



Front Office

by William D. Frye, Ph.D., CHE

Credit card scam confuses hotel guests but lays the blame at front desk

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There has been a credit card scam that has been circulating in hotels in recent years, both domestically and abroad, that targets guests in their hotel rooms. In the past year, this scam has become more prevalent as the number of individuals who are traveling has increased greatly since the tragic events of September 11, 2001.

How it works

The scam typically occurs in the late evening hours as guests are fast asleep in their hotel rooms. The con artist, posing as a front desk clerk (or possibly a server from the hotel's restaurant), will either use a house phone from inside the hotel lobby or dial up from outside the hotel and ask to be connected to a guestroom of a particular guest to whom they know the last name. As the groggy guest answers the phone, the "front desk clerk" apologizes for the late hour and explains that it is a shift change (or the close of the business day) and she needs to reconcile all postings for that day. The con artist explains that: 1) Either she cannot read the credit card number on the guest check or registration card, or 2) That there has been a mix up of restaurant checks or registration information and that she needs to confirm that the information that she does have is correct and belongs to that guest.

She asks if the last four digits of the guest's credit card are "7438." The guest, who is still half asleep, unwittingly reaches for his or her wallet or purse to retrieve their credit card. Because of their tired state of mind, and without giving consideration as to whether the caller is truly an employee of the hotel, the guest states that those four numbers are incorrect.

The pleasant sounding "front desk clerk" responds, seeming perplexed. She asks if the guest could read the card number to her. Depending on how quickly the guest volunteers the information, the "front desk clerk" may also ask to verify the card's expiration date as well. In the most extreme cases of duplicity, the "front desk clerk" may go so far as to inquire about the three-digit security code on the back of the credit card.

With a resounding, "Aha", the "clerk" advises the guest that she has found (or can now read) the appropriate guest's restaurant check or registration profile. She thanks the guest profusely, apologizes again, and assures that all the information is now straightened out.

More than likely the guest will hang up and drift back to sleep, not realizing that they have just been scammed by a con artist. In the next 12-24 hours the con artist will ring up as many charges to the credit card as possible before the guest awakes or realizes that his or her credit and identity have been compromised. In fact, this realization may not occur until the credit card is declined the next time the guest attempts to use it.

As any front desk manager who has had one of their guests fall victim to this scam can attest, the victimized guest will immediately confront a front desk staff member for answers. Remember, the con artist posed as a "front desk clerk." Undoubtedly, the guest will demand to know:



- How could someone who is not a legitimate employee of the hotel be able to know his or her name and what hotel they were staying at?
- How could someone who is not a legitimate employee of the hotel be able to call the guest in the middle of the night and “just obtain this information?”
- What steps does the hotel take to protect its guests, their identities, and their credit card information?
- What will the hotel do to assist the guest in this situation?
- Is it safe to continue to stay in the hotel or the same guestroom?

What this means for hotel managers

The aforementioned example clearly illustrates why hotels must take proactive steps to protect the identity and credit card information of its guests. No hotel needs disgruntled guests who have fallen victim to their own carelessness to accuse the hotel of potential deception or duplicity. For this reason, managers are advised to implement the following policies and train their staff members accordingly:

- When contacting guests to obtain additional credit or verify personal information, insist that the guest must come to the front desk and that it cannot be handled over the phone. Explain that this policy is for the protection of the guest and the hotel. If necessary, educate the guest about the aforementioned scam. The guest will appreciate that the hotel recognizes the importance of safeguarding this information.
- Never leave guest identity or credit information so that it is viewable to outsiders. All registration cards and credit card imprints and receipts must be kept under lock and key or monitored at all times. This means:
 - Keep “the bucket” that hold registration cards at the front desk out of reach of outsiders such that someone will not be able to reach over the counter and grab a handful of registration cards.
 - Never leave the front desk unattended for any reason. If you must leave the front desk unattended, secure all cash drawers and buckets, lock down all computer terminals, and lock the back office.
 - Lock up old registration cards and credit card receipts. Control who has access to this room. Make sure the storage room has a self-closing and self-locking door. The November/December '04 issue of TRCSM warned hoteliers about a scam where con artists had obtained access to night audit and credit cards storage records.
- When addressing guests by (last) name, do so discreetly so that non-hotel individuals cannot overhear the guest’s identity. For this very reason, the majority of casinos only refer to their premium players by the first letter of their last name (e.g., “Mr. B.”)
- Do not connect outside callers to individual guestrooms unless the caller can identify the last name of the guest registered to that room.
- Never give out guestroom numbers over the telephone to any callers or to hotel employees you do not know or you can verify are calling from a secured office inside the hotel.
- Keep all unattended offices in the hotel locked.
- Never give out guestroom numbers at the front desk to non-hotel individuals. Connect all visitors at the front desk to their parties’ guestroom phone. Do not let the visitor see the extension or room number dialed. Even better, ask the visitor to use the house phone in the lobby to be connected.
- Ensure that all house phones in the public areas of the hotel only ring to the hotel operator or front desk. Individuals should not be able to directly dial to a guestroom from a house phone.
- Do not permit housekeepers to leave housekeeping reports unattended or on top of housekeeper carts while cleaning guestrooms or taking breaks. Each housekeeper must keep her report in her uniform pocket. Otherwise, remove guest names from housekeeping reports.
- Post notices in hotel rooms reminding guests to never provide personal or credit information over the phone. Remind guests that hotel employees will never ask for this information over the phone. When guests are in doubt, urge them to call or visit the front desk.

Remember, by offering lodging services and accepting money from guests, hotels are obliged to provide safe accommodations that protect from foreseeable dangers. This responsibility includes protecting the identity and credit information of its patrons. By their very transient nature, hotels will always pose an inviting environment for potential crime and fraud. As hoteliers, we are charged to think what is in the best interest of our guests, even when they may not be best inclined to do so when they stay with us. ✧

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