



Netacea Quarterly Index

Top 5 Scalper Bot Targets of Q2 2021

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Netacea's Threat Research team looked at the top five items targeted by scalper bots from April to June in 2021. Results of the research reveal a trend in video game equipment and designer items targeted by scalper bots in Q2. According to Netacea's Threat Research Analyst, this is happening for two reasons: the first is the demand for items in the hype category, generated by internet-fueled attention and anticipation; the second is a global shift from console gaming to online gaming.

Scalper bots in 2021

Bots hit the headlines in 2020 when scalper bots targeted high profile clothing and gaming 'drops', most notably the launch of the latest PlayStation console in November. Ordinary consumers were left frustrated and out of pocket when automated bots bought the PS5s faster than any human had the opportunity, before selling them on at twice the price for a healthy profit.

Since then, the scalper bot landscape has been growing in sophistication, while attacks increase in both volume and speed.

The problem of scalper bots was intensified by the economic uncertainty of Covid-19. Bot developers and groups ran recruiting campaigns for people needing a quick cash fix during periods of high unemployment. With more time spent inside, there was a global rise in online shopping trends – and more online commerce means more targets for attackers.

It is no surprise, then, that scalper bots are still causing notable damage to eCommerce businesses off the back of the PS5 launch success, Covid-19 restrictions and the increasing professionalization of scalper bot groups, often supported by significant financial backing.

Here is a rundown of the top five scalper bot targets in Q2 2021.

Research by Netacea's Threat Research Analyst, Antony Barnett

1. Air Jordan Retro 1 High OG sneaker



Retail price: \$110



Aftermarket price: \$848



Increase: 670%

In first position is the Air Jordan Retro 1 High OG sneaker, which increased as much as 670% on the reseller market. Exclusive sneakers have always been a common target for scalpers and prove an easy way to make a hard and fast profit.

These sneakers are also the first in our list to fall under the 'hype' category. Hype items are highly targeted products due to the limited amount of them sold on the conventional market and the anticipation created around their 'hot drops' across social media. As long as there is a hype around the product, there is always going to be a demand for it, and consequently always a market for scalper bots to exploit. The problem with hype category products is that items come and go and the list is ever changing – it all depends on what the latest 'hype' is. For now though, designer trainers are firmly cemented as a top scalper target.



2. PS5 restock



Retail price: \$399



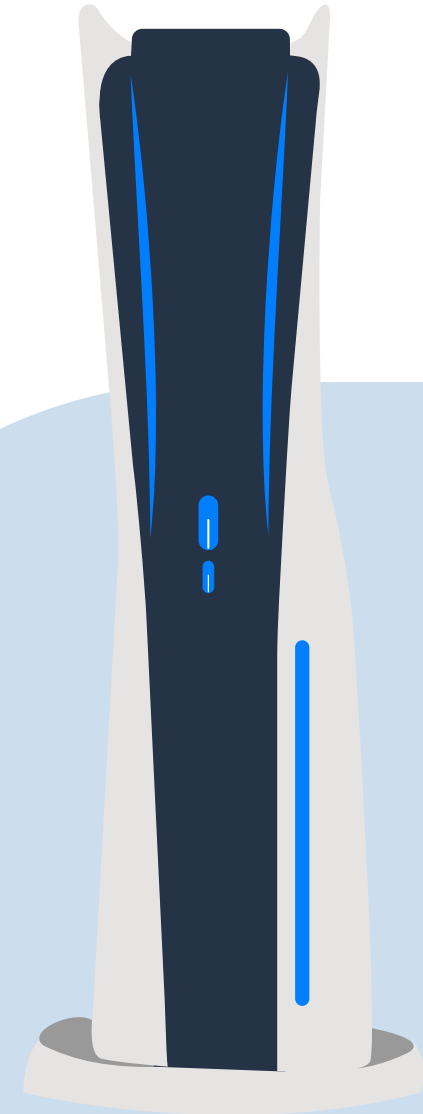
Aftermarket price: \$800



Increase: 100%

The recent PS5 launch has been perhaps the most well-publicized, large-scale scalper bot attack in recent times. In fact, Netacea data shows that a botnet that used 300 compromised machines to buy PS5s made one million purchase attempts over six hours. The PS5 scalper bots provide us with some useful insights into the scale of the scalper bot issue and how the market is still being exploited.

In 2021, users who previously had no involvement in scalping discovered that they could make a significant profit by reselling in-demand items such as the PS5 for more than double their retail value, whilst others saw scalping as the only way to get their hands on such limited-edition stock. The PS5 is the second of our 'hype' products. The sixth generation of the PlayStation console is not expected to be released for another five years, meaning the hype around the PS5 is still a healthy market for scalper bots. As for five years' time, the attention and anticipation will no doubt shift to the PS6, or another console in the meantime.



3. Gaming graphics cards



Retail price: \$499



Aftermarket price: \$840



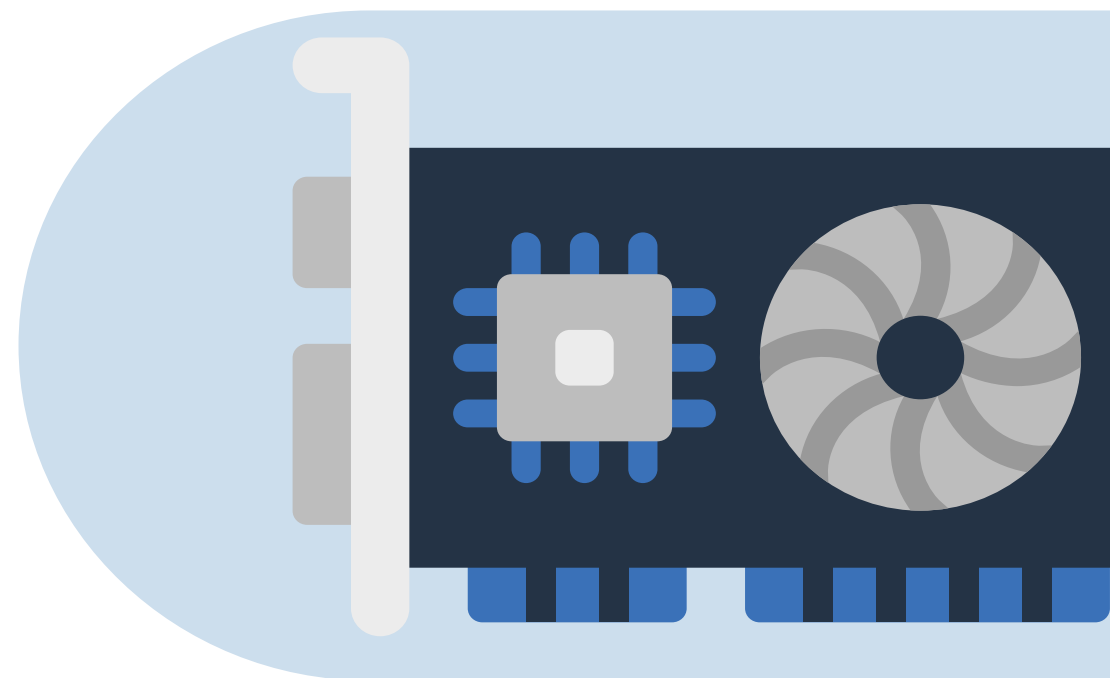
Increase: 68%

Gaming graphics cards are third on our list. Valuable electronic items and video game equipment have seen a rise in popularity over the course of the pandemic, as lockdown restrictions saw more people take up video gaming as a hobby. The latest games need top-of-the-line gaming computers to run smoothly, and at the top of the list of requirements is a powerful GPU.

The release of NVIDIA's RTX 3000 series was hotly anticipated by PC gamers, and this did not go unnoticed by scalpers. Already priced at a premium due to their high-performance GPUs, cards like the RTX 3080 were resold at a huge markup by scalpers.

Over the last few years there has been a huge shift from console to PC gaming, largely down to three factors. Success in the competitive gaming market has seen certain games such as Fortnite create millionaires – generating a huge push in the online gaming community as the possibilities of such success remain niche to the PC market. With more people wanting to become a successful PC gamer than make money through a console, scalper bots are targeting gaming NVIDIA graphics

cards to exploit the competitive gaming market, knowing that avid gamers will pay large sums to get their hands on the best PC gaming equipment. Consoles are also becoming less successful as they possess less power than gaming computers, meaning the graphics are never as sharp. It is more difficult to stream content from a console than from a PC, and games on PCs are much easier to configure. Thirdly, consoles present a difficult purchase to maintain as new releases present a constant price tag to gamers.



4. Yeezy Boost 700 MNVNs



Retail price: \$180



Aftermarket price: \$650



Increase: 261%

In fourth, we have a second appearance for designer sneakers. The highly anticipated release of Kanye West's Yeezy Boost 700 MNVNs is another example that scalpers aren't being challenged to find new targets and are still making money from this lucrative market.

When the Yeezy Boost 700 MNVN dropped in time for summer, fans of West's sneaker collection were locked in a battle with scalper or 'sneaker' bots that were quick to hoard the inventory and sell on for a profit, leaving genuine customers frustrated. The third 'hype' product on our list, these designer sneakers were subject to the exploitation of scalpers once again in August 2021 on 'Yeezy Day', when Yeezy sneakers were 'dropped' by the hour on the Adidas website to give consumers more chance to buy the limited models. The reality was consumers left empty handed, as bots bought and resold the items in rapid time.



5. Cryptomining graphics cards



Retail price: \$1000



Aftermarket price: \$1800

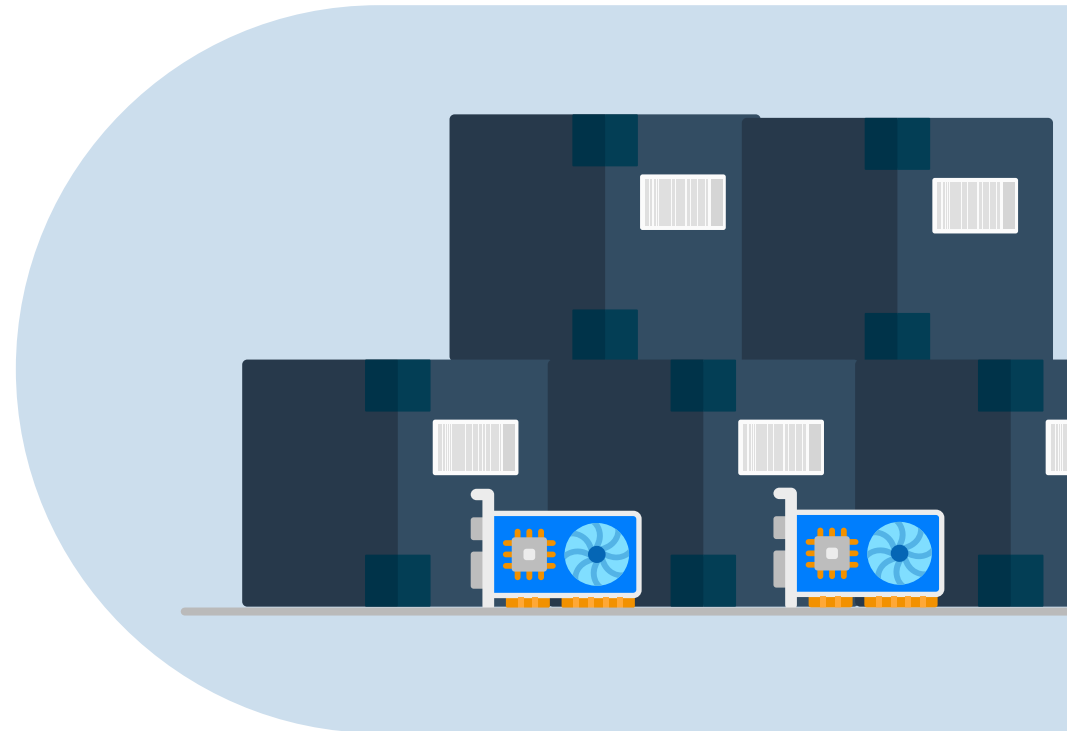


Increase: 80%

While gaming GPUs took up our third spot, our final item focuses on graphics cards being snapped up for a different purpose, much to the consternation of gamers. The graphics cards shortage is exacerbated by cryptominers buying and using graphics cards en-masse to generate cryptocurrency such as Bitcoin and Ethereum.

As people have moved into mining cryptocurrency – perpetuated by the lockdown and economic restrictions during the pandemic – they require an immense amount of computing power and are buying GPUs like the NVIDIA RTX 3090 on the secondary market for that purpose. Scalpers make a hard profit from this, stocking up on graphics cards to sell for almost double the value.

There are even cases where scalpers buy certain gaming computers that have NVIDIA built in only to remove the graphics card and sell on for a profit. In fact, NVIDIA has designed GPUs specifically to limit their effectiveness as cryptocurrency miners to stop scalpers exploiting the market, whilst releasing other cards explicitly designed to be used for cryptomining.



How can businesses stay ahead of scalper bots?

Choosing the right bot management solution is a major decision for any business. At Netacea we take a consultative approach, working closely with you to understand not only the threats bots pose to your business, but how our solution fits into your wider strategy and organisation. This partnership, paired with our server-side approach and innovative Intent Analytics™ technology, allows us to seamlessly integrate with your business and deliver accurate, intelligent and effective mitigation against scalper bots and beyond.

To find out how much scalper bots are costing your eCommerce business, visit netacea.com/impact-of-bots-calculator.



Or to learn more about scalper bot trends, talk to the Netacea Threat Research team today at hello@netacea.com.