

Illegal Robocalling For Fun & Profit

The Why and How of Nefarious Mass Calling

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Disclaimer

The illegal robocalling landscape is vast and dynamic.

This material is based on current facts known to the presenter.

The scenarios and examples are not exhaustive.

Seek advice from independent advisors before embarking on your own illegal robocalling adventure.



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Scam Category 1: Lead Generation

- Lead Generation for yourself or 3rd party
- Sell some product or service
 - Financial Counseling Insurance Travel
 - Warranty Medical Device Security System
 - Work-at-Home
- Product/service supplier pays:
 - Commission on each sale, or
 - Fee for warm leads / live transfer

Affiliate Marketing / Live Transfer

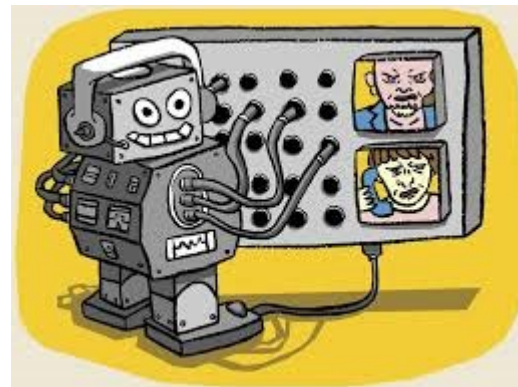
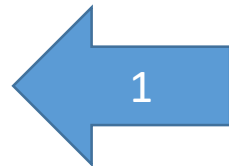
- Refer “warm leads” to purveyors of products & services
- Robocall millions of consumers; screen them via IVR
- Those that press 1 to express interest get transferred

From <https://www.marketcall.net/affiliates>:

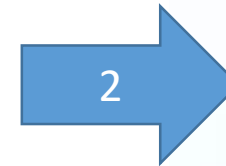
Get paid for attracting qualified calls.  **marketcall**
We treat our affiliates like partners and pay up to \$720 per qualified call without delays.



Consumer



Robocaller



Corporate Call Center

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Scam Category 2: Perpetrate Fraud

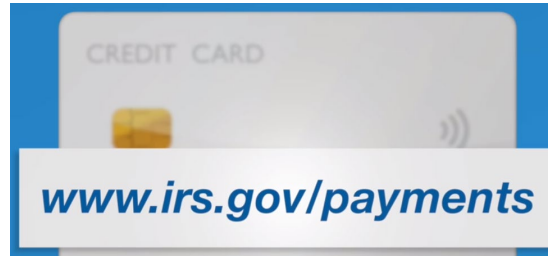
- Pose some ominous threat
 - IRS Social Security
 - Computer Virus Compromised Credit Card
 - Utility Issue
- Or some free or too-good-to-be-true offer
- Extract value from victim:
 - Gift card transfer
 - Identity Theft
 - Obtain credit card details

Take Payment in Gift Cards

- Victim can readily obtain gift cards at drug or grocery stores
- Card details (number and PIN) easily communicated over phone
- Robocaller can monetize the cards on-line for small discount



- Funds can be repurposed via PayPal
- Victims are already confused by a wide array of high-tech financial products



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Either Way, MO is similar

- Place 10,000 or 100,000 or a million automated calls daily
- Make the pitch via automated or pre-recorded voice
- Vulnerable targets self-select to talk to a live agent
- Agent closes the deal via a persuasive script

How-To: Ingredients List

- Pick a scam – copy somebody else or invent your own
- Set up a calling platform
- Sign up for Public Telephone Network access
- Acquire call-back numbers if req'd
- Who you gonna call?
- Design, record & configure outbound messaging and IVR flow
- Develop an agent script
- Recruit & train live agents
- Go Live!

Ingredients List

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- Rent a hosted platform:



Vendor supplies hardware & open-source base software

- Or use a Voice Broadcaster:
Turnkey service; pay per call

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- Look for VoIP Termination
- Call Center, Short Duration, Dialer Deck
- No calls-per-minute limit
- Any caller-ID allowed
- Pre-paid, No Questions Asked
- Don't call AT&T, Verizon, etc.
- Consider offers outside USA

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- For a “Press 1” campaign, no numbers needed
- Just make up Caller-ID as you go
- For call-backs, get banks of DIDs
- Most vendors have nationwide choice; cover each ‘hood
- Cycle through numbers to avoid blocking
- Refresh number bank regularly

Ingredients List

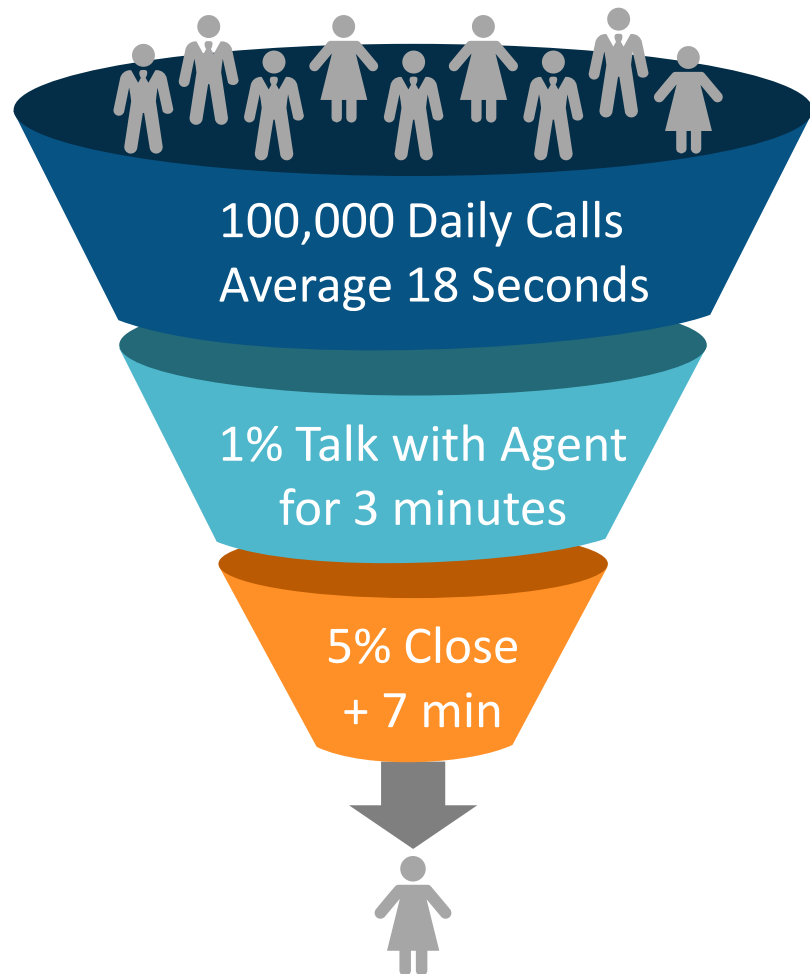
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- Set up a calling platform
- Sign up for Public Telephone Network access
- Acquire call-back numbers if req'd
- **Who you gonna call?**
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- Random or sequential dialing is not efficient
- 5 billion possible numbers; 400 million USA consumer numbers
- Buy or steal a list
- Many lists include numbers, names, other demographic info
- Some include credit-related data
- Find vendors via web search



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What's This Going To Cost?



Connection Time

$$100K \times 0.3 \text{ min} \\ = 30,000 \text{ min}$$

$$1,000 \times 3 \text{ min} \\ = 3,000 \text{ min}$$

$$50 \times 7 \text{ min} = \\ 350 \text{ min}$$

33,350 Connection Minutes
@ \$0.01/min = \$333.50 daily

Agent Time

No time

$$1,000 \times 3 \text{ min} \\ = 3,000 \text{ min}$$

$$50 \times 7 \text{ min} = \\ 350 \text{ min}$$

3,350 Agent Minutes
@ \$20/hour = \$1,117 daily

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Monthly P & L

- Monthly fixed costs –
 - Server Hosting: \$250
 - DIDs: 10,000 @ \$0.05 each = \$500 (if required)
 - Calling List Refresh: \$250
- Calling Expenses (21 business days per month):
 - Telephone @ \$333.50 daily = \$7,004
 - Agents @ \$1,117 daily = \$23,457
- Revenue: 50 daily successes X 21 days X \$400 each = \$420,000

- Profit: \$420,000 – \$31,461 = \$388,539 per month

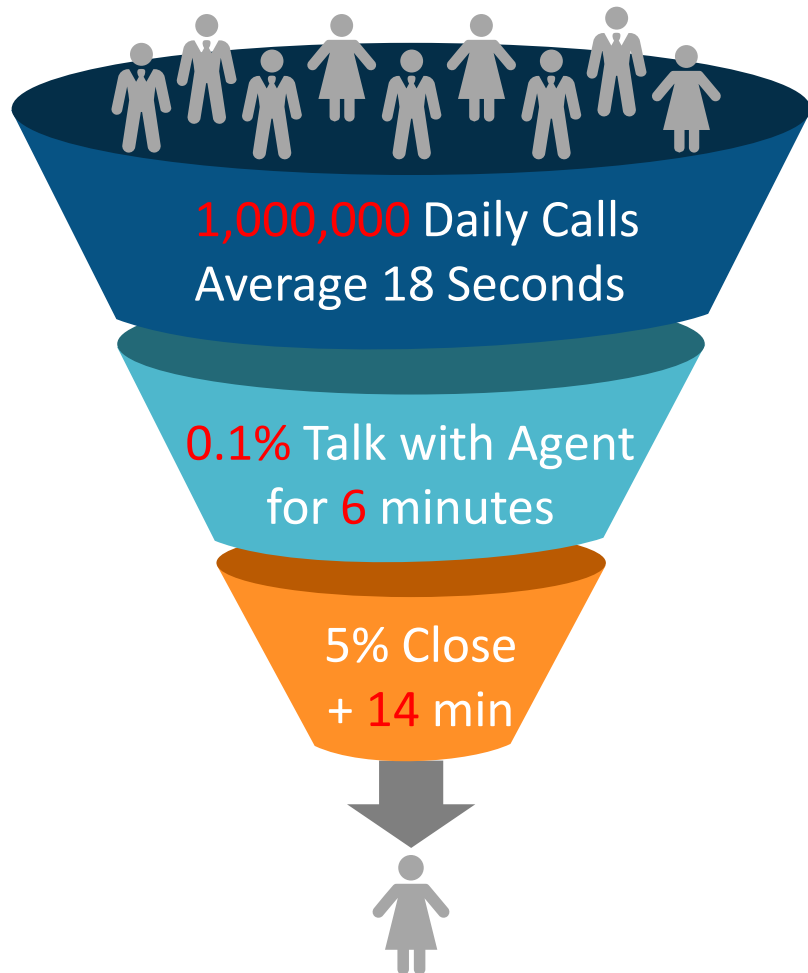
How Much Did You Say?

\$388,539 each month

4.66 Million Dollars Annually

In PROFIT

A Less Optimistic Scenario



Connection Time

1 Million x 0.3 min
= 300,000 min

1,000 x 6 min
= 6,000 min

50 x 14 min =
700 min

306,700 Connection Minutes
@ \$0.01/min = \$3,067 daily

Agent Time

No time

1,000 x 6 min
= 6,000 min

50 x 14 min =
700 min

6,700 Agent Minutes
@ **\$40/hour** = \$4,467 daily

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Monthly P & L

- Monthly fixed costs –
 - Server Hosting: \$750
 - DIDs: 10,000 @ \$0.05 each = \$500 (if required)
 - Calling List Refresh: \$250
- Calling Expenses (21 business days per month):
 - Telephone @ \$3,067 daily = \$64,407
 - Agents @ \$4,467 daily = \$93,807
- Revenue: 50 daily successes X 21 days X \$200 each = \$210,000
- Profit: \$210,000 – \$159,714 = \$50,286 monthly
 - \$603,432 annually

Rules of the Road

- Don't waste money “scrubbing” for Do-Not-Call or mobile numbers – you're already breaking the law six ways from Sunday
- Leave few footprints – engage with vendors via throw-away email addresses and pre-paid credit cards and burner phones
- Re-instantiate your business periodically so that the assets are gone by the time the enforcers find you (if ever)
- Consider cheating on your taxes, too!



Closing Thoughts

- Illegal robocalling can be quite lucrative: more dialing → more dollars
- There are plenty of folks on the web standing by to help
- Evolve your strategy to stay ahead of the labelers, blockers & enforcers
- Share your secrets with other illegal robocallers so we can all prosper