

Why Shop Online?



The Internet opens up a world of products and services, including some that may not normally be available in your area. Information is easy to find, and comparing prices from different sellers takes only a few minutes. By shopping around on the Internet, you can find some terrific buys at stores that you might never travel to in the physical world. Plus you can do it conveniently, any time of day or night. Looking for an out-of-print book or that perfect gift for someone with a particular hobby? On the Internet you may be able to find it without even leaving home!

Know the Risks

While there are great shopping opportunities on the Internet, there are also some possible risks to consider:

- **Invasions of privacy.** Many Web sites ask for personal information to grant access, to complete a transaction, or for marketing

purposes. Your information can also be passed along to other companies. While there may be valid uses for your personal information, it can also be abused or used in ways that you never intended.

- **Financial fraud.** When you provide your credit card, debit card or other payment information online it could be intercepted by thieves. It's also possible that financial information stored in company databases could be stolen by computer "hackers" or even by dishonest employees.

- **Dishonest or irresponsible sellers.** There are plenty of legitimate companies online, but there are also fraudulent sellers out to cheat consumers. It's not hard for someone to set up a fancy Web page or pose as a reputable seller in an online auction. And it's cheap and easy to send offers or solicit charitable donations

by e-mail. Dishonest sellers may misrepresent

what they're offering or take your payment and never give anything in return. Irresponsible sellers may not fill orders promptly or take care of problems.



Resources

www.fraud.org

The National Consumers League provides advice about telemarketing and Internet fraud. You can report suspected scams with an online form.

www.consumer.gov

This federal agency Web site provides consumer information and publications.

www.pueblo.gsa.gov

The Consumer's Resource Handbook available on this government Web site lists local, state and federal agencies, major trade associations, and consumer groups.

www.BBBOnline.org

The Better Business Bureau reliability program for participating online merchants links to central BBB site for reports about businesses and information on how to contact individual BBBs across the U.S.



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How to Shop Safely Online



5 Things to Look for When Shopping Online

1

Privacy protections.

Reputable Web site operators will clearly state privacy policies in an easily accessible place. Some Web sites display seals to show they meet privacy standards set by self-regulatory programs. Since programs vary, find out what the standards are; don't just assume they provide the level of privacy you want. Understand what information is collected and how it is used. Look for sites whose policies or privacy programs enable you to choose whether and in what circumstances your personal information will be used or shared with others.

2

Information about the offer.

Good companies will provide you with plenty of information and make it easy to find. Make sure you know what you're buying, how much it costs, the terms of any guarantees or warranties, the return or cancellation policies, and how to contact the company if you have questions. This is crucial when you are shopping online, since you can't actually see or use the product or service before you buy it.



Information about the seller.

Look for the company's physical address and telephone number. You may need that information if there are problems after the sale. And think ahead about how you will solve problems if they arise. This is especially important to consider if you are doing business with a company or individual far away. Look for information about whether the seller belongs to a trade group or participates in a program such as BBBOnLine that offers help resolve complaints.

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Delivery date.

Know when the products will be delivered or the services performed.

5

Security.

Good Web sites will provide information about how they protect your financial information when it is transmitted and stored. Your computer browser can tell you if the place where you are about to send the information is secure. Look for an unbroken key or closed lock at the bottom of the browser window.

- **Guard your personal information.** Don't provide information that you're uncomfortable giving. NEVER give anyone the password that you use to log on to your online or Internet Service Provider. Don't provide financial account information unless you are paying for a purchase using that account.

- **Check the seller's reputation.** Learn as much as you can about companies or individuals BEFORE you do business with them. Check with the Better Business Bureau and your state and local consumer agencies (see Resources) to find out about complaints. See if the Web site has a "feedback forum" where people can put information about their transactions. Ask your friends about their favorite online merchants. Bear in mind that just because a seller has no complaints or a good reputation, it doesn't guarantee that things will go smoothly for you.

- **Consider taxes and shipping costs.** There may be taxes or duties on your purchase, especially if the transaction is international. Factor in shipping and handling charges as well to determine the total cost. You may also have to pay for shipping if you want to return the item.

- **Ask about insurance.** Will the seller pay to insure the shipment, or is it your expense? How much does it cost? Is other insurance available to protect you if you don't get what you paid for or if you are dissatisfied? Some auction sites provide

insurance to buyers. Be sure you know how insurance programs work and how much they cover.

- **Pay the safest way.** Credit cards are generally the best way to pay because you have legal rights to dispute the charges if the product or service is misrepresented or never delivered. You also have limited liability if your card number is stolen or misused. You don't necessarily have the same protection when you are billed through other third parties, such as your Internet Service

Online Shopping Tips!

Provider or your telephone company. And your legal dispute rights are not the same when you pay with a debit card as with a credit card, though most debit card issuers voluntarily offer similar protection. If you pay by check or money order, by the time you realize there is a problem

your money will probably be gone.

- **Use an escrow service.** When dealing with individuals or companies that can't accept payment by credit card, escrow services can provide protection. They hold your money until you have confirmed that you received the product or service and then release the payment to the seller. There is a small fee, but the peace of mind is worth it.

- **Keep records.** Print out all the information on your transaction, including the product description, delivery information, privacy policy, warranties, and any confirmation notices that the seller sends you.