



## Article Side

Various Methods Used by Companies for Credit Card Fraud Detection by [Anthony Taylor](#)

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Fraud detection of credit card transactions has become very significant these days due to increasing frauds taking place while one makes online payments. Hence, it is essential to keep a regular check on your credit card transactions. It is better to be careful beforehand, about the credit card fraud detection as the recovery of the transactions is a complex and time consuming task. A complete check of the credit card transaction should be kept by checking frequently for the online transactions, which you make through your credit card. In case of credit card theft, it should be reported immediately to avoid further misuse. It is essential to place your credit card safely, just like you place your cash. A credit card holder must be aware of the possible fraudulent activities that can occur through his card. Some common kinds of credit card frauds which occur are:

â€¢ The credit card statements for your card transactions are not being delivered.

â€¢ The credit card statements for your card shows transactions which you have not made.

â€¢ An unknown transaction has been made over the internet through your credit card for which your consent was not taken

â€¢ Your PIN code details get disclosed

Fraud Detection methods used by credit card companies:

With the increase in use of credit cards for making electronic payments the risk of fraudulent activities has also increased. There are certain ways by which the credit card companies can detect the fraud which has occurred through any credit card. The likeliness of a credit card theft increases more when the credit card is not signed at the back by the original customer and has lost it physically. Some well known methods employed are:

1. There is consumer database that is maintained by the company which depicts the customer credit card usage since the first use to the date. The place where a transaction is made is also recorded. Hence a transaction that is made at two places, on same time with a very little time difference might also be flagged. Such incidents can also be investigated further, to look for any possible fraud that had occurred.

2. Credit card companies also track the maximum and minimum amount for the transactions that are made by a particular customer. It can be understood easily, that incase a person is trying to use a stolen credit card, he might not be aware of the credit limit of that card. Hence, if he tries to use the card beyond its credit limit, an alert would be sent to the credit card company and a red flag could be raised immediately over it.

Credit card fraud detection is becoming easier with the number of checks that are now associated with the use of credit cards for purchases. Companies accepting credit card payments should be aware of detection methods in order to safeguard from any such fraudulent activities which might occur.

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Anthony Taylor is an expert in Internet security issues and has been associated with AlgoCharge, which is one of the leading online payment services for effective a [fraud detection](#). The company offers an integrated solution to a [credit card fraud detection](#), bank transfers and other alternative payments using advanced algorithms.

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