



ABTEK TRIBUNE

News you care about. Tips you can use.

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Welcome to the latest edition of ABTEK's monthly newsletter! Stay in the loop with our updates, insights and exciting developments in the world of payment processing. In each issue, we bring you valuable content, special offers, and a glimpse behind the scenes. Thank you for being part of our community!

How One Merchant Stopped Fraud in Its Tracks — and How You Can Too



Fraudulent transactions can be difficult to spot, but staying vigilant can save businesses from costly chargebacks. A recent case highlights how one merchant's quick thinking prevented a major loss.

A customer visited a store looking to purchase two identical, high-value home items. They inquired about stock availability, and when told the items were not in-store, they agreed to have them delivered. Everything seemed normal—until it came time to pay.

The customer's credit card wouldn't swipe, tap, or process via the chip reader. Each attempt to run the card failed, forcing the merchant to manually key in the card details. This raised an immediate red flag. Manually entered transactions carry a higher fraud risk because they bypass the security features of chip and contactless payments.

Another concerning detail was the delivery location. The address provided was in an area that seemed unusual for the type of high-end product being purchased. While not always a direct sign of fraud, inconsistencies like this should prompt merchants to proceed with caution.

Recognizing these warning signs, the merchant took swift action. Upon completing an address verification, it was determined the delivery address and the cardholder address were not a match. Instead of proceeding with the sale and risking a chargeback, they stopped the delivery and promptly issued a refund. The merchant's awareness and caution prevented what could have been a major financial and inventory loss.

Red Flags to Watch For:

- Credit cards that don't swipe, tap, or chip—forcing manual entry
- Unusual delivery locations that don't align with typical purchasing patterns
- Customers purchasing multiple high-value items without much inquiry

Within a week, we were notified through our risk tools of the chargeback. Luckily, the merchant's swift action of running a refund had already resolved the dispute. Fraudsters often rely on merchants overlooking small details. By paying attention to warning signs—especially when a payment method fails repeatedly—you can protect your business from unnecessary risk.

Are you and your team prepared to spot fraudulent transactions? Now is a great time to review your fraud prevention policies to ensure you're ready.

Product of the Month: The Clover Compact

The Clover Compact is a powerful, space-efficient payment terminal packed with features to streamline transactions and enhance business operations. Ideal for businesses with limited space, it offers fast and flexible payment processing, allowing customers to pay via cash, credit, debit, gift cards, and contactless options. Its sleek, ADA-compliant design ensures an intuitive experience for both employees and customers, while built-in tools like Clover Gift Cards and detailed reporting help boost efficiency and sales. With multiple connectivity options, robust security features, and budget-friendly pricing, the Clover Compact is a reliable, cost-effective solution for businesses looking to optimize their payment processing system.



A Referral is the Ultimate Compliment!

If you're happy with our service, referring a friend is the greatest compliment you can give us—and we'll reward you for it!

For every successful referral, you receive a **\$100 incentive**. Share the love and enjoy the benefits together!

Call with your referral today! 800-544-9145

“Success is the sum of small efforts repeated day in and day out.”
- R. Collier

Happy SAINT PATRICK'S DAY!



It's time to wear green and
celebrate big with music, dance
and tradition!

Spring Forward: Stay Ahead with Interchange Fee updates

It's that time again—card networks are rolling out their routine **spring interchange updates**. These adjustments happen twice a year, in **April and October**, and can impact processing rates, fees, and qualification criteria. While some businesses may see cost increases, others could experience little to no change.

Now is a great time to **review your processing setup**, ensure you're using best practices to qualify for the lowest possible rates, and stay informed on any updates that may affect your business.

As a reminder, ABTEK has solutions to assist in offsetting your transaction costs.

Have questions? We're here to help—reach out anytime!

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Chargeback Pre-Arbitration and Prevention: *Fighting chargebacks you've already won and how to prevent it.*

Disputing a chargeback through representment is often a complex and demanding process. Success depends on maintaining thorough records, presenting strong evidence, and crafting a persuasive argument. In the end, the card issuing bank determines the dispute's outcome—for better or worse.

Even after winning a dispute, the cardholder or issuing bank may still challenge the decision if they present additional evidence. This triggers the **pre-arbitration** stage, during which the transaction amount may once again be withdrawn from your account, at least temporarily. At this point, merchants can choose to dispute the case further, but the odds of success decrease significantly. Additionally, if a merchant disputes the charge in pre-arbitration and loses, they will face penalties from card brands ranging between **\$550 and \$1,000**. This means the merchant could not only lose the sale and product/service, but also pay a hefty penalty fee.

While chargebacks are never easy, taking proactive measures can minimize risk and potential losses:

- **Keep Detailed Records** – Document every step of transactions that aren't simple cash-and-carry sales.
- **Enforce Clear Policies** – Ensure customers acknowledge and agree to terms in writing before completing a purchase.
- **Verify Transactions Carefully** – Avoid shipping high-risk orders without proper AVS (Address Verification System) authorization.
- **Use Secure Payment Technology** – Process transactions using the latest **EMV chip technology** to reduce fraud exposure.
- **Optimize Fraud Filters** – Set up online payment gateways with appropriate security settings to detect and block suspicious transactions.
- **Prevent Payment Errors** – Monitor for duplicate payments and process refunds promptly to prevent unnecessary chargebacks.

At ABTEK, we understand the challenges of managing chargebacks and are here to help you achieve the best possible outcome. If you have any concerns or questions, don't hesitate to reach out to our team.