

INTERNET PAYMENT GATEWAY GUIDELINES FOR MERCHANTS

Following elements promote ease of use for online shoppers & lead to customer satisfaction. This further facilitates in reducing cardholder disputes & potential chargeback issues.

Basic Merchant Web Site Fundamentals

- Complete description of good & services should be mentioned on website.
- Easy navigation to Customer service telephone number & e-mail address on website
- Return, refund & cancellation policy clearly mentioned on website.
- Delivery policy should be clarified in detail on the website.
- Any restrictions on delivery must be clearly stated on the same web page itself.
- Any Export restrictions (if known) should be documented in the policy
- These policies must be posted to imply that client accepts all conditions before buying any products & services

Merchants should fix their own policies for delivery of goods, refund, etc. like geographic or other restrictions on where or under what circumstances they provide or are unable to provide delivery.

Best practices to be followed

- ✓ Maintain Max. client details like contact details, address, written communication, proof of acceptance of all policies, confirmation of order along with goods or services received
- ✓ Written acceptance for change or description in product / services for any alteration in order
- ✓ Merchants should frame policies & procedures for handling irregular/suspicious transactions.
- ✓ Merchants should provide suitable training to their sales staff to deal with dubious requests
- ✓ Sales personnel should be clearly instructed for steps on verifying these transactions

Sales personnel should lookout for following signs of suspicious customer behavior:

- ❖ **Hesitation:** Customers hesitating in giving personal information such as pin code or spelling street or family name is often a sign that person is using false identity
 - ❖ **Rush orders:** Urgent requests for quick/overnight delivery are potential frauds. Rush orders used by "hit and run" fraud schemes aim at obtaining merchandise for quick resale.
 - ❖ **Random orders:** Customers who compromise items out of stock for color or those ordering haphazardly ordering one of each type, may be intended for resale rather than personal use
 - ❖ **Suspicious shipping address:** Scrutinize orders where shipping address differ from billing address. Requests to ship merchandise to P.O. box/office address are often found fraudulent
 - ❖ **Orders from free e-mail services:** No billing relationships with account user often lead to no audit trail or verification that a legitimate cardholder has opened the account
 - ❖ **Urgent shipping:** Crooks will not be concerned about extra delivery charges. They want their fraudulently obtained items as soon as possible for the quickest possible resale
 - ❖ **First time shopper:** Criminals are always looking for new victims. They usually hit a merchant once and don't go back a second or third time
 - ❖ **Larger than normal orders:** Stolen cards, account numbers have limited life span, so crooks maximize the size of purchase. Size of "normal" orders may vary with each merchant
 - ❖ **Multiple orders:** Orders having multiples of same item increases criminals' profits
 - ❖ **High Value items:** Items having maximum resale value maximize their profit potential
- ⚠ ***Above compiled data must be used as guide only to deter fraudulent transactions***