

Paying safely online

Shopping online is no longer a new phenomenon and its popularity continues to grow. APACS figures show that the number of adults shopping online has more than doubled in the last five years to over 28 million.

While the internet allows you to shop with ease and efficiency, it also presents opportunities for fraudsters. In the first half of 2007 the amount of card fraud that took place over the internet reached £91.6 million, which represents more than a third of total card fraud losses in the UK. In this guide we detail the steps you can take to minimise your chances of becoming a victim of online fraud.

How to protect yourself before you shop online

The key to tackling online fraud is through prevention. Before you buy over the internet, help yourself stay free from fraud by doing the following:

1. Protect your computer.

Make sure your computer has up-to-date anti-virus software and a firewall installed and switched on. You should also download the latest security updates for your browser and for your operating system (e.g. Windows, Vista, Mac).

2. Make sure that your browser (e.g. Microsoft Internet Explorer, Firefox, Opera) is set to the highest level of security and notification.

The safety options are not always activated by default when you install your computer. If you're using Internet Explorer, you can adjust the security settings by selecting 'Tools' then 'Internet Options.' The tabs labelled 'Security' and 'Privacy' will allow you to increase their security settings.

3. Sign up to **Verified by Visa** and **MasterCard SecureCode**. These are secure online payment systems that allow you to register a password with your card company. Signing up gives you extra protection as fraudsters are unable to use your card details at participating shopping sites as they will not know your password. The sign-up process is quick and easy; you do not require a new card, nor do you need to download any additional software.

MasterCard
SecureCode

VERIFIED
by VISA

4. Restrict physical access to your computer

- Consider using a login password to access your computer in the first instance. This will also help guard your computer or laptop should it be stolen.
- If you access Wi-Fi networks then use well-known, commercial hotspot providers such as BT OpenZone or T-Mobile and ensure you are using an encrypted connection.
- If you are using a public computer, for example in an internet cafe take additional care and consider changing any passwords you may have used once you get back home.



5. **Be wary of all unsolicited or spam emails.** These may contain spyware, viruses or be a phishing email. Many email services now provide options to automatically filter spam e-mail and remove them from your inbox. By activating these options and avoiding the temptation to click on any spam your risks when shopping online are reduced.

6. **Treat all e-mail attachments with care – they may contain a virus.** Avoid opening any email attachment from an unknown or untrusted source.

How to protect yourself when you shop online

When it comes to actually shopping online there are a number of further actions you should take to help yourself stay safe from fraud:

1. Only deal with reputable sellers.

Use sites you can trust, for example sites you know or that have been recommended to you. If the seller is unfamiliar then try searching reviews and comparison websites via your search engine to get feedback on them.

2. Know who you are dealing with.

Always access the website you are planning to buy from by typing the address into your web browser. Never go to a website from a link in an unsolicited email and then

enter your personal details. Don't assume that a '.UK' website means that the seller is based in the UK. Check the trader's details on their website, including their geographic and email address.

3. Only shop on secure websites.

Before submitting your card details ensure that the locked padlock or unbroken key symbol is showing in your browser. The beginning of the online retailer's internet address will also change from 'http' to 'https' when a connection is secure. In some new browser versions, such as Internet Explorer 7 or Firefox 2, the address bar may also turn green to indicate that a site has an additional level of security.

4. Trust your instincts.

If an offer looks too good to believe then there is usually a catch! Be suspicious of prices that are too good to be true. Never disclose your PIN to anyone or send it over the internet.

Print out your order and keep copies of the retailer's terms and conditions, returns policy, delivery conditions, postal address (not a post office box) and phone number (not a mobile number). Having the above information will help if you subsequently encounter difficulties – especially if you are buying from overseas, when it may be more difficult to seek redress if problems arise.

5. Consider using a separate credit card just for online purchases -

fraudulent transactions will then be easier to spot. Also, if you use a credit card to buy goods or services costing more than £100, but less than £30,000, you will have extra protection under section 75 of the Consumer Credit Act. This states that should a problem subsequently arise, such as the company going out of business, you can claim your money back from your credit card company.

Useful contacts

Other useful places that you can look to get information and advice about shopping safely online include:

- www.shopsafeonline.org.uk
- www.cardwatch.org.uk
- www.getsafeonline.org
- www.consumerdirect.gov.uk
- www.visaeurope.com/verified
- www.mastercard.co.uk/securecode



What to do if things go wrong

- If you have bought from a reputable retailer and the goods turn out to be faulty or not as described, you still have the same rights as if you have bought from the high street. Depending on the situation and what you have bought, you may be entitled to a refund, replacement, repair or compensation. For instance, check your cancellation rights. Under Distance Selling Regulations you can get a full refund on many online purchases if you cancel within seven working days after receipt. In the first instance you should take up your complaint with the retailer concerned.
- If you cannot get redress from the retailer, perhaps because they have gone bust, you are entitled to claim your money back from your card company if the purchase was in excess of £100 and you used a credit card (see bullet 5 in How to protect yourself when you shop online).
- If you find you have become a victim of card fraud, you should report it to your card company immediately. Under the terms of The Banking Code, as long as you haven't acted fraudulently or negligently you will be fully refunded by your bank.

Auction websites

Under existing consumer protection regulations, you enjoy far greater protection buying from internet businesses than you do when shopping from auction websites. Many people who advertise goods for sale on auction sites are private sellers, which reduces your rights.

Also, if you are bidding in an online auction for goods advertised for sale by a private seller, be aware that your cancellation rights under the Distance Selling Regulations may not apply and you may not be able to reject goods unless the seller offers a return policy. Always check the seller's terms and conditions.

Online facts

- Online shoppers in the UK make, on average, 24 purchases per year over the internet.
- Men aged 25-34 each make an average of 33.9 internet purchases per year; more than any other age or gender profile.
- The most popular purchases using online shopping are books and CDs. They account for 28% of all internet purchases; this is followed by travel (16%) and groceries (5%).