

Monday, 2 May 2011

MOTHER'S DAY ONLINE SCAM ALERT

Consumer Affairs Minister Gail Gago has urged online shoppers to beware of potential scams in the lead-up to Mother's Day.

Ms Gago said most online stores and auction sites were reputable, but shoppers should watch out for unscrupulous rip-off merchants.

"If you're shopping online for a Mother's Day gift, be alert," the Minister said.

"Scammers sometimes use online classifieds and auction sites to post scam ads, taking your money, but leaving you without that perfect gift for mum.

"Scam classified ads can appear to be for anything from puppies to cars.

"The scammer will often advertise the item at a low price; generally much lower than comparable items advertised on the same site."

Ms Gago said most online auction sites put a lot of effort into excluding dodgy operators, so scammers will often try to deal outside of the site's secure payment facility.

If you do this, you will lose any protection that the site operator offers to users.

"Scammers may pretend to be selling authentic branded items, that when delivered are obvious imitations," the Minister said.

"They may not even deliver the item at all.

"Alternatively, scammers may claim that the winner of an auction you were bidding in has pulled out, and then offer to sell the item to you.

"Once they have your money, you will never hear from them again and unfortunately the auction site may not be able to help you."

Warning signs

- An item is advertised on an online classifieds site at a very low price, often lower than comparable items advertised on the same website.
- The seller often claims to be overseas.

- For online auction scams, the seller will ask you to complete the sale outside of the auction site, eg by electronic funds transfer or a wire service.
- Following payment you may receive a fake email receipt falsely claiming to be from the auction website's secure payment provider.

Protect yourself

- Be cautious – if the advertised price of an item looks too good to be true, it probably is.
- Don't trust the legitimacy of an ad just because it appears on a reputable online classifieds or auction website – scammers post fake ads in these too.
- Where possible, avoid any arrangement with a stranger that asks for upfront payment via money order, wire transfer or international funds transfer. It is rare to recover money sent this way.
- Do an internet search using the exact wording in the ad – many well-known scams can be found this way.
- Request a number of photos of the item from the seller, if they refuse it may be that they have stolen a photo from a genuine ad and have no others.

Consumers are urged to report any scams to the ACCC via the Scamwatch website at www.scamwatch.gov.au or call the information line on 1300 302 502.