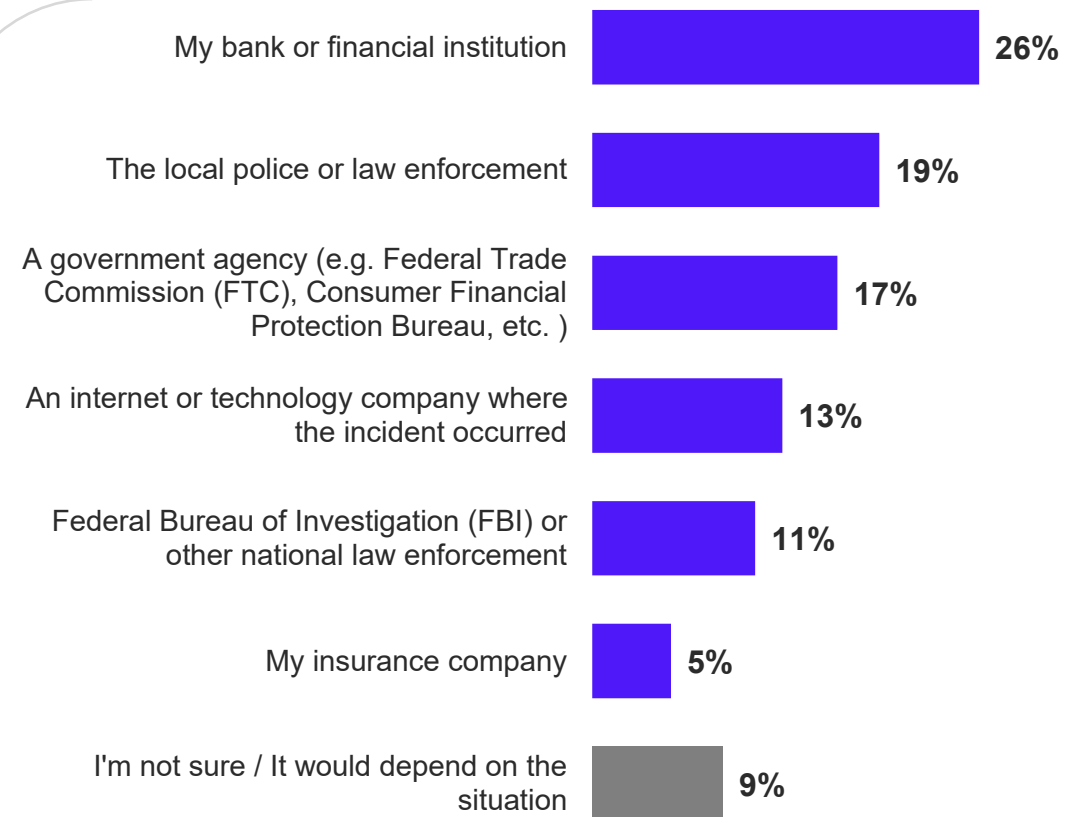
## RESPONSIBILITY AND RESOLUTION

# More Than Four-in-Five Small Businesses Say They Would Report a Fraud, Scam, or Ransomware Incident - Most Would Contact their Bank

Would you report a fraud, scam or ransomware incident if and when it occurred?



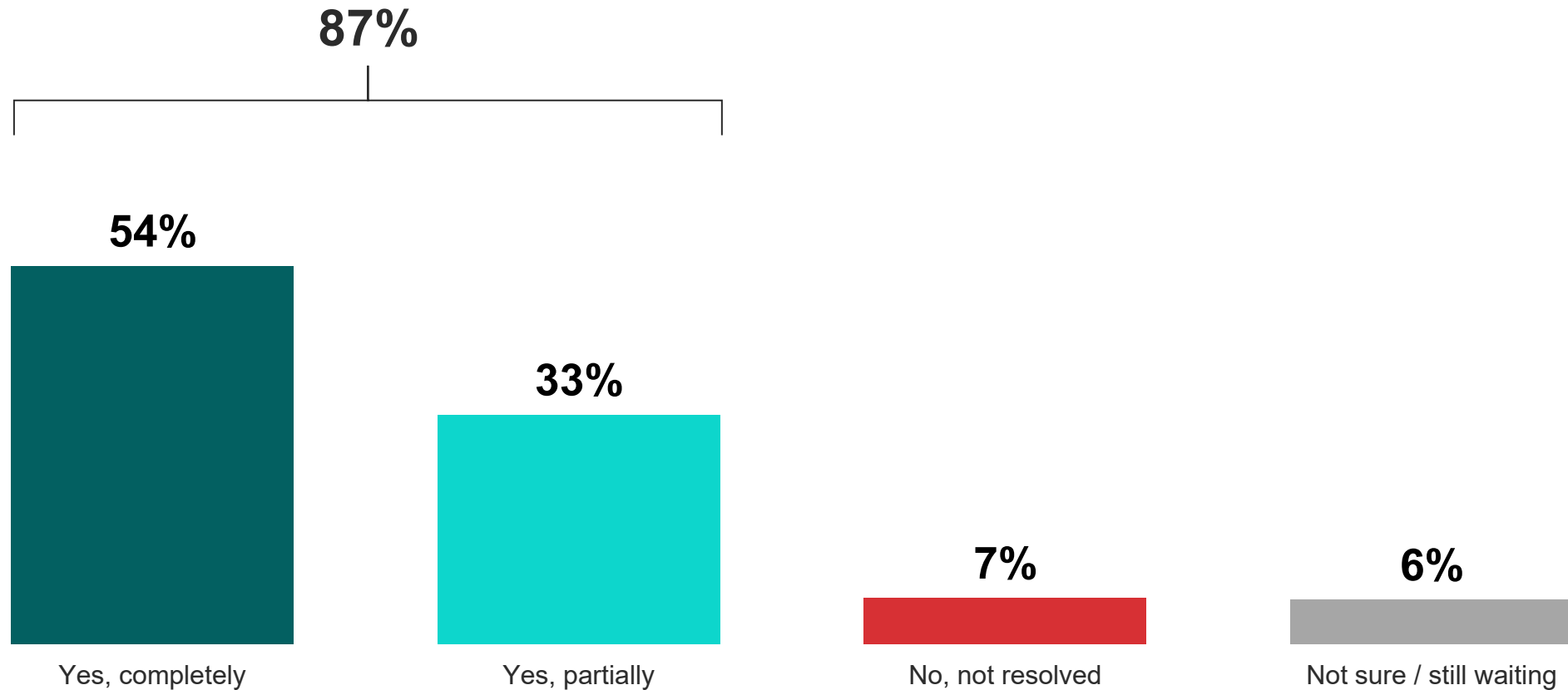
Who would you be most likely to report that to?



## RESPONSIBILITY AND RESOLUTION

### Reporting Results in Good Outcomes for Small Businesses– a Majority Say That the Incident Had Been Completely Resolved

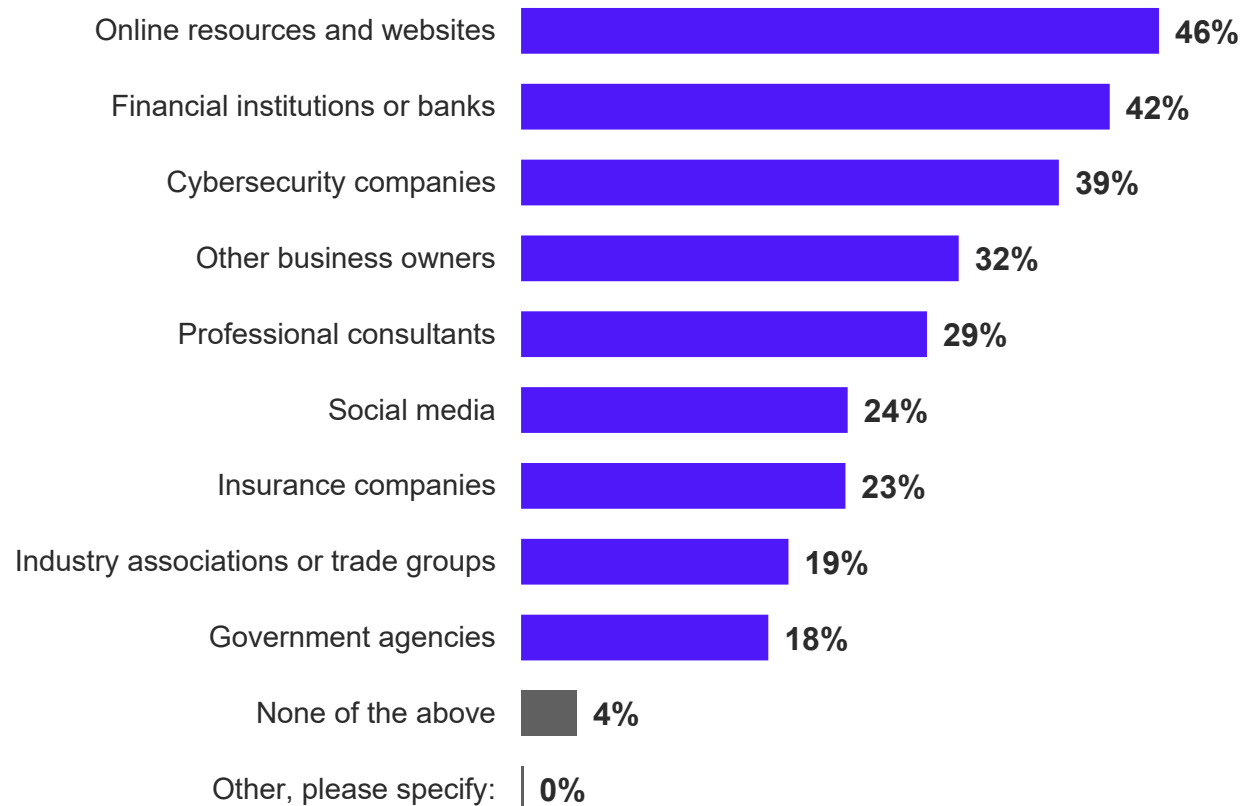
Earlier, you said your business had been the target of fraud, scams or ransomware. Was the incident resolved?



## RESPONSIBILITY AND RESOLUTION

### Small Businesses Likely to Rely on Online Resources for Guidance

Where do you typically get information about best practices for combatting scams and fraud at your business? *Please select all that apply.*

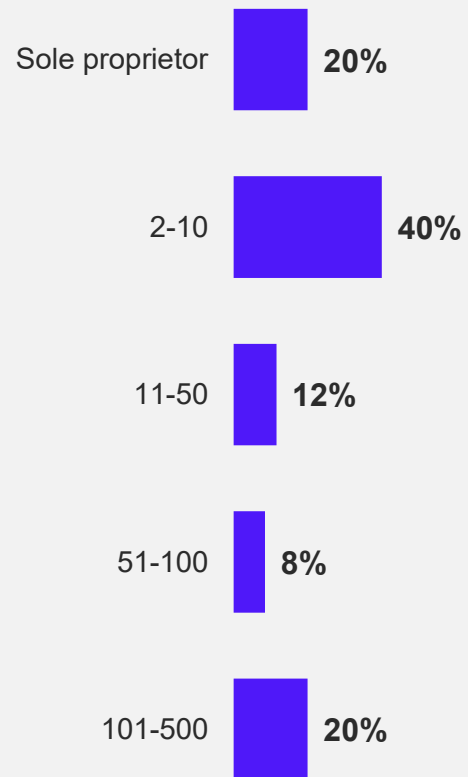




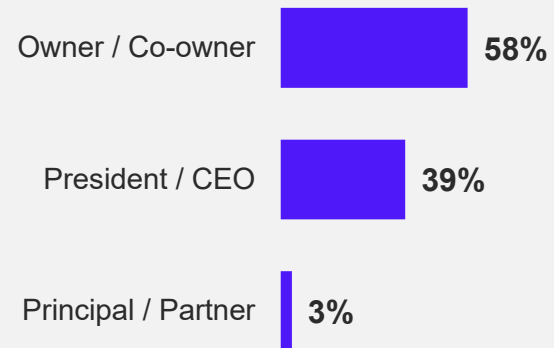
## APPENDIX

### Sample Breakdown (n=506)

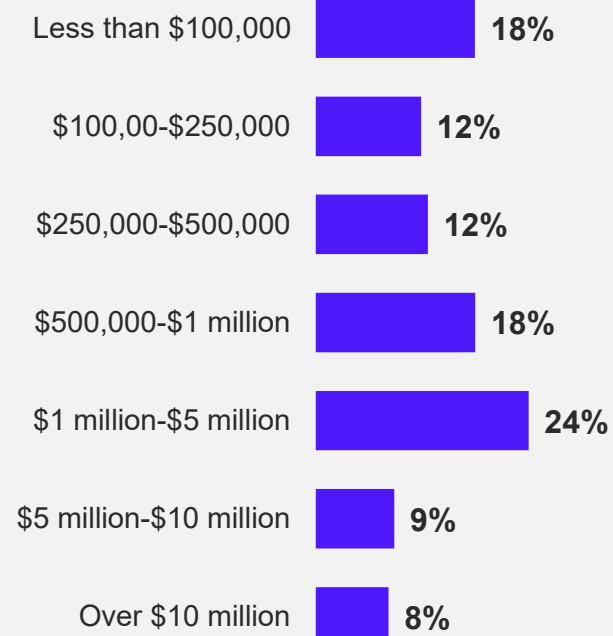
#### Number of Employees



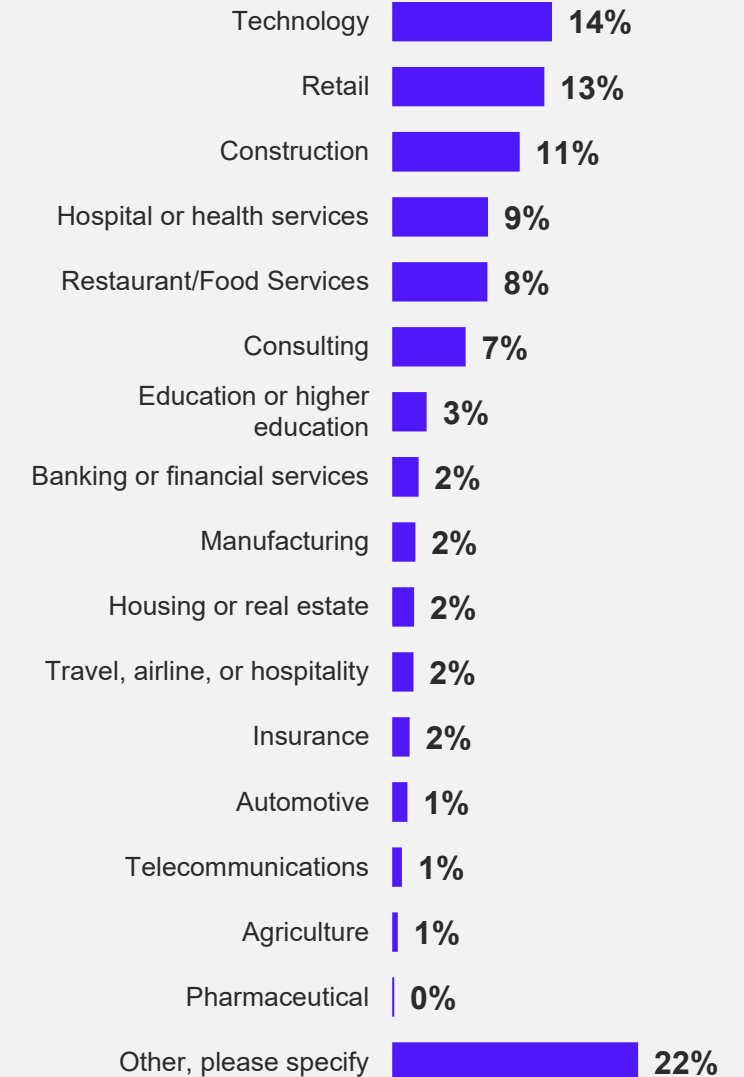
#### Respondent Title



#### Revenue of Firm



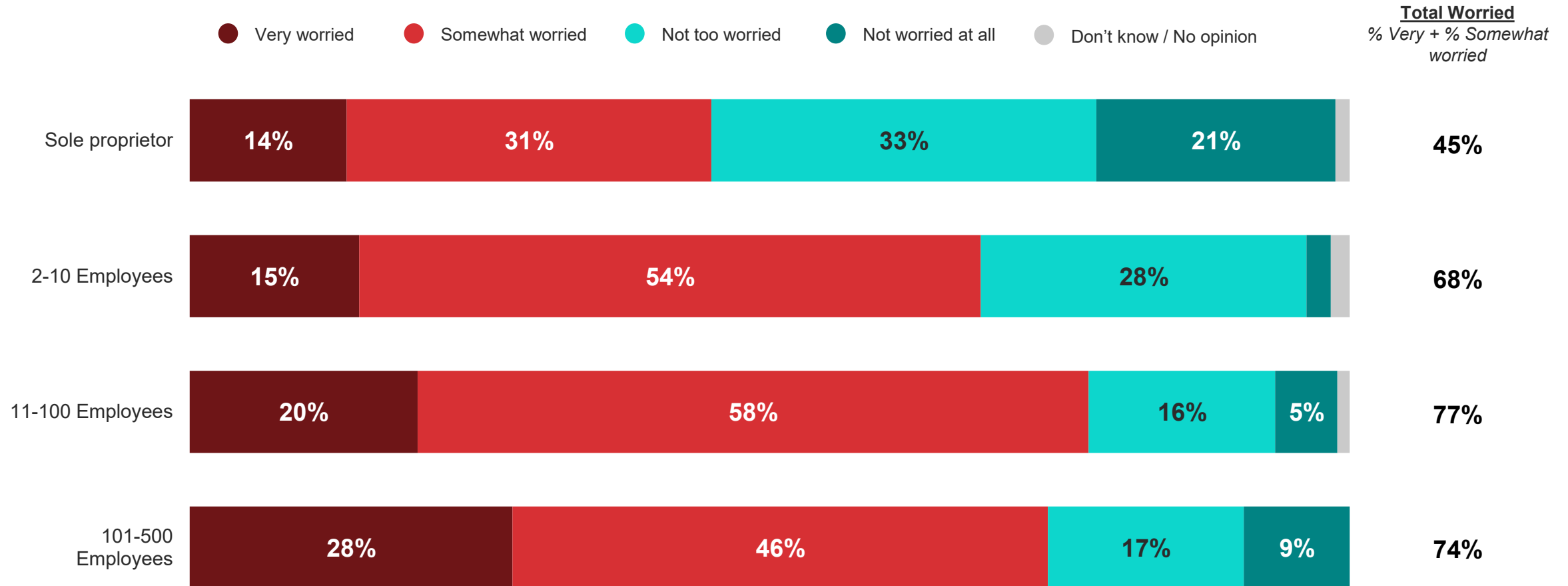
#### Industry



## APPENDIX

# Sole Proprietors Are Less Anxious About New Scams and Fraud Than Larger Small Businesses

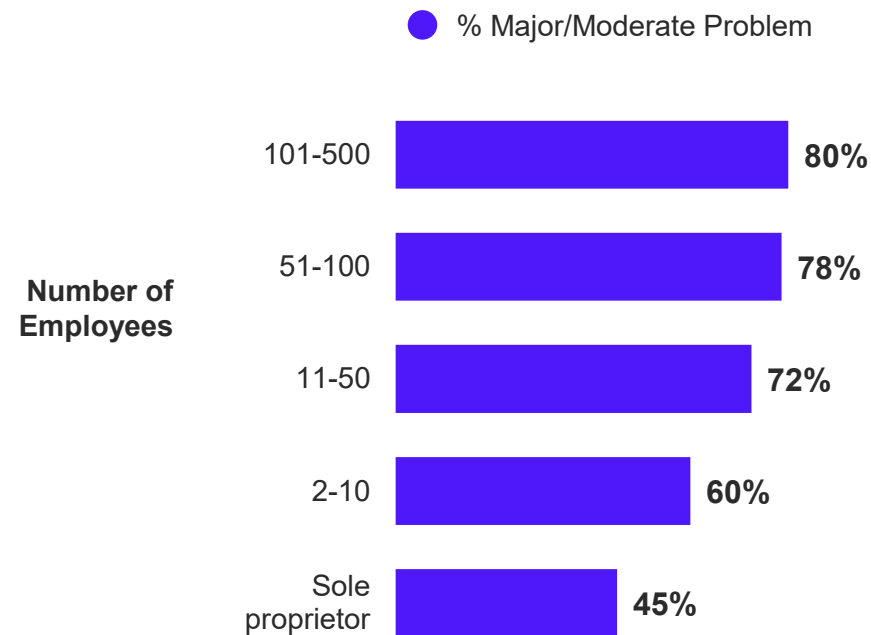
Thinking into the future, how worried are you that new scams and fraud may affect your business?



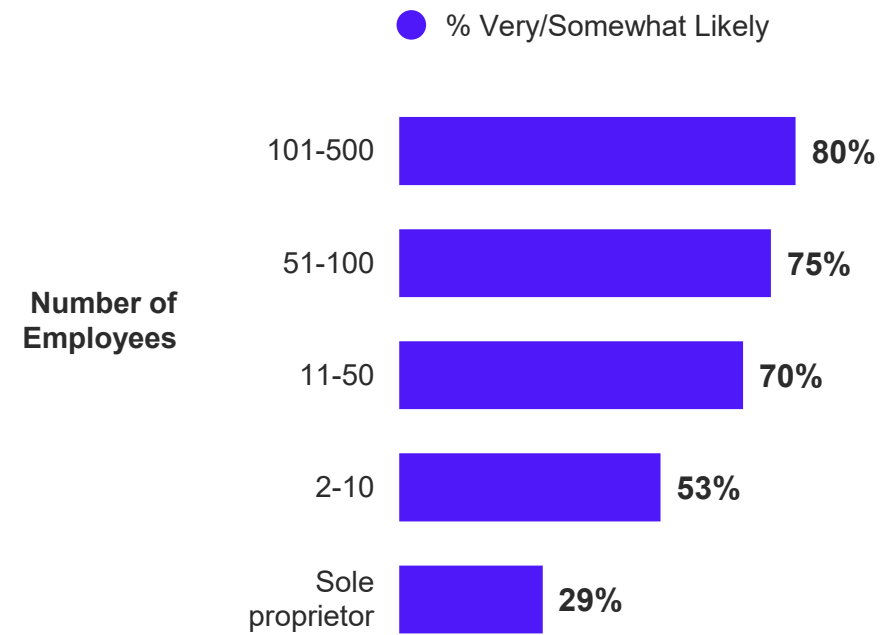
## APPENDIX

### Larger Small Businesses More Likely to Perceive a Threat

When it comes to running your business, how big of a problem, if at all, do you consider the threat of scams, fraud, and ransomware?



How likely do you think your business is to be targeted by cybercriminals?



## APPENDIX

## Small Businesses of All Sizes Say Scams and Fraud Make Accepting Online Payments Difficult

Does managing the threat of scams, fraud, and ransomware make the following more difficult, if at all, for your business?

