

GET SET UP FOR SAFETY

# Safer shopping, banking and investing online

Learn how to avoid scams and what to do when things go wrong.



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Banking and shopping online is incredibly convenient, allowing you to book a trip, order your groceries, pay bills and transfer money using your phone, tablet or computer, without leaving the house. Netsafe is here to help keep you and your money secure.

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# Safer online banking

**Scams targeting bank customers continue to grow in sophistication and frequency, so it's vital to safeguard your finances. If in doubt, call your bank to check.**


## **Netsafe tips for safer banking habits**

- Never share your PINs or passwords. Avoid saving them anywhere, including your internet browser settings.
- Verify who someone is before sending any money.
- Seek advice from a trusted and impartial source before making any financial commitments.
- Never accept money into your account for the purpose of transferring to others. Trustworthy organisations will never ask you to do this.
- Monitor your accounts to ensure that your funds are going to the right places.
- Don't click on links that claim to be from your bank.

# Safer online shopping

While online shopping is incredibly convenient, know who you're buying from and be careful of the information you're sharing.

## Netsafe tips for safer online shopping habits

- **Use trusted data connections:** Connect to your home Wi-Fi for sensitive activities. Look into Virtual Private Network (VPN) security apps if you have to use public or shared Wi-Fi connections.
- **Use strong security:** Choose strong passwords (or even better a passphrase) and use a different one for every account. Use two factor authentication when you can – this is an extra layer of security to keep your important information safe. For more information visit [netsafe.org.nz/passwords](https://netsafe.org.nz/passwords).
- **Look for a symbol:** Look for a padlock, key or tune icon  in the top left of your browser (eg Chrome/Firefox/Safari). Click on the icon to see a message that the connection is secure and data submitted will be kept private.

- **Use secure https sites:** Only enter your credit/debit card details on a webpage that begins with 'https://'. The 's' stands for secure and means your payment information is encrypted. Encryption is when information is coded into unreadable content, so if someone accessed the information you've entered, they wouldn't be able to make sense of it. Remember that while the 'https://' means your information is encrypted, it doesn't mean that the person or organisation running the website is legitimate.
- **Always log out:** If you have a registered account with an online store, always remember to log out after you make a purchase.
- **Review refund options before buying:** Large companies usually have information about their refund policy on their website. Credit cards often have additional protections – talk with your bank about the chargeback options on your card. If you're purchasing from a New Zealand business or private seller, you need their physical address to go to the Disputes Tribunal. Services like PayPal and Trade Me have an in-app or in-website disputes process.
- **Check your statements:** Regularly review your credit card statements to ensure payments are going to the expected destinations. If you spot something worrying, contact your bank immediately.

### Netsafe tips for using safer payment methods

- **Credit cards and payment services:** Buying with a credit card or well-respected payment service such as PayPal or Trade Me's Ping gives you better protection than a debit card. If something goes wrong, there is a chance you may be able to get your money back.
- **Disposable credit cards:** You can also shop online using a disposable credit card, such as a Prezzy Card. If the disposable credit card details fall into the wrong hands, they'll only be able to spend what you've pre-loaded on the card.
- **Saving your payment details:** Some retailers will ask if you'd like to save your payment details for next time. Think carefully about how they might use that information, and how well they'd be able to protect it if someone tried to steal it. The safest option is to only save payment details if the website uses a trusted third-party payment system like PayPal, Apple Pay, Google Wallet and WindCave.

### **Netsafe tips for safer shopping using online peer to peer marketplaces**

- It's not only businesses that sell online, but individuals also use platforms such as Facebook Marketplace and dedicated online community pages to buy and sell new or used goods and services from each other. While many people will be genuine, there are also traders looking to scam people, so it's best not to exchange money before you have seen the item in person.
- Research what you are purchasing and keep your trades to the site you start on.
- Pay after you have seen the item in person, especially if it is an expensive item.
- Check the person is trustworthy. How old is their profile? Do they have many friends online? Do they have much content or posts on their profile? Scammers can be good at making social media profiles look valid, so it's important that this is not your only way of verifying if authentic.

### Example: Trade Me

Trade Me has existed since 1999 and has become New Zealand's most popular online shopping platform. It offers varying ways to pay for goods and services including auctions. While most sellers will be genuine, it is possible to be scammed on this site too. Follow the below tips to shop safer on Trade Me.

- Keep your trades to the site.
- Never send your money overseas via this site.
- Do not share your contact details within the listing.
- Use Trade Me's instant payment service Ping. That way the platform can track your payment, and you're covered by their Buyer Protection Policy.
- You'll never be asked to confirm the payment via a link, or be redirected to the Trade Me payment website, or log in with your bank login.

### For more safety tips visit

[trademe.co.nz/c/trust-safety/news/top-ten-ways-to-keep-yourself-safe-on-trade-me](https://trademe.co.nz/c/trust-safety/news/top-ten-ways-to-keep-yourself-safe-on-trade-me)



# Safer investing: avoiding investment scams

Investment scams are becoming more sophisticated. Websites look professional and you may even be given an online account showing details of “trades” you’ve made.

It’s no longer only vulnerable members of the community who are being targeted. In fact, if you’re an experienced investor, you’re more likely to be a target.

- If you receive an unexpected call about an investment opportunity, hang up straight away. In New Zealand it’s illegal to sell financial products in this way.
- Watch for investments that are being promoted or endorsed by “celebrities” – these are more than likely a scam.

### Spot an investment scam

The Financial Markets Authority says an 'investment' is likely to be a scam if you are:

- Contacted about an investment opportunity by someone you don't know.
- Promised very high returns with little risk. These promises are too good to be true.
- Given little information in writing. All legitimate investments must have documents explaining the investment.
- Told the offer is known only to a select few. This is a ploy to make you feel special.
- Asked to keep the investment a secret. This prevents authorities hearing about it.
- Not told who is behind the offer or given a physical address. Legitimate businesses give names and full addresses.
- Promised access to 'secret' overseas banking markets supposedly offering very high returns. These markets don't exist.

### Netsafe tips for safer investing

Before you invest – investigate!

- Run the company website address through [checknetsafe.nz](https://checknetsafe.nz).
- Find out the legal name of the business you are dealing with.
- Check that the business/individual is regulated by the FMA.
- If the business is not based in New Zealand, find out who regulates them.
- Check the regulators warning lists. You can do this here:  
[iosco.org/investor\\_protection/?subsection=investor\\_alerts\\_portal](https://iosco.org/investor_protection/?subsection=investor_alerts_portal)

# General tips to avoid being scammed

A scam is a made-up story, fake website or product used to trick people out of money or steal their information.

Check for red flags and take action with SCAMS:

## S

**Surprise**

Surprised by this message or that there's a problem?

## C

**Control**

Being rushed to make a quick decision, or to move to a different online space?

## A

**Access**

Are you being asked to share passwords or personal information?

## M

**Money**

Are you being asked to pay online for something you're not sure about?

## S

**Stop**

If yes, stop and seek support.

For more information about spotting a scam, visit [netsafe.org.nz/olderpeople](https://netsafe.org.nz/olderpeople).

### Netsafe tips to check for trustworthiness



#### Make sure it all lines up

If Gary's Great Garage Doors is selling killer-priced Nike shoes, something might be amiss. Why?

Some scammers will claim a **domain name** (<https://netsafe.org.nz/scam-tips/>) from a legitimate company that has accidentally let their ownership lapse, from a legitimate company that has closed or create one that is almost identical i.e. netsaf.org.nz to trick you.

- Check the store location on Google Maps – is it what you expect?
- Call the phone number – many scam sites list a phone number but won't answer their phone.
- Check that the URL (URL is the website address e.g. <https://netsafe.org.nz/>) of the website matches what they're selling.
- Is customer support accessible?

### Netsafe tips to check for trustworthiness



#### Research what others think

If you haven't bought from a website or invested with a place before, do a quick online search of the name of the website with the word "scam" or "review" after it e.g. search for "Bill's Unbelievable Bike Store scam review". If they've ripped off others, there's a good chance you'll see warnings from upset customers.



#### Check who's running the show

Find out who owns the domain, their contact information and how long the website has been operating. If the website was recently set-up or is hidden behind a private domain registration, be cautious about placing an order.

Find domain information using [whois.domaintools.com](https://whois.domaintools.com) or [dnc.org.nz](https://dnc.org.nz). (Domain Name Commission NZ regulates the NZ domain namespace).

Remember, a New Zealand website doesn't always mean a New Zealand company. You don't have to be based in New Zealand to use a '.nz' domain and a lot of genuine businesses based overseas use a '.nz' name for their New Zealand customers. If a company is based overseas, it will be harder to get your money back through avenues like the Disputes Tribunal.

# If something goes wrong



## Follow up on your order or investment

Most genuine sellers or traders will be quick to reply to emails - no response could indicate there's trouble.



## Talk to your bank about your refund options

If you paid by credit card, you could apply to your bank for a chargeback. Most banks have a 60-day limit from the time of purchase for you to lodge a chargeback request. If you paid via a third-party system such as PayPal, go through their dispute resolution process before attempting to go through the chargeback process with your bank.



## Report the seller

If you have purchased something from a fake online store with a URL ending in .nz and never received the goods, you can report the website by emailing [abuse@dnc.org.nz](mailto:abuse@dnc.org.nz). If you found the seller/business through social media, report their page/profile to the site so that the social media platform can take action.



### **Apply to the Disputes Tribunal**

If you used a New Zealand based seller you can make an application to the Disputes Tribunal. To apply, you need to have the seller's physical address and there is also a fee.



### **Think about the information you've supplied**

If you think you've dealt with a scam website, and you're worried about the personal information you've provided, contact an organisation such as ID Care for help and advice.



### **Contact the Banking Ombudsman**

If you feel your bank has not provided fair resolution or you require assistance with a bank complaint process, contact the Banking Ombudsman at [bankomb.org.nz/make-a-complaint](https://bankomb.org.nz/make-a-complaint)



## Additional resources

Now you know how to be safer when banking and shopping online. Learn more on other Get Set Up for Safety topics by visiting [netsafe.org.nz/olderpeople](https://netsafe.org.nz/olderpeople), including:

- **Staying connected**  
Learn the basics of social media platforms and how to adjust privacy and security settings to socialise online safely.
- **A user-friendly device**  
Set up your device so it's easier and safer for you to use.
- **Spot a scam**  
A scam is a made-up story to trick people out of money or steal their information. Learn how to check for red flags.
- **Secure your devices**  
Set up your devices (phones, tablets, PC's, etc.) for safety, to give you peace of mind when online.
- **Glossary**  
Stay up-to-date with digital terms using Netsafe's glossary, designed to be used with the other resources to explain the terminology.

If you're unsure about a situation or need further advice, you can find more information on the Netsafe website [netsafe.org.nz](https://netsafe.org.nz).

**We're here for you. If you require assistance or experience online harm, contact Netsafe.**



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