

The Ins and Outs of Online Shopping Security

By Bonnie Staring

Online shopping offers the convenience of browsing and buying from the comfort of your home, though for some it still has a stigma of being less secure. While that may have been true in the Internet's infancy, it's no longer the case today.

"Internet commerce is no more prone to fraud than other types of payment mechanisms," says Pierre Dufour, vice-president, cards and payment solutions for National Bank of Canada, provider of the CAA Rewards MasterCard.

Still, there are always precautions you can take—regardless of the transaction medium—to better protect your information from getting into the wrong hands.

VISIT CREDIBLE ONLINE RETAILERS

Be smart about where you shop, sticking to known companies or websites that feature a seal of approval from a reputable organization. For example, Dufour explains that the Canadian Institute of Chartered Accountants and the American Institute of Certified Public Accountants have developed WebTrust: "The logo appears on websites to show buyers that an accountant has examined the operator's business practices, the integrity of its transactions and the methods it uses to protect your personal information."

In general, you can also look to your web browser's address bar to determine your connection to a given site is secure. If you see an image of a locked padlock and the URL is prefixed by "https," it means the information you send to the site will be private.

SHRED AHEAD

Guard against identity theft by destroying no-longer-needed personal documents at AMA's springtime shredding events, which are free for members.

BE SMART ABOUT PASSWORDS

Most online retailers will ask you to create an account with a password in order to make a purchase from their site. Resist using the same password all the time—or using one that's easily predictable—to help prevent others from accessing your account. Your best bet is to create a password that uses a combination of numbers, letters (lower- and upper-case) and special characters.

BE SURE YOU'RE ON A SECURE SITE

"Before entering credit card or other sensitive data, look for the closed-lock or unbroken-key icons on screen," Dufour says. The icon will be located at the extreme left of the address bar in your browser. And use common sense and be aware of potential security leaks. "You wouldn't give information to just anyone in the offline world," Dufour adds. "Apply the same discretion online."

USE A CREDIT CARD WITH SECURITY FEATURES

For example, MasterCard SecureCode is a new service offered on National Bank credit cards, including the National Bank CAA Rewards MasterCard, which adds security and protection against unauthorized use of your credit card when you shop online at participating merchants.

"Every time you use your SecureCode-registered MasterCard to make an online purchase at a participating merchant, a window automatically pops up asking for your SecureCode," Dufour explains.

“When you correctly enter your SecureCode, your card issuer confirms that you are the authorized cardholder and your purchase is completed.”

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HAVING SECOND THOUGHTS?

If you suspect you’ve entered your banking or credit card information on an unsecure site, call your bank immediately. A representative will be able to assist you and freeze your card, if necessary.

BE SMART ABOUT EMAILS, TOO

If you receive an email from a bank or credit card company, asking you to update your information by clicking a link, do not click on it or reply to the email. It’s most likely a scam. (For security purposes, financial institutions typically contact account holders by regular mail.) “Whether the message implies a sense of urgency or is about special offers and prices, you should never click on any hyperlinks, nor should you copy and paste them into your browser’s address bar,” Dufour says. “Do not, under any circumstances, provide the information requested.”

SHOP WITH CONFIDENCE

Now that you know what to look for to better protect yourself, you can spend more time finding great deals online.

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