

A Elements of e-commerce

E-commerce or **online shopping** is the process of buying and selling products and services using the Internet. It has similarities with traditional commercial activity.

A product or service, from plane tickets to books, is offered in an **online shop**, the seller's website. Customers select and order products, which are then paid for and delivered. The main difference is that most of the processes take place on the Web.

E-commerce websites use the following components:

- A **shopping cart program**, a web-based software application to keep a record of the products chosen by the customer.
- A **secure socket layer (SSL)** certificate, to verify that the credit card information has been securely transmitted; this is usually shown by a small padlock on the web page.
- A **payment gateway**, an interface between the website and the bank that accepts the electronic payment.



Virtual shopping baskets keep a record of the items you buy

BrE: shopping basket
AmE: shopping cart

B How to buy on the Internet

The first thing to do is to look for the product in a search engine or, even better, in a **comparison engine** or bargain finder, to find the lowest price.

Most online shop websites are designed so that customers follow these steps to do their virtual shopping.

You start by adding the items you want to buy to the **shopping basket**, or virtual shopping trolley.

When you have selected the items that you want to buy, you proceed to the payment section by clicking on the **checkout button**.

You may have to **log in**, provide your username and password, or **sign up**, by providing your personal data, billing and shipping address, etc., if this is the first time you have accessed the site.



Online shops offer a great variety of products and good prices

You will be given an **account**, so you are recognised as a customer. You will be asked to enter payment details, e.g. credit card numbers, etc. Before the transaction is completed you will be asked to confirm the order and check that all the information is correct.

Finally, you **log out** and leave the website.

There are different types of electronic payment: credit cards or debit cards. A **digital wallet**, the electronic equivalent of a wallet for online shopping, holds credit card data and passwords for logging into websites. PayPal, Microsoft's Passport and Yahoo! Wallet are examples of digital wallets.

C Types of e-businesses

Companies whose activity is centred on the Internet are called **dotcoms**, after their web addresses. However, most e-commerce businesses are **bricks and clicks**, as they have both a physical and online presence.

Although there are some examples of **B2B** commerce, business to business, e-commerce is mainly used for **B2C**, business to consumer, or even for **C2C**, consumer to consumer. **Internet auctions**, websites like eBay where people offer products and sell them to the highest bidder, are an example of C2C e-commerce.