Return Fraud Prevention Checklist

Merchandise return fraud is an increasing problem for many retailers. Commonly, this happens when customers return stolen, used or previously exchanged merchandise. It also includes the returns with counterfeit receipts or UPC stickers. Luckily, there are some steps you can take to identify and combat return fraud.

What to watch for:

☐ Frequent purchases and returns by a single customer

☐ A high return rate at a specific store

☐ Employees that have a high number of return transactions

☐ High dollar value purchases vs. returns

What you can do:

☐ Require a receipt for every return

☐ Require product packaging to be fully intact

☐ Only allow returns within a short time frame

☐ Check each customer's ID, so you can watch for repeat offenders

What if the customer doesn't have the receipt?

If the customer doesn't have a receipt, you can still take action to prevent return fraud. Try offering exchanges only or store credit.