Holiday Cybershopping
Consumer Law Professor offers tips for safe online shopping
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Transcript

[J. Nehf] Over, somewhere over 30 billion dollars will be spent online. The advantage of using a credit card is first, if someone steals your credit card information, then you will find out on your next statement that comes in the mail, then you'll see an unauthorized, you'll call your credit card bank, and they will take the charge off, and you move on with your life.

If they steal your debit card number, before you know it your bank account can be wiped out, your checks bounce, your automatic debits get rejected, and your bank will have to re-credit you for all of those losses, but that takes time, and in the meantime, you've got disgruntled creditors, and you've got a lot to undo. It's a much bigger hassle.

If you buy something with a credit card, under federal law, the Truth in Lending Act, when the merchandise doesn't arrive, or in some cases even if it arrives and it wasn't what you ordered or is defective, you can call your credit card company and refuse to pay that charge, and then the credit card company will do a charge back against the merchant; essentially, intervene on your behalf.

Deal with merchants whom you trust. That means either a merchant that you've had a good personal relationship with in the past, you know they're reliable, or if it's a merchant that you haven't dealt with in the past, do some checking around to make sure that they're a reliable online merchant. You can do some things like: do a Google or Yahoo search under that merchant's name, see if they have a reputation on the Internet. If they have a bad reputation, someone will be talking about it.

You can go to a Web site called bbbonline.org, the Better Business Bureau, and they maintain information on web sites and brick and mortar sellers that do not have good reputations and have been engaging in fraud.

Our working group maintains a website called safeshopping.org, and it has a lot of tips that consumers can access to get information on how to engage in safe shopping on the Internet. It's very user friendly, does not have a lot of legalese. It has a lot of basic information—some of it common sense, some of it having to do with technology and some of it having to do with law.