

PREVENTIVE MEASURE FOR PREPAYMENT & NON-DELIVERY FRAUD ON ONLINE SHOPPING PAGES PUBLISHED IN THE SOCIAL MEDIA ACCOUNT

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Abstract

One of the famous scams on the internet nowadays is Non-Delivery (Payment & Merchandise) in which a seller on an Internet auction pages or marketplace on facebook or through buying and selling pages on instagram accepts payment for an item yet intentionally fails to ship it. Sellers like these sometimes will relist the item and attempt to sell it again through a different username. To minimize this scam, we have designed a payment portal. In this portal we have designed a system which is connected with the delivery company directly. Our invention will act as a payment intermediate between the customer and the dealer. When a customer wants to order a product & the dealer of that product is not providing him facility to pay via cash on delivery mode, the customer can make payment using our portal in which the payment will remain on our portal until & unless the delivery of the product is verified by the courier company. If the product is undelivered till a certain number days then the amount of the customer will be reverted back to him thereby helping in to decrease the Non-Delivery (Payment & Merchandise) Scam. Moreover, this portal will provide security & relief to the customer that he or she will not lose his/her money as either the customer will be getting his product or he/she will get refund of the money paid on the portal after a certain number of days if the product is undelivered.

1. Introduction

Online marketing plays a vast role in business nowadays. Social networking sites such as instagram and facebook are the leading advertisers for online marketing. More than 10% of 269 million Facebook users and an estimated 71% of US businesses state that they use Instagram for business. Despite benefits such as increasing our business globally, there are many disadvantages also as some people misuse these for their benefits & scam other people. One of the famous scams is Non-Delivery (Payment & Merchandise) in which a seller on an Internet auction website accepts payment for an item yet intentionally fails to ship it. Sellers like these sometimes will relist the item and attempt to sell it again through a different username. In this fraud when a customer, while scrolling his social media account, come across an ad or a buying & selling account where he likes a product & decides to purchase it, he contacts the dealer of that item & the dealer doesn't provide him the facility to pay through cash on delivery mode & asks him to pay money online in advance through gpay or phonepay or paytm & when the customer pays him money, he at that instance tells him that his order is confirmed. Later when the customer asks for tracking id, he is either providing with a fake id or is told that it will be sent to him by the night or the next day & in this way few days are spent & later on the customer is blocked by the dealer in the site or his page including on calls, whatsapp & on every way to contact him & the dealer changes his username. Thereby scamming the customer & not delivering him the product & the customer loses his money.

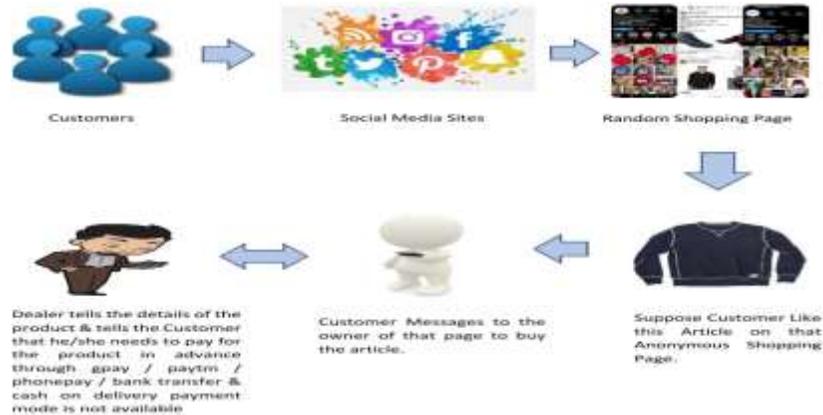


Fig. 1- Introduction

2 SURVEY

The total percentage of loss through this scam from 2013 to 2016 was 18.3% with an average of about 130\$ per transaction. There were 84,079 victims of this scam in India in 2017, in 2018 it constitutes 23% of the total frauds through the internet and in 2019 this scam constitutes 28.1% of the total payment frauds. In October, the Federal Trade Commission reported that the number of complaints about scams that started on social media has more than tripled in the past year, with reported losses adding up to \$117 million in just the first six months of 2020. Last year, the FBI's Internet Crime Complaint Centre received 467,361 complaints, with reported losses exceeding \$3.5 billion. Non-delivery fraud exploits the growth in online shopping which is estimated to be at its highest recorded levels. Consumers were expected to have spent \$3.46 trillion in the global online marketplace in 2019, an increase of over 18% from 2018 according to Internet Retailer. This scam is eventually increasing as the time is passing.

3 PROPOSED WORK

We have proposed a payment portal which will be acting as an intermediate between the customer and the dealer. Our portal will be connected with the courier companies. In this when a customer wants to buy a product from any anonymous dealer who doesn't provide cash on delivery facility to his customers, the customer can make payment through our portal.



Fig. 2- Mindset of Every Customer

After the payment is done on the portal, the dealer will be uploading the tracking details of that product on our portal. Our portal will verify those details with the courier company and the day when the courier company gives the verification of product delivery; our portal will transfer that

money to the dealer of that product. In case the product is not delivered to the customer till a certain number of days, our portal will refund the money back to the customer.

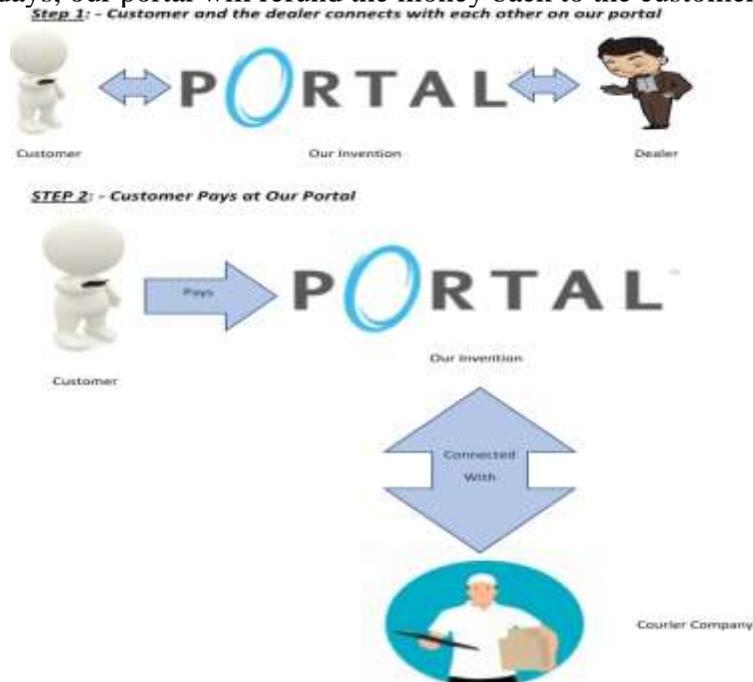


Fig. 3- Proposed Methodology

STEP 3: - Dealer Uploads the tracking Details on the Portal which are Verified with the Courier Company

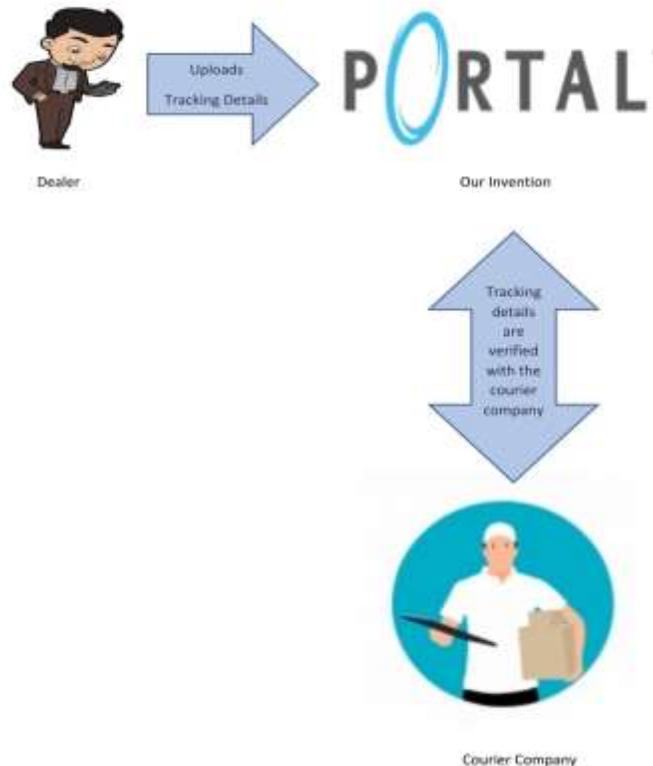


Fig. 4- Uploading Tracking Details

STEP 4: - Delivery Company sends Verification of the Delivery of the Product on Our Portal

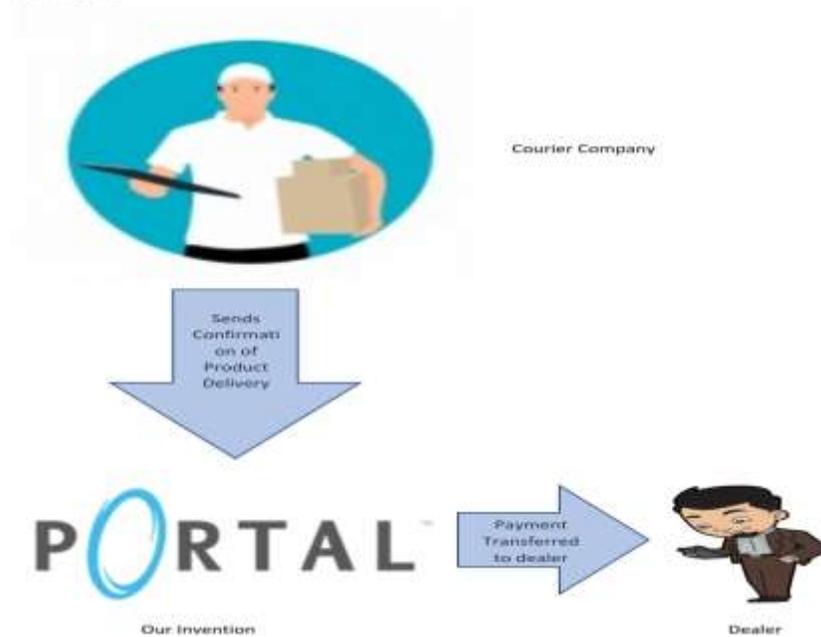


Fig. 5- Verification and Payment Process

STEP 5: - If Product Is Not Delivered to Customer till a certain number of days

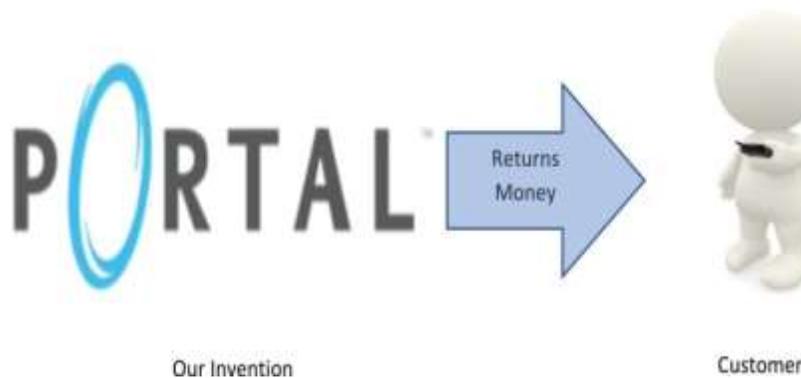


Fig. 6- Process of Refund Of Undelivered Product

4 FRAMEWORK

When a customer, while scrolling his social media account, come across an ad or a buying & selling account where he likes a product & decides to purchase it, he contacts the dealer of that item & the dealer doesn't provide him the facility to pay through cash on delivery mode & asks him to pay money online in advance though gpay or phonepay or paytm Or When a customer wants to buy a product from an anonymous site, the customer can make the payment through our portal in which the payment will remain on our portal until & unless the dealer delivers him the product.

CASE 1: - Delivery Is Successful

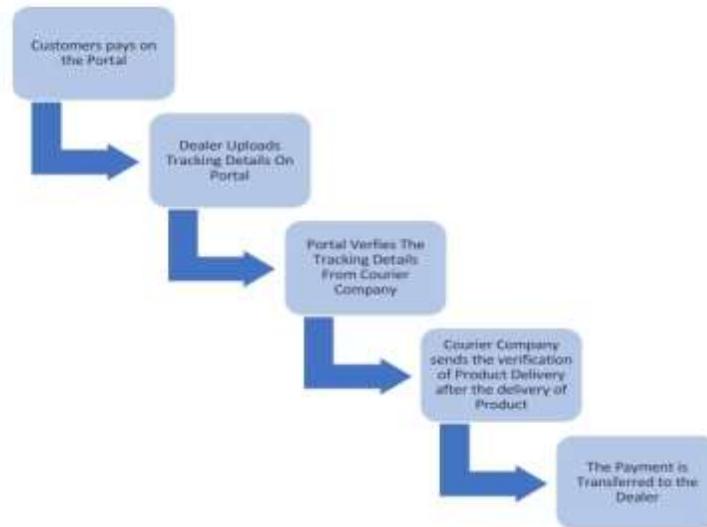


Fig. 7- Product Delivered Successfully

The dealer needs to upload the tracking details of the product on the portal & the delivery of the product will be verified through the courier company.

Once the delivery of the product is verified, the payment will be transferred to the dealer. In case the dealer is unable to ship the product by a certain number of days, the money of the customer will be reverted back to him. Thus, the fake dealers who run away with the customer's money will not be able to do that and we'll be able to minimize the Non-Delivery (Payment and Merchandise) Scam.

CASE 2: - Unsuccessful Delivery (Case of Fraud)

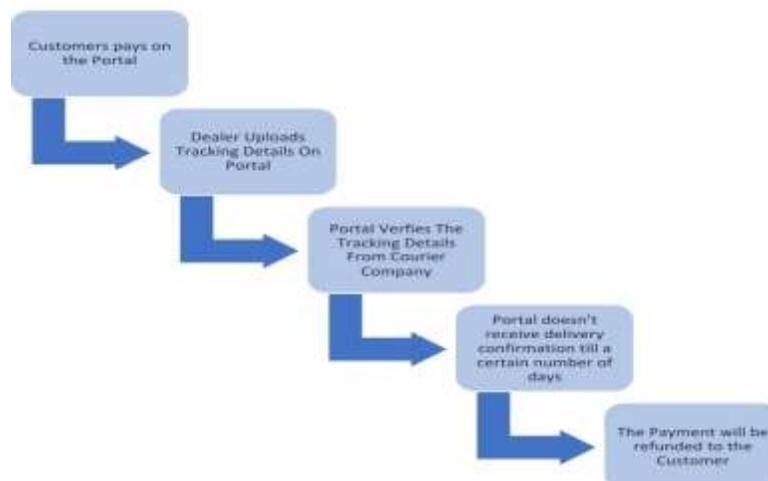


Fig. 8- Product Delivery Unsuccessful

7 CONCLUSION

As Non-Delivery (Payment and Merchandise) Scam is in trend nowadays and is increasing daily with the introduction of our invention we will be able to minimize this scam as our invention

provides security of money to the customers. If the dealer doesn't deliver a product till a certain number of days, Customer's money will be refunded. There is surety that the customer will either get his product or he'll get his money back. There will be no loss in the business of the genuine dealers as our invention will be providing security of money and the customers can order without any money losing worries as even if a dealer is fake, the customer will get his money back.

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