

Secret Shopper Scams



The Office of the
Minnesota Attorney General
helping people afford their lives and live with dignity, safety, and respect

Scam artists seek to take advantage of people who may be looking for additional income to make ends meet. Minnesotans are reporting a scam where they are led to believe they are obtaining employment as a “secret shopper,” but instead are scammed out of their own hard-earned money. Although some companies do hire “secret shopper services” to analyze their customer service by having “secret shoppers” buy certain goods or services at their stores and report their experiences, the fraudsters operating the “Secret Shopper Scam” offer no such service. Instead, operators of the Secret Shopper Scam convince consumers that they will pay them for shopping by sending them a check that later turns out to be a fake. Before the consumer can determine that the check is fake, however, the fraudster will convince them to wire a certain amount of the fake check to them, while assuring them that they can keep the remainder of the money for their own payment and to purchase the agreed-upon goods or services as a “secret shopper.” Once the scammer receives the wire transfer, they disappear, and the individual’s money is lost for good. Adding insult to injury, if the consumer has made “secret shopper” purchases from their bank account before they discover the check is fraudulent, they may also be out these funds as well. Don’t become a victim of this scam!

How the Scam Works

A consumer receives in the mail a letter, often addressed personally to the consumer, from a company or individual claiming to be in the business of customer service evaluation. The letter may be unsolicited or the result of the consumer’s response to an online or newspaper advertisement. Either way, the letter purports to be an offer of employment as a “Secret Shopper,” “Customer Service Evaluator,” or some similar position. The position requires the consumer to secretly evaluate the various services offered at retail stores by making specific purchases at those locations.

To facilitate making the purchases, the consumer also receives a check for several thousand dollars, which the individual is instructed to deposit into their bank account.

The consumer is invariably instructed to use the funds to purchase a wire transfer, usually for several thousand dollars, at Western Union, MoneyGram, or similar wire transfer service. The consumer is then instructed to send the wire transfer to a third-party, who usually resides in a foreign country. As compensation, the consumer is told to keep a portion of the funds.

Unfortunately, the consumer who received and deposited the check usually discovers that it is counterfeit only after wiring the money. The scammers by this time have most likely received the wire transfer and converted it into cash.

Secret Shopper Scam: What to Look For

1. A letter or ad offering employment as a “Secret Shopper,” “Mystery Shopper,” “Customer Service Evaluator,” or some similar position.
2. A check, usually for several thousand dollars, said to cover the costs involved in purchasing and evaluating certain goods and services.
3. Instructions to deposit the check and wire a portion of the funds, usually thousands of dollars, to a third-party using Western Union, MoneyGram, or another wire transfer service.
4. Instructions to retain a portion of the funds from the check as compensation for your work.

Don't Be Fooled

Just because a check looks authentic does not mean it is. Scammers, using modern technology, can create authentic-looking checks emblazoned with the name and logos of actual companies and banks. Further, just because a bank deposits a check and makes the funds quickly available soon thereafter does not mean the check is legitimate. Federal rules require banks to make deposits available to consumers quickly, often the following business day. Ultimately, a check, even a legitimate one, is worthless

until the bank that issued the check “clears” it and actually releases the money. Therefore, while the funds may be available in your account within days of your deposit, the check may take weeks to bounce.

Additional Steps to Avoid Being Scammed

Do not wire money to strangers! This is one of the easiest ways to avoid being defrauded. Remember, if you wire money via Western Union or MoneyGram, it is almost impossible to retrieve the money once it is picked up at the other end. Wire transfers can be picked up almost anywhere in the world. Therefore, the money is virtually untraceable, and United States law enforcement agencies may have little recourse in recovering the funds.

Research the company before doing business with it. Contacting the Better Business Bureau or the Minnesota Secretary of State or performing an Internet search on the company will often reveal whether it is a legitimate company. Beware if the company is based in a foreign country or requires you to contact or send money to an individual in a foreign county.

Attempt to determine the authenticity of a check by researching and contacting the company and issuing bank listed on the check. Obtain the contact information for these entities, however, through other legitimate sources. Do not use the contact information on the check. Placing a call to the company and bank will often quickly resolve questions regarding a check’s authenticity.

Additional Resources

If you have received materials that you believe may be a Secret Shopper Scam, or you have fallen victim to such a scam, you may wish to contact the following agencies:

United States Secret Service

Minnesota Electronic Crimes Task Force
300 South Fourth Street, #750
Minneapolis, MN 55415
(612) 348-1800
www.secretservice.gov

U.S. Postal Inspection Service

Criminal Investigations Service Center
1745 Stout Street, Suite 900
Denver, CO 80299-3034
(877) 876-2455
postalinspectors.uspis.gov

Federal Trade Commission

Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
(877) 382-4357
TTY: (866) 6534261
www.ftc.gov

Minnesota Bureau of Criminal Apprehension

1430 Maryland Avenue East
St. Paul, MN 55106
(651) 793-7000
www.dps.mn.gov/divisions/bca

Better Business Bureau of Minnesota and North Dakota

220 South River Ridge Circle
Burnsville, MN 55337
(651) 699-1111 or (800) 646-6222
www.bbb.org/minneota

Office of the Secretary of State

Business Services Division
First National Bank Building
332 Minnesota Street, Suite N201
Saint Paul, MN 55101
(651) 296-2803 or (877) 551-6767
www.sos.state.mn.us

Office of Minnesota Attorney General Keith Ellison

445 Minnesota Street, Suite 1400
St. Paul, MN 55101
(651) 296-3353 (Twin Cities Calling Area)
(800) 657-3787 (Outside the Twin Cities)
(800) 627-3529 (Minnesota Relay)
www.ag.state.mn.us