

## **Regulatory and Ethical Considerations in E Commerce**

The vastness of online advertising provides a powerful platform for e-commerce (or e-commerce) to explode. E-commerce has the ability to provide secure shopping transactions along with instant verification and verification of credit card transactions. E-commerce is not related to technology itself, it is about doing business by taking advantage of technology.

Technological innovation follows the repeated incorporation of ethical standards into law. New forms of e-commerce that enable new business practices have many advantages but also bring many risks. Let's discuss ethical and legal issues related to e-business.

### **Ethical Issues**

In general, many ethical and global IT issues apply to e-business. So, what are the issues specifically related to e-commerce? Let us mention some ethical issues arising from the growing field of e-commerce.

#### **1. Web tracking**

E-business draws information about how visitors use the site through log files. Log file analysis means converting log data to an application service or installing a program that can obtain relevant information from files within a company. Companies track individual movement through tracking software and cookie analysis. Programs like cookies raise a host of privacy concerns. The tracking history is stored on your computer's hard disk, and any time you visit a website, the computer knows it. Many smart end users install programs like Cookie Cutter, Spam Butcher, etc., which can give users some control over cookies.

The battle between computer users and web trackers is always going on with a host of application programs. For example, programs like Privacy Guardian, My Privacy etc. can protect user privacy online by clearing browser cache, browsing history, and cookies. To detect and remove specially designed spyware such as Ad-Aware. SahAgent, a data mining application, collects and merges users' browsing history and sends it to servers. The battle continues!

## **2. Disintermediation and Reinter mediation**

Mediation is one of the most important and interesting e-commerce issues related to job loss. The services provided by brokers are –

### **(I) Conformity and information presentation.**

### **(2) Value-added services such as consulting.**

The first type of service (matching and providing information) can be fully automated, and this service is likely to be in electronic markets and online portals that provide free services. Value-added service requires expertise and this can only be partially automated. The phenomenon by which intermediaries, provide conformity services and information mainly, are eliminated.

Brokers who provide value-added services or who manage e-mediation (also known as informatics) are not only alive but may actually thrive, this phenomenon is called re-mediation.

The traditional sales channel will be negatively affected by non-mediation. The services required to support or complement e-commerce are provided via the web as new opportunities for re-mediation. The factors to consider here are the sheer number of participants, extensive information processing, careful negotiations, etc. They need a computer medium to be more predictable.

## **3. Privacy**

Most electronic payment systems know the buyer's identity. So it is necessary to protect the identity of the buyer who uses the electronic payment system.

Track the privacy issue of the company's employees. Monitoring systems are installed in many companies to monitor e-mail and other web activities in order to identify employees who use working hours widely for non-commercial activities. Organizations can track buyer's e-commerce activities. For example, rail ticket reservations can be tracked for the purpose of a personal trip. Many employees don't want to be under surveillance even during work.

With regard to brokers and some of the company's employees, e-commerce places them in the danger zone and leads to exclusion from their jobs. The way in which employees are handled

may raise ethical issues, such as how to deal with displacement and whether retraining programs will be offered.

#### **4. Advertising Online**

Many internet marketing issues stem from anonymity of the Internet. It is often difficult to know the true identity of an e-business owner. Some online companies take advantage of this in unethical or unlawful ways.

Businesses track their customers' online activity so they can show ads based on a customer's behavior. Behavioral advertising is not illegal, and it is illegal to refrain from disclosing that e-business is tracking activity, although many people consider this disclosure unethical.

#### **5. Copyright Infringements**

Due to the free flow of information online, plagiarism and copyright infringement is an ongoing problem. The Digital Millennium Copyright Act addresses plagiarism and copyright infringement in the specific context of the Internet and e-business. Under this law, it is illegal to use online technology to legally copy and distribute copyrighted material, such as photography, articles, books, music, or videos.

### **Legal Issues**

Internet fraud has grown and developed faster than the Internet itself. There is an opportunity to commit a crime online when buyers and sellers don't know each other and can't even see each other. During the first few years of e-commerce, the public witnessed many online frauds. Let's discuss legal issues related to e-commerce.

#### **1. Fraud on the Internet**

E-commerce fraud has emerged with the rapid increase in the popularity of websites. It is a hot issue for both internet and mortgage dealers. Scammers are mainly active in the field of stocks. Small investors are tempted to promise false profits by stock promoters. Auctions are also connected to fraud by sellers and buyers. The availability of emails and pop-up ads has paved the way for financial criminals to reach many people. Other areas of potential fraud include fake business opportunities and spurious investments.

## **2. Domain Names**

Another competition for domain names is another legal issue. Internet addresses are known as domain names and appear at levels. The top-level name is qburst.com or microsoft.com. The second level name will be qburst.com/blog. Top level domain names are assigned by a nonprofit central organization that also checks for potential trademark conflicts or violations. Problems arise when multiple companies with similar names compete for the same domain name. The problem of domain names was eased somewhat in 2001 after adding several top-level names to com.

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