



# Helping you avoid disputes and chargebacks.

Occasionally, something can go wrong with an order.  
So here's our handy guide to help prevent disputes and chargebacks.



## Problems typically fall within 3 categories:

- **Item Not Received**

A buyer pays for an item, but never receives it.

- **Significantly Not As Described**

A buyer receives an item that's considerably different from the seller's description when the buyer placed the order.

- **Unauthorised Transaction**

A purchase made without the account holder's consent.



## Here's the potential outcomes for you:

### Fraud

On rare occasions, these problems may indicate fraud. Our guide to [Avoiding Fraudulent Orders](#) offers many helpful tips for identifying and preventing fraud.

### Claim

If a dispute can't be resolved, either party can escalate it to a claim within 20 days. PayPal becomes directly involved and will make a decision using the information that's provided.

### Chargeback

Buyers may take action by asking their card issuer to reverse the charge (called a chargeback). A buyer asks their bank for a refund and does not involve the seller.

### Dispute

If a customer paid for an item but didn't receive it or received an item but it's significantly different from the description, they may open a dispute in the Resolution Centre. Most of the time, these issues are the result of a simple misunderstanding or human error.

## Our tips for preventing disputes and chargebacks.

1

### Provide contact information

Buyers may not resort to a dispute or chargeback if they can talk to you about the issue. Provide an email address or phone number, or even call buyers in advance when you're selling higher-priced items.

2

### Suggest Dispute Resolution

If a customer tells you that they're going to file a chargeback with their card company, ask them to open a dispute in the PayPal Resolution Centre instead. This gives you and your buyer the chance to resolve things.

3

### Be responsive

No one likes to wait. Respond quickly and professionally to all reasonable buyer inquiries.

4

### Provide a clear return policy

Make sure your return and refund policies are easy to find and understand.

## Avoid disputes and minimise losses with these tips:

### 1 Item not received

#### Provide realistic delivery dates

Realistic dates can help avoid customers prematurely filing a chargeback or dispute.

#### Ship with online tracking

Standard shipping receipts only show that an item was shipped out. We recommend using a shipping service that provides online tracking. This can help confirm delivery of an item.

If the total sale is for £750 or more, we recommend buying signature confirmation delivery. This ensures that your customer receives their order – the nominal expense is well worth it.

#### Order shipping insurance

There are lots of things that can go wrong in transit. That's why it's important to purchase shipping insurance for items that are fragile or expensive.

Shipping insurance serves 2 purposes:

- It insures the item in the event that it's lost or damaged.
- It includes tracking and delivery information. This lets the customer see that the order is en route, and lets you know when a package is delivered.

If you encounter a shipping problem, file an insurance claim with the shipping company. Be aware that you, your customer, or the shipping company can report claims. Contact your shipping company for detailed instructions on how you should proceed with a claim.

### **Be aware of insurance exceptions**

The type of package, the declared value, and/or the shipping company can limit liability for loss or damage. Talk to the shipping company to make sure you have proper coverage.

### **Delay shipping high-risk orders**

Use caution when shipping overnight. Fraudsters often ask for overnight shipping so they can resell expensive merchandise as quickly as possible. We recommend delaying shipment of expensive and in-demand orders for 24 to 48 hours (especially when shipping internationally).

### **Use your own shipping service**

Don't use your customer's shipping company when mailing orders. Scammers often reroute packages to other addresses after shipment, which voids Seller Protection coverage.

### **Use care when choosing or acting as a drop shipper**

Since you're responsible for delivering what the customer orders, choose a reputable drop shipper to help avoid losses. Be wary of drop shipping companies in high-risk countries. If you're a drop shipper, have a vetting process in place for all suppliers. This should include inventory management and product guarantees. This ensures that items are in stock and you're delivering high-quality merchandise.

### **Issue returns quickly and let customers know when you are out of stock**

If an item is out of stock, update your listing to reflect the out-of-stock status. Provide an estimated in-stock date, or clearly indicate that choosing an out-of-stock product is essentially placing an advance order.

## 2 Significantly not as described

### **Provide pictures and detailed descriptions**

Take pictures of products from several angles. Describe them in accurate detail so customers know what to expect when they buy.

### **Give adequate disclosures**

Disclose any functional defects and cosmetic damage to items clearly and accurately.

### **Answer any questions promptly and clearly**

If you know of an issue that might affect customers, let your customers know. For instance, if you know shipments will be delayed due to inclement weather, post that information in the Resolution Centre. That way, customers can find answers to questions without even initiating a dispute.

## 3 Unauthorised transactions

### **Make sure your business name is clear on invoices**

A clear business name will help customers recognise your charge.

### **Contact customers before you ship**

Contact customers to double-check shipping information.

