



HOW TO

PREVENT FRAUD

CREDIT CARD PAYMENT



EMAIL ACCOUNT VERIFICATION

Email Account is very important validation for a customer online. By having a check on Email address, there are chances to prevent credit card payment fraud

- ✔ Email Address for a genuine customer have name or nick name with number.



EMAIL ACCOUNT VERIFICATION

- ✔ Fraud Email Address have a repetitive alphabets with lot of digits. This is a sign of a fraud Email Address and it is important to get it validated for large order's
- ✔ If email addresses are related to a domain name, it is always worth to check that website online and read review. This helps in identifying wrong or fake accounts

EMAIL ACCOUNT VERIFICATION



- ✔ Be careful and add an additional measure of verifying the user if the order is large and it comes from a free email service provider like Gmail, Yahoo etc.



CREDIT CARD TOTAL ENTRY

Credit card number usage by a user for a transaction should be counted.

- ✔ Generally a fraudulent user types continuously credit card number and lot of retries of security code.

CREDIT CARD TOTAL ENTRY



- ✔ If a card number is used more than three times, it means there is something wrong and that transaction should be double checked. Most often, it may be a fraudulent credit card payment.
- ✔ However there may be chances some times that user has forgotten their security code. These type of transactions can be clarified by calling the customer and verifying the payment.



MANDATORY USAGE OF SECURITY CODE FOR CREDIT CARD BILLING

Every credit card provided by Master or Visa have a security code embedded in the card. It is good if you always make it mandatory to add CVV to verify the transaction. Usage of security code helps in the below ways

- ✔ For every credit card, there is a security code at back side. This security code will only be known to the genuine user.



MANDATORY USAGE OF SECURITY CODE FOR CREDIT CARD BILLING

- ✔ If this security code is mandatorily verified, it will be difficult for fraudsters to do fraud credit card payment.
- ✔ If fraudsters try to enter wrong security code multiple times, point two mentioned above will block the transaction.



DOUBLE CHECK OVERSEAS TRANSACTIONS

Overseas Transactions are very difficult to solve if there are any fraudulent credit card transactions. Below are the things to check for overseas transactions

- ✔ Double check overseas transactions whether it is an order from overseas
- ✔ Check shipping is verified for overseas orders

DOUBLE CHECK OVERSEAS TRANSACTIONS



- ✔ For high price goods, make it mandatory for a signature to the merchandise before the buyer gets the goods



VALIDATE SHIPPING ADDRESS

Shipping Address plays a major role in decreasing credit card payment frauds. Below are the reasons why you should validate shipping address

- ✔ Shipping to a valid shipping address with a proof of delivery helps if there is a dispute in credit card payment



VALIDATE SHIPPING ADDRESS

- ✔ Check if the user is new, they have same shipping and billing address. Double check if both are not the same. This is a preventive measure to be taken for new users.
- ✔ Avoid shipping to post offices or temporary addresses like hotels as it will be very difficult to trace the address in case of fraudulent credit card payments.



VALIDATE SHIPPING ADDRESS

- ✔ Using tracking numbers for your shipping orders and be extra vigilant on new orders.

IP ADDRESS TRACKING



IP Address tracking for all credit card payment is another way to decrease credit card payment frauds. Below are the things you should check when you have IP Address tracking for credit card payments

- ✔ Check if there are large orders coming from multiple credit cards with same IP Address.

IP ADDRESS TRACKING



- ✔ Check if same items are ordered from multiple credit cards with same IP Address. Many such instances result in fraudulent credit card usage. So in this case, validate Shipping Address and make sure to have a signed verification before buyer receive the goods.

CHOOSING OF PAYMENT GATEWAYS



Security is very much necessary for the payment gateways of your website. Things you should make sure enhancing security of your website

- ✔ Have a reputed payment gateways for your website

CHOOSING OF PAYMENT GATEWAYS



- ✓ Make sure that payment gateways which you have selected complies with the standards that are needed for your country. This is mandatory for disputing transactions for fraudulent credit card payments.

USAGE OF ADDRESS VERIFICATION SYSTEM (AVS)



Address Verification System (AVS) is one way to prevent fraud credit card payments. Below is the method how it validates

- ✔ Credit card users have their billing address stored in bank database
- ✔ AVS compares the numeric parts of the billing address stored in bank database

USAGE OF ADDRESS VERIFICATION SYSTEM (AVS)

- ✔ Many payment processing solutions provide AVS which is the fraud prevention tool.





CREDIT CARD AUTHORIZATION FORMS

Credit card authorization forms need to be handled properly for transactions that are online

- ✔ Have a signed copy of credit card authorization from customers
- ✔ Make sure that shipping address is validated and get the signed copy of the form from customers to avoid fraudulent credit card payments later



CHECK TRANSACTION DECLINES

Transaction Decline check is very important for decreasing credit card payment frauds. Below are the reasons

- ✔ Transaction declines happens if credit card details are not entered correctly. If consistent transaction declines are happening with same credit card, then some fraudsters might be involved. So by having a IP Address validation and having a check on multiple...



CHECK TRANSACTION DECLINES

transaction declines will help in blocking the fraudster from making a transaction

- ✔ Validate shipping address and other tips mentioned above to make sure transaction is a genuine transaction if there is a transaction decline for repeatedly. Even IP Validation also helps here.