



HAVE A MERRY FRAUD FREE CHRISTMAS

Christmas is just around the corner and as orders begin to build up you could well find yourself left with a backlog of transactions. This is the time when fraudulent purchases can slip through the net. So, how can you ensure that your business is equipped to cope with peak season performance?

It is recommended that before making any changes to your fraud strategy, you take some time to review any trends from last Christmas. Was there, for example, a problem reviewing orders in time? Were any particular products more susceptible to fraud? If so, then make sure you are taking the correct precautions to ensure this does not happen again. It is not uncommon for fraudsters to target a specific retailer annually, so use your charge-back history to see what type of fraud you are being targeted with and identify any high risk areas.

ASSESSMENT

After analysing previous fraud trends you can begin to assess your priorities for the current season. Your fraud strategy needs to accommodate any expected increase in turnover so considering turnover forecasts is essential, particularly if you have a review process in place. Remember shoppers spend more at Christmas and at different times of day, therefore your peak season fraud rules need to be adjusted accordingly. This could be raising the value of orders that are sent for review to cater for higher value orders or by relaxing velocity rules to cope with an increase in orders.

Similarly, look at "good" customer criteria. If, for example, a customer has been through the review process several times using the same email address, do you need to review the order?

Auto-accepting these orders could save valuable time and enable staff to focus on higher risk orders. Always ensure rules are changed to reflect any past fraud trends. Say last year fraud originated from France then make certain rules are tightened and all orders from this location are reviewed.

OTHER AVENUES

IT is not the only avenue for fraudsters looking to exploit peak season trading. Peak season fraud can also originate via call centres. If fraudsters cannot get through online, they may well try calling as a way to bypass the system as IP addresses cannot be checked over the telephone. IT is not the only avenue for fraudsters looking to exploit peak season trading. Peak season fraud can also originate via call centres. If fraudsters cannot get through online, they may well try calling as a way to bypass the system as IP addresses cannot be checked over the telephone. So, if you have a call centre sales channel take the time to educate staff about historic fraud trends. This can be enhanced by maintaining regular communication with your acquirer and by conducting regular fraud analysis. Most have daily fraud reports which can be the difference between identifying a high scale fraud attack in progress as opposed to afterwards. By following these simple steps ahead of the busy period, you can be confident that you can grow your sales, whilst minimising the risk of fraud this Christmas.



We wish our readers a happy Christmas and prosperous New Year

FINANCIAL DYNAMICS



**For further help and advice
please telephone us on**

0121 321 1700