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**Your**

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# Internet Business

**Earning consumer trust**

*A guide for  
electronic entrepreneurs*



Canada

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# Your Internet business

## Earning consumer trust

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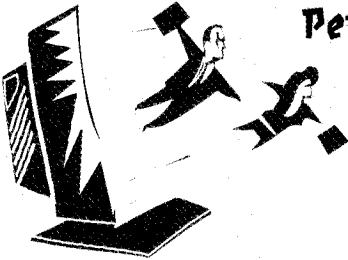
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**T**he Internet is growing much faster than previous technologies did. It took only four years for 50 million people to get on the Internet. By comparison, television took 13 years to reach that many viewers.

The number of potential customers does not guarantee success, however. One of the big challenges facing your fledgling Internet business will be overcoming users' natural reluctance to buy products on-line. In a recent survey, 80 percent of Internet users expressed discomfort about buying from an unknown supplier on-line, no matter how good the deal. In fact, only 1 of every 10 Web surfers has ever purchased products through the Internet.



Research by Industry Canada's Office of Consumer Affairs shows that potential customers have four kinds of concerns.



**Performance:** Will I get what I want?

**Recourse:** What happens if something goes wrong?

**Security:** Will someone get access to my credit card?

**Privacy:** What information is collected about me and who has access to it?

## Let your customers kick the tires

To overcome customers' fears, it is important to understand how customers make decisions. The concerns listed above are, after all, common in traditional commerce as well as in on-line business. A dishonest dentist can drill a hole in a perfectly healthy tooth, a waiter can copy a customer's credit card before returning it, and a corner store can refuse to refund money for shoddy merchandise.

Faced with these possibilities, consumers cannot check every detail about a business to help them decide if it is legitimate, so they rely on a series of cues. They look at a number of factors, such as the appearance of the premises and the quality of the pre-sale service, before deciding to deal with your business.

Many of these cues are missing on-line. If you do not take steps to fill this vacuum you could lose sales. Potential customers could judge you solely on the basis of your brand name. This is good if you have one; not so good if you are trying to establish one.

## What consumers want to know

Here is the information you should provide on your site to help customers feel more comfortable dealing with your on-line business. On page 7, you will see an example of how this information can be incorporated into your Web site.



### *Information about you and your wares*

First and foremost, your Web site has to tell customers who they are dealing with. You should say where your business is located and how long it has been operating. The sample Web page included in this guide displays the company name, address, and fax and telephone numbers prominently. Anything less is unacceptable.

You should also make sure that shoppers can find clear and complete information about your products and services. When consumers see an item on-line, they want to know how big it is, how much it weighs, what colours it is available in, how durable it is, and so forth. Disappointed customers cost. They call to complain. They return merchandise. They don't come back. They tell their neighbours.



## **Information about your conditions of sale**

Consumers want to know that you will make it right if something goes wrong with their purchase. Will you take it back or repair it if the customer asks? Your terms of sale and any warranties and guarantees must be stated clearly in the same kind of language you use to describe your products or services. How you state these policies is particularly important. If you suddenly switch to legalese to explain your warranty, people will get suspicious.

## **Secure payment**

Be up-front with consumers about your payment system. Assure them that you have a secure server and explain how it works and who provides it. You may even wish to provide a link to the Web page of the company that provides your security so customers can read about the system (see the sample Web page).

Offer an alternative method of payment for those who are still not comfortable giving their credit card number on-line.

## **Privacy**

If consumers do choose to buy something from you, they will have to disclose personal information such as their address to do so. They will also worry that you are secretly collecting other information through their Web browser's "cookie" file.

Business name, location and contact information

Conditions of sale

Secure payment

Product information

Privacy — Mailing List Policy also linked from order form

Contact the merchant by e-mail

- MODELS
- ACCESSORIES
- RETURNS
- REPAIRS
- WARRANTIES
- GUARANTEES

**SECURITY**  
Our Secure Payment System  
Web Security Inc.

- Electronic order form
- Mailing List Policy

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Contact us!



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1-800-000-0000

E-mail: [betty@bettysbikes.ca](mailto:betty@bettysbikes.ca)

We have everything from the latest mountain and off-road machines to road bikes for you and your family, as well as an extensive selection of high-quality parts. Choose from our selection of bikes from leading manufacturers or have us build you a custom bike on our award-winning titanium-alloy frame.

**Models**

**Accessories**

**What's new?**

If you hope to win customer confidence and, therefore, repeat business, you have to deal with both perceived and real fears by stating off the top what information you are going to collect and what you will do, and promise not to do, with it.

If you sell your mailing list to other companies, indicate this clearly and ask permission before using customers' names and addresses on your mailing list. At the very least, you should give your customers the opportunity to indicate if they do not wish to be included on your list.



You can study these issues more by looking into how existing on-line businesses have dealt with these challenges. There are also professionals who specialize in designing business-oriented Web pages.

In addition you will find useful information on Industry Canada's business Web site, *Strategis* (<http://www.strategis.ic.gc.ca>).