

< **SMALL BUSINESS**

[Advertiser disclosure](#)

# A Scammer Is Imitating Your Business Online. What Can You Do?

Search for your business online regularly. If you find something suspicious, take action.



Many, or all, of the products featured on this page are from our advertising partners who compensate us when you take certain actions on our website or click to take an action on their website. However, this does not influence our evaluations. Our opinions are our own. Here is a list of [our partners](#) and [here's how we make money](#).

Published Oct 23, 2024 6:57 a.m. PDT · 3 min read



Written by **Rosalie Murphy**  
Lead Writer



Edited by **Ryan Lane**  
Assigning Editor

**Fact Checked**

The Federal Trade Commission received more than 330,000 reports of scammers impersonating businesses in 2023.

Some of these scammers pretend to be major corporations like Amazon or Best Buy, the FTC says. But small businesses are at risk too, says Scott Taber, a cybersecurity awareness program specialist at the Michigan Small Business Development Center.

“There’s always been this idea that small businesses are too small. But we know that’s not true — that cyber criminals specifically target small businesses because of that fact,” Taber says. “Small businesses typically don’t have the same resources as the larger organizations.”

You can take steps to protect your business from fraudsters even without a dedicated risk or security team. Here are some simple ways to spot and address imitation scams.

## How to find out if you’re being imitated

Take a half-hour each day to perform “online hygiene” by searching for information about your business, suggests Melanie McGovern, director of public relations and social media at the Better Business Bureau. That can help you notice anything unusual.

For instance, McGovern says, even businesses that don’t have websites may be listed in third-party directories. Scammers can find those directories — which usually include identifying details about your business, like its address — and create an online presence, then start making fraudulent sales.

“That’s unfortunately how the scammers think,” McGovern says. “That’s an opportunity for them.”

Monitoring financial records like your [business credit reports](#) can show potential issues as well. For example, Taber says, a scammer might try to open up new lines of credit or make large purchases in your name.

He recommends paying attention to customer feedback, too. If a customer gets a strange email or friend request and they report it to you, take time to investigate.

“They’re probably going to be one of the best ways to advise you that something’s going on,” Taber says.

## How to respond to an imitation scam

The most common imitation scams reported to the FTC in 2023 included:

- Fake subscription renewals, like emails claiming that a certain subscription needs to be renewed. Even if a customer doesn’t have a subscription to that service, they might click on the link seeking more information.

- Fake giveaways and discounts, in which scammers ask customers to send money to them to claim their offer.
- Fake package delivery problems, like a text claiming to be from the United States Postal Service informing the customer that there was a problem and they need to pay a fee to resolve it.

If a scammer is imitating your business and your customers need to be cautious, tell them what's going on and what you're doing to prevent it from happening again. This is especially important with your most essential clients with whom you need to preserve relationships.

"If you are knowing that there is an active scam with your business and you hide it or don't acknowledge it ... you're going to lose customers and clients that way," Taber says. "Your business reputation is going to take a huge hit."

Next, report the scammer to the authorities. If they're posting on social media, report it to the social media platform and ask them to take down the post or shut down the account.

In Michigan, where Taber lives, he recommends calling the state attorney general's office. They may not be able to charge or convict the scammer, especially if they're based abroad, but it may add to a case that authorities are building. Learn how to file a report with your state attorney general's office or the FTC in advance so that you're ready to do so if you have to.

## How to prevent your business from being used in imitation scams

Don't wait until a scammer targets your business to begin tightening your security and improving your [digital marketing](#).

The [business cybersecurity](#) basics are essential, McGovern says. Set up two-factor authentication on all of your accounts and require your employees to change passwords regularly. To dodge phishing attempts, always double-check that emails and text messages claiming to be from your bank or a business partner are from a legitimate address or phone number before you respond or click links.

Beyond that, make sure your business has a website and a presence on whatever social platforms you use to communicate with customers. If there's an account you no longer use, keep an eye on it to ensure it's not taken over by a scammer, McGovern says.

[Cybersecurity insurance](#) can help protect your business finances if your information is compromised. Your insurer may be able to add some cyber coverage to your existing coverage portfolio — since no business is too small to be the target of a scammer.

“If you take payment information, if you have personal information about your customers – everybody’s vulnerable,” McGovern says. “Every business needs to be cyber aware and making sure they’re protecting not only themselves, but their customers.”

### About the author



**Rosalie Murphy**

Rosalie Murphy is a small-business writer at NerdWallet and an MBA candidate. [See full bio.](#)



MORE LIKE THIS **Small Business**



## Compare Small Business Loans



by NerdWallet

Compare estimated rates from multiple online small-business lenders.

[Read more](#)

## Best Startup Business Loans



by Randa Kriss

[Read more](#)

## Small-Business Grants: Where to Find Free Funding



by Randa Kriss

[Read more](#)



### Finance Smarter

**LEARN MORE ABOUT THE APP**

Download the app



---

**Banking**

---

**Credit Cards**

---

**Financial Planning**

---

**Financial News**

---

**Insurance**

---

**Investing**

---

**Loans**

---

**Mortgages**

---

**Small Business**

---

**Taxes**

---

**Travel**

---

**ABOUT**

---

Company

Leadership

Careers

Corporate impact

Diversity & Inclusion

Editorial guidelines

Star rating methodologies

**HELP**

---

Help center

Support team

Community

Security FAQs

**LEGAL**

---

Terms of use

Supplier Code of  
Conduct

Privacy policy

California privacy policy

Privacy preferences

Do not sell or share my  
personal information

Editorial team

News

Press kit

Investors

Disclaimer: NerdWallet strives to keep its information accurate and up to date. This information may be different than what you see when you visit a financial institution, service provider or specific product's site. All financial products, shopping products and services are presented without warranty. When evaluating offers, please review the financial institution's Terms and Conditions. Pre-qualified offers are not binding. If you find discrepancies with your credit score or information from your credit report, please contact TransUnion® directly.

NerdUp by NerdWallet credit card: NerdWallet is not a bank. Bank services provided by Evolve Bank & Trust, member FDIC. The NerdUp by NerdWallet Credit Card is issued by Evolve Bank & Trust pursuant to a license from MasterCard International Inc.

Impact on your credit may vary, as credit scores are independently determined by credit bureaus based on a number of factors including the financial decisions you make with other financial services organizations.

NerdWallet Compare, Inc. NMLS ID# 1617539

NMLS Consumer Access |

Licenses and Disclosures

California: California Finance Lender loans arranged pursuant to Department of Financial Protection and Innovation Finance Lenders License #60DBO-74812

Insurance Services offered through NerdWallet Insurance Services, Inc. (CA resident license no.OK92033)

Insurance Licenses

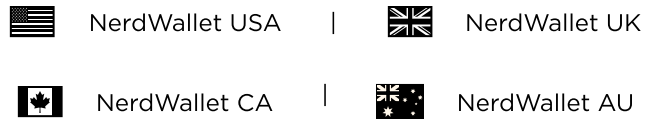
NerdWallet has an engagement with Atomic Invest, LLC ("Atomic Invest"), an SEC-registered investment adviser, to bring you the opportunity to open an investment advisory account ("Atomic Treasury account"). Investment advisory services are provided by Atomic Invest. Companies which are engaged by Atomic Invest receive compensation of 0% to 0.85% annualized, payable monthly, based upon assets under management for each referred client who establishes an account with Atomic Invest (i.e., exact payment will differ). Atomic Invest also shares a percentage of compensation received from margin interest and free cash interest earned by customers with NerdWallet. NerdWallet is not a client of Atomic Invest, but our engagement with Atomic invest gives us an incentive to refer you to Atomic Invest instead of another investment adviser. This conflict of interest affects our ability to provide you with unbiased, objective information about the services of Atomic Invest. This could mean that the services of another investment adviser with whom we are not engaged could be more appropriate for you than Atomic Invest. Advisory services through Atomic Invest are designed to assist clients in achieving a favorable outcome in their investment portfolio. They are not intended to provide tax advice or financial planning with respect to every aspect of a client's financial situation and do not include investments that clients may hold outside of Atomic Invest. For more details about Atomic Invest, please see the [Form CRS](#), [Form ADV Part 2A](#), the [Privacy Policy](#), and other disclosures.

Brokerage services for Atomic Invest are provided by Atomic Brokerage LLC, a registered broker-dealer and member of [FINRA](#) and [SIPC](#) and an affiliate of Atomic Invest. Due to the relationship between Atomic Brokerage and Atomic Invest, there is a conflict of interest due to Atomic Invest directing orders to Atomic Brokerage. For additional information regarding conflicts, please see Items 5, 12 and 14 of Atomic Invest's

[Form ADV Part 2A](#). For more details about Atomic Brokerage, please see the [Form CRS](#), the [Atomic Brokerage General Disclosures](#), and the [Privacy Policy](#). Check the background of Atomic Brokerage on FINRA's [BrokerCheck](#). Fees such as regulatory fees, transaction fees, fund expenses, brokerage commissions and services fees may apply to your brokerage account.

Neither Atomic Invest nor Atomic Brokerage, nor any of their affiliates is a bank. **Investments in securities are Not FDIC insured, Not Bank Guaranteed, and May Lose Value.** Investing involves risk, including the possible loss of principal. Before investing, consider your investment objectives and the fees and expenses charged. Custodial and clearing services used by Atomic Brokerage can be found on its [BrokerCheck report](#). Technology services may be provided by AtomicVest, Inc.

NerdWallet™ | 55 Hawthorne St. - 10th Floor, San Francisco, CA 94105



© 2024 NerdWallet, Inc.  
All Rights Reserved.