

Avoid being scammed this festive season

By Phiko Peter, Client Relationship Manager at Allan Gray

Aware that most of us are less vigilant as we ease into the festive season, scammers will be pulling out all the stops to line their pockets with our hard-earned money, writes Phiko Peter.

Armed with bonuses, stokvel payouts, savings and the spirit of giving, South Africans are set to spend billions of rands over the next few weeks. But retailers and hospitality service providers aren't the only ones looking to cash in on our spending splurge; crafty criminals have spent months preparing to steal a piece of the pie.

Luckily, there are a few things you can do to avoid falling prey to scammers this festive season.

Protect your personal information

Many con artists will try to get hold of your personal details over the phone or via email by posing as representatives of financial service providers, retailers and even delivery companies. Once they have these details, they can use them to pull off a number of scams. Be sure to protect your personal details; these include your date of birth, ID number, account numbers, address, passwords and PINs.

As a rule of thumb, you should never share your personal information with anyone, over the phone or in an email, unless you initiated the contact.

Be aware of phishing attempts

Your email and SMS inboxes will be filled with amazing offers from some of your favourite brands and service providers in the lead up to the festive season. Be sure to examine these messages very carefully and be cautious when clicking on links and sharing your details.

You should always confirm that the emails are sent from a trustworthy source by verifying the sender's email address. Often, criminals use email addresses that are very similar to the correct address in a bid to confuse you. If you have any suspicions, call the sender to confirm the authenticity of the email.

It goes without saying that emails promising large sums of money or requesting personal information should be marked as spam and deleted immediately.

Online shopping

'Tis the season for bargain hunting and with the increased popularity of online shopping, we have access to thousands of deals at our fingertips. That said, if a deal sounds too good to be true, it probably is. Some fraudsters have been known to set up websites that resemble trusted online shopping sites in order to get our credit card details or con us into making payments for products that will never arrive; others severely misrepresent their goods. Make sure that you only take advantage of deals offered by reputable online retailers with secure payment functionality, and if you are tempted to use a lesser-known brand, do a quick online search for customer reviews before you part with any cash.

Remain vigilant

Keep a close eye on your bank accounts and banking notifications during this period. These can alert you to fraudulent activity on your accounts. Report any OTPs (one-time PINs) that you receive for transactions you did not initiate.

Avoid withdrawing and travelling with large amounts of cash, particularly if you are part of a stokvel, as these groups are often targeted by thieves at this time of the year.

Never let your banking cards out of your sight when using them in store and be weary of card skimming devices, especially as malls and restaurants get busier.

If you suspect that your banking details have been compromised in any way, contact your bank's fraud hotline immediately.

Plan ahead

It's easy to get caught up in the festivities and end up overspending. This often means that we find ourselves looking to make a quick buck in the new year to make ends meet. Fraudsters count on this and will crop up in January with a whole lot of scams that aim to capitalise on our desperation.

Avoid investments that promise quick returns, like WhatsApp-driven pyramid and money-flipping schemes. You should also stay away from short-term loans that require an upfront payment to release funds – these are usually elaborate scams.

Your best defence against this type of fraud is your budget. By planning your expenses in advance, you are more likely to keep your festive season spending within your means and less likely to be taken for a ride.

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