



Fraud Prevention

Tips for Protecting Yourself from Online Shopping Scams*



In the current online era, gone are the days of flocking to one's favourite retail outlet in search for the 'too good to be true' bargain. According to Stats Canada, Canadians spent \$22.3 billion dollars on online shopping in 2012 and 51% of Canada's Internet users made online purchases in 2010. Canadians spent an average of \$1,362.00 on online purchases in 2010.

Many choose to shop online for the convenience, choice, ease of comparing prices and researching product details. They enjoy freedom from the crowds and better deals for the goods they seek. Be cautious, these online deals may cost you more than you bargained for.

Any time you provide your personal email address, shipping address, phone number and credit card information, you assume the risk of your information being seen by cyber predators.

Online Shopping and Auction Risks

- Becoming a victim of fake e-commerce sites created with the purpose of obtaining personal information that leads to identity theft or hacking. These sites may offer incredible deals that appear hard to pass up, and then disappear weeks later.
- Becoming a victim of a scam or fraud by unscrupulous sellers who never send the item(s) you purchased.
- Doing business on sites that are not encrypted, risks unauthorized access to your personal information.
- Scams by international sites that are not secure or do not have reputable sellers.
- Paying more than you expected due to hidden charges, duties or shipping.
- The item you buy may not meet Canadian safety or quality standards.
- You might find yourself dealing with fraudulent escrow sites that take your money.
- Legitimate escrow sites make payments on your behalf to safeguard large-ticket purchases. Criminals behind escrow scams create fake sites intended to look identical to the real thing.
- Getting stuck by browser traps that do not allow you to click the back button, or the same window continues to pop up after closing.

Be aware of online shopping sites that:

- Look poorly designed, unprofessional and contain broken links, or have no contact information for the business.
- Contain sales, return and privacy policies that are hard to find or unclear.
- Ask for credit card information anytime other than when you are making a purchase.

Online Shopping Safety Tips

- Double check the website is secure. Look for a lock icon or unbroken key in the bottom right corner of the screen or a website address that begins with <https://>.
- Pay by credit card if you can. Do not send cash or money orders.
- Be on the lookout for prices that are too good to be true. They are likely counterfeits and may not meet Canadian safety or quality standards.
- Do not use public Wi-Fi to shop online.
- Read the privacy policy and find out how your information will be used.
- Do not respond to an email or pop-up message that asks for financial information.
- Make sure your firewall is "on".
- Do not allow auto fill for your passwords or personal information, and never allow a site to store your credit card information.

Online Auctions:

- Check out the seller's feedback rating. If it's more than 2% negative, take your business elsewhere.
- Stay on the site to place your bid and complete the transaction. If the seller wants to negotiate by email, steer clear.
- If you are the seller, make sure a payment clears before you send the item.
- Keep a paper trail of receipts, emails and any other correspondence.
- Ask about using an escrow service if the item is expensive. Escrow agents will hold your payment until they have been notified that the goods or services have been received. They will then send payment on your behalf to the seller. You never have direct contact and your information is protected.

*Adapted from resources found at www.getcybersafe.gc.ca - A national awareness campaign to educate Canadians about Internet security