

The Ultimate Fraud Prevention Checklist

Core controls to review and revisit every quarter.



Verify Address and Card Data on Every Transaction

Configure your payment gateway to flag AVS/CVV mismatches for review instead of auto-approving them.



Deploy Real-Time Fraud Detection

Pair rules-based filters with a machine learning model so both known and never-before-seen fraud get caught.



Require Multi-Factor Authentication for Account Access

Turn on a second verification step at login, checkout, and whenever account details change.



Monitor Velocity and Behavioral Signals

Set alerts for unusual order frequency, mismatched billing/shipping locations, and rapid account changes.



Set Clear Manual Review Thresholds

Define dollar amounts and risk scores that automatically route borderline orders to manual review.



Keep PCI DSS Compliance Current

Schedule an annual compliance review with your processor or a Qualified Security Assessor.



Educate Staff on Fraud Red Flags

Run periodic training for customer service and fulfillment teams on warning signs like rushed shipping or evasive customers.



Track Chargeback Ratios Monthly

Build a simple dashboard that compares your chargeback ratio against card network limits.



Document and Follow a Fraud Response Plan

Write down exactly who to notify and how fast to act the moment fraud is detected.



Reassess High-Risk Categories and Vendors Regularly

Put a recurring review on the calendar for high-risk product categories, shipping destinations, and vendors.

Treat this as a working document — revisit it each quarter as new fraud patterns emerge.

Reference: *The eCommerce Fraud Prevention Guide*, merchantfraudjournal.com/e-commerce-fraud-prevention/