

Online Shopping

Text A

Introduction to Online Shopping

Online shopping is the process whereby consumers directly buy goods or services from a seller in real-time without an intermediary service over the Internet. If an intermediary service is present the process is called electronic commerce. An online shop, e-shop, e-store, Internet shop, web-shop, webstore¹, online store, or virtual store evokes the physical analogy of buying products or services at a bricks-and-mortar retailer² or in a shopping mall³. The process is called Business-to-Consumer (B2C) online shopping. When a business buys from another business it is called Business-to-Business (B2B) online shopping. Both B2C and B2B online shopping are forms of e-commerce.

1. Customers

In recent years, online shopping has become popular; however, it still caters to the middle and upper class. In order to shop online, one must be able to have access to a computer, a bank account and a debit card. Shopping has evolved with the growth of technology. According to a research found in the Journal of Electronic Commerce, if we focus on the demographic characteristics of the in-home shopper, in general, the higher the level of education, income, and occupation of the head of the household, the more favourable the perception of non-store shopping. An influential factor in consumer attitude towards non-store shopping is exposure to

¹ A webstore is a Web site that sells products or services and typically has an online shopping cart associated with it. With the popularity of the Internet rapidly increasing, online shopping became advantageous for retail store owners, and many traditional “brick and mortar” stores saw value in opening webstore counterparts.

² Brick and mortar (B&M) refers to a company that possesses a building or store for operations. The name is a metonym derived from the traditional building materials associated with physical buildings — bricks and mortar — in contrast with online stores, which have no physical presence.

³ A shopping mall, shopping centre or shopping precinct is one or more buildings forming a complex of shops representing merchandisers, with interconnecting walkways enabling visitors to easily walk from unit to unit, along with a parking area — a modern, indoor version of the traditional marketplace.

technology, since it has been demonstrated that increased exposure to technology increases the probability of developing favourable attitudes towards new shopping channels.

Online shopping widened the target audience to men and women of the middle class. At first, the main users of online shopping were young men with a high level of income and a university education. This profile is changing. For example, in USA in the early years of Internet there were very few women users, but by 2001 women were 52.8% of the online population.

2. Logistics

Consumers find a product of interest by visiting the Web site of the retailer directly, or do a search across many different vendors using a shopping search engine.

Once a particular product has been found on the Web site of the seller, most online retailers use shopping cart software to allow the consumer to accumulate multiple items and to adjust quantities, by analogy with filling a physical shopping cart or basket in a conventional store. A “checkout” process follows (continuing the physical-store analogy) in which payment and delivery information is collected, if necessary. Some stores allow consumers to sign up for a permanent online account so that some or all of this information only needs to be entered once. The consumer often receives an e-mail confirmation once the transaction is complete. Less sophisticated stores may rely on consumers to phone or e-mail their orders (though credit card numbers are not accepted by e-mail, for security reasons).

2.1 Payment

Online shoppers commonly use credit card to make payments, however some systems enable users to create accounts and pay by alternative means, such as:

- (1) Debit card.
- (2) Various types of electronic money.
- (3) Cash on delivery¹ (C.O.D., offered by very few online stores).
- (4) Check².
- (5) Wire transfer³/delivery on payment.
- (6) Postal money order⁴.
- (7) Reverse message billing to mobile phones.

1 Collect on delivery or COD is a financial transaction (金融业务) where the payment of products and/or services received is done at the time of actual delivery rather than paid-for in advance (预先付费) .

2 A cheque or check (American English) is a document that orders a payment of money.

3 Wire transfer or credit transfer (信用转账) is a method of electronic funds transfer (电子资金转账) from one person or institution (entity) to another. A wire transfer can be made from one bank account to another bank account or through a transfer of cash at a cash office.

4 A money order is a payment order for a pre-specified (预先指定) amount of money. Because it is required that the funds be prepaid (先付的) for the amount shown on it, it is a more trusted method of payment than a personal check (个人支票) .

(8) Gift cards¹.

(9) Direct debit in some countries.

Some sites will not allow international credit cards and billing address and shipping address have to be in the same country in which site does its business. Other sites allow customers from anywhere to send gifts anywhere. The financial part of a transaction might be processed in real time (for example, letting the consumer know their credit card was declined before they log off), or might be done later as part of the fulfillment process.

2.2 Product delivery

Once a payment has been accepted the goods or services can be delivered in the following ways.

(1) Download. This is the method often used for digital media products, such as software, music, movies, or images.

(2) Shipping. The product is shipped to the customer's address.

(3) Drop shipping². The order is passed to the manufacturer or third-party distributor, who ships the item directly to the consumer.

(4) Post. It can be also posted to any customer bypassing the retailer's physical location to save time, money, and space.

(5) In-store pickup. The customer orders online, finds a local store using locator software and picks the product up at the closest store. This is the method often used in the bricks-and-clicks³ business model.

(6) In the case of buying an admission ticket one may get a code, or a ticket that can be printed out. At the premises it is made sure that the same right of admission is not used twice.

2.3 Shopping cart systems

(1) Simple systems allow the offline administration of products and categories. The shop is then generated as HTML files and graphics that can be uploaded to a webpage. These systems do not use an online database.

(2) A high end solution can be bought or rented as a standalone program or as an addition to an enterprise resource planning program. It is usually installed on the company's own webserver and may integrate into the existing supply chain so that ordering, payment, delivery, accounting

1 A gift card is a restricted (受限的) monetary equivalent or scrip (临时凭证) that is issued by retailers or banks to be used as an alternative to a non-monetary gift.

2 Drop shipping is a supply chain management technique in which the retailer does not keep goods in stock (库存), but instead transfers customer orders and shipment details to either the manufacturer or a wholesaler (批发商), who then ships the goods directly to the customer.

3 Bricks-and-clicks is a business model by which a company integrates both offline (bricks) and online (clicks) presences. One example of the bricks-and-clicks model is when a chain of stores (连锁商店) allows the user to order products online, but lets them pick up their order at a local store.

and warehousing can be automated to a large extent.

(3) Other solutions allow the user to register and create an online shop on a portal that hosts multiple shops at the same time.

(4) Open source¹ shopping cart packages include advanced platforms such as Interchange, and off the shelf solutions as Avactis, Satchmo, osCommerce, Magento, Zen Cart, VirtueMart, Batavi and PrestaShop.

(5) Commercial systems can also be tailored to one's needs so that the shop does not have to be created from scratch. By using a framework already existing, software modules for different functionalities required by a web shop can be adapted and combined.

2.4 Online Shopping Malls

Like many online auction² Web sites, many Web sites allow small businesses to create and maintain online shops, without the complexity that involved in purchasing and developing an expensive stand alone e-commerce software solutions.

3. Design

Why does electronic shopping exist? For customers it is not only because of the high level of convenience, but also because of the broader selection; competitive pricing and greater access to information. For organizations it increases their customer value and the building of sustainable capabilities, next to the increased profits.

3.1 Consumer expectations

The main idea of online shopping is not just in having a good looking Web site that could be listed in a lot of search engines or the art behind the site. Neither is it just about disseminating information, because it is also about building relationships and making money. Mostly, organizations try to adopt techniques of online shopping without understanding these techniques and/or without a sound business model. Rather than supporting the organization's culture and brand name, the Web site should satisfy consumer's expectations. A majority of consumers choose online shopping for a faster and more efficient shopping experience. Many researchers notify that the uniqueness of the Web has dissolved and the need for the design, which will be user-centered, is very important. Companies should always remember that there are certain things, such as understanding the customer's wants and needs and living up to promises, that never go out of style, because they give reason to come back. And the reason will stay if

1 Open source describes practices in production and development that promote access to the end product's source materials.

2 The online auction (在线拍卖) business model is one in which participants bid for products and services over the Internet. The functionality of buying and selling in an auction format is made possible through auction software which regulates (控制) the various processes involved.

consumers always get what they expect. McDonaldization¹ theory can be used in terms of online shopping, because online shopping is becoming more and more popular and a Web site that wants to gain more shoppers will use four major principles of McDonaldization: efficiency, calculability, predictability and control.

Organizations, which want people to shop more online for them, should spend extensive amounts of time and money defining, designing, developing, testing, implementing, and maintaining the Web site. Also if a company wants their Web site to be popular among online shoppers, it should leave the user a positive impression about the organization so consumers can get an impression that the company cares about them. The organization that wants to be accepted in online shopping needs to remember that it is easier to lose a customer than to gain one. Lots of researchers hold that even though a site is “top-rated”, it will go nowhere if the organization fails to live up to common etiquette, such as returning e-mails in a timely fashion, notifying customers of problems, being honest, and being good stewards of the customers’ data. Organizations that want to keep their customers or gain new ones should try to get rid of all mistakes and be more appealing to and be more desirable for online shoppers. And this is why many designers of webshops consider research outcomes concerning consumer expectations.

3.2 User interface

It is important to take the country and customers into account. For example, in Japan privacy is very important and emotional involvement is more important on a pension’s site than on a shopping site. Next to that, there is a difference in experience: experienced users focus more on the variables that directly influence the task, while novice users are focusing more on understanding the information.

When the customers go to the online shop, a couple of factors determine whether they will return to the site. The most important factors are the ease of use and the presence of user-friendly features.

3.3 The system itself

The Shopping Cart system works like the name suggests. Firstly, the customer must choose the product desired from the source. Once this step is done, an option to *add the product to the cart* will be given, this step will assure that the item you desire will be bought. Once the customer has finished browsing for other potential purchases and has decided that the product he chose previously is the one that he wants to buy, the user must then follow the steps provided by the Web site in order to fulfill the transaction. Lastly, the order will then be sent to the desired address at a predicted date.

¹ McDonaldization is a term used by sociologist George Ritzer in his book *The McDonaldization of Society* (1993). He explains it occurs when a culture possesses the characteristics of a fast-food restaurant (快餐店).

New Words

intermediary	[,intə'mi:diəri]	<i>n.</i> 中间物 <i>adj.</i> 中间的, 媒介的
bricks-and-mortar	[briks-ænd-'mɔ:tə]	<i>n.</i> 传统的实体企业
retailer	[ri'teɪlə]	<i>n.</i> 零售商人
demographic	[demə'græfɪk]	<i>adj.</i> 人口统计学的
characteristic	[,kæriktə'ristɪk]	<i>adj.</i> 特有的, 典型的 <i>n.</i> 特性, 特征
occupation	[,ɔkjə'peɪʃən]	<i>n.</i> 职业, 占有
favourable	['feɪvərəbl]	<i>adj.</i> 赞成的, 有利的, 顺利的
perception	[pə'sepʃən]	<i>n.</i> 理解, 看法, 见解
influential	[,ɪnflu'enʃəl]	<i>adj.</i> 有影响的
attitude	['ætɪtju:d]	<i>n.</i> 态度, 看法, 意见
probability	[,prɒbə'bɪləti]	<i>n.</i> 可能性, 或然性, 概率
channel	['tʃænl]	<i>n.</i> 渠道, 通道
population	[,pɒpjə'leɪʃən]	<i>n.</i> 人口
vendor	['vendə]	<i>n.</i> 卖主
basket	['bɑ:skɪt]	<i>n.</i> 篮
confirmation	[,kɒnfə'meɪʃən]	<i>n.</i> 证实, 确认, 批准
download	['daʊnləʊd]	<i>v.</i> 下载
manufacturer	[,mænju'fæktʃərə]	<i>n.</i> 生产者, 制造者, 生产商
generate	['dʒenəreɪt]	<i>vt.</i> 产生, 发生
database	['deɪtəbeɪs]	<i>n.</i> 数据库, 资料库
warehousing	['weə'hauzɪŋ]	<i>n.</i> 入仓库, 仓库储存, 仓储配送
tailored	['teɪləd]	<i>adj.</i> 订做的, 剪裁讲究的
framework	['freɪmwɜ:k]	<i>n.</i> 构架, 框架, 结构
module	['mɒdju:l]	<i>n.</i> 模块
functionality	[,fʌŋkəʃə'nælɪti]	<i>n.</i> 功能性
sustainable	[sə'steɪnəbl]	<i>adj.</i> 可持续的
disseminate	[di'semɪneɪt]	<i>v.</i> 传播, 散布
satisfy	['sætɪsfaɪ]	<i>vt.</i> 满足, 使满意
notify	['nəʊtɪfaɪ]	<i>v.</i> 通报
uniqueness	[ju:'ni:knis]	<i>n.</i> 唯一性, 独特性
dissolve	[di'zɒlv]	<i>v.</i> 消失, 消除
principle	['prɪnsəpl]	<i>n.</i> 法则, 原则, 原理

calculability	[ˌkælkjʊlə'bɪlɪtɪ]	<i>n.</i> 可计算
predictability	[ˌprɪˌdɪktə'bɪlɪtɪ]	<i>n.</i> 可预测性, 预见性
spend	[spend]	<i>v.</i> 花费, 消耗, 用尽
etiquette	[eti'ket]	<i>n.</i> 礼节
honest	[ˈɒnɪst]	<i>adj.</i> 诚实的, 正直的
steward	[ˈstjuəd]	<i>n.</i> 管家
privacy	[ˈpraɪvəsi]	<i>n.</i> 隐私
emotional	[ɪ'məʊʃənəl]	<i>adj.</i> 情绪的, 情感的
involvement	[ɪn'vɒlmənt]	<i>n.</i> 包含
pension	[ˈpenʃən]	<i>n.</i> 养老金, 退休金
variable	[ˈvɛəriəbl]	<i>n.</i> 变量
		<i>adj.</i> 可变的, 不定的
influence	[ˈɪnfluəns]	<i>vt.</i> 影响, 改变
novice	[ˈnɒvɪs]	<i>n.</i> 新手, 初学者
factor	[ˈfæktə]	<i>n.</i> 因素, 要素
assure	[ə'ʃuə]	<i>vt.</i> 保证, 担保

Phrases

online shopping	在线购物, 网上购物
shopping mall	大型购物中心
cater to	迎合, 为……服务
by analogy with	从……类推, 根据……类推
conventional store	普通商店
debit card	借记卡
cash on delivery	货到付款, 交货付现
wire transfer	电汇
delivery on payment	交货付款
postal money order	邮政汇票
gift card	礼品卡, 赠卡
real time	实时
log off	退出, 注销
digital media	数字媒体
drop shipping	工厂直接送货
third-party distributor	第三方分销商
in-store pickup	实体店内存取货
admission ticket	入场券

print out	(打) 印出
high end	高端
multiple shop	连锁店, 联营商店
open source	开放源代码
from scratch	从零开始, 从无到有, 白手起家
Web shop	网络商店
making money	赚钱
brand name	商标, 品牌
business model	商业模式
a majority of	大部分
live up to	实践, 做到
positive impression	正面印象

Exercises

I. Answer the following questions according to the text.

1. What is online shopping?
2. What must one be able to do in order to shop online?
3. What is an influential factor in consumer attitude towards non-store shopping?
4. Who were the main users of online shopping at first? What percentage did women take up of the online population by 2001 in USA?
5. Why do some stores allow consumers to sign up for a permanent online account?
6. What are some alternative means to make payment besides credit card?
7. What is download often used for?
8. What is in-store pickup?
9. Why do a majority of consumers choose online shopping?
10. What are the most important factors that determine whether the customers will return to the site?

II. Translate the following terms or phrases from English into Chinese and vice versa.

- | | |
|-----------------------------------|----------|
| 1. <u>wire transfer</u> | 1. _____ |
| 2. <u>third-party distributor</u> | 2. _____ |
| 3. <u>online shopping</u> | 3. _____ |
| 4. <u>business model</u> | 4. _____ |
| 5. <u>cash on delivery</u> | 5. _____ |
| 6. <u>网络商店</u> | 6. _____ |
| 7. <u>n. 传统的实体企业</u> | 7. _____ |
| 8. <u>n. 可计算</u> | 8. _____ |

9. n. 入仓库, 仓库储存 9. _____
 10. n. 零售商人 10. _____

III. Fill in the blanks with the words given below.

shipping	customers	database	online	manipulated
almost	rely	installed	accepts	basket

Shopping Cart Software

Shopping cart software is software used in e-commerce to assist people making purchases online, analogous to the American English term “shopping cart” . In British English it is generally known as a shopping basket, 1 exclusively shortened on Web sites to “basket” .

The software allows online shopping 2 to accumulate a list of items for purchase, described metaphorically as “placing items in the shopping cart” . Upon checkout, the software typically calculates a total for the order, including 3 and handling (i.e. postage and packing) charges and the associated taxes, as applicable.

These applications typically provide a means of capturing a client’s payment information, but in the case of a credit card they 4 on the software module of the secure gateway provider, in conjunction with the secure payment gateway, in order to conduct secure credit card transactions 5.

Some setup must be done in the HTML code of the Web site, and the shopping cart software must be 6 on the server which hosts the site, or on the secure server which 7 sensitive ordering information. E-shopping carts are usually implemented using HTTP cookies or query strings. In most server based implementations however, data related to the shopping cart is kept in the Session object and is accessed and 8 on the fly, as the user selects different items from the cart. Later at the process of commit, the information is accessed and an order is generated against the selected item thus clearing the shopping cart.

Although the simplest shopping carts strictly allow for an item to be added to a 9 to start a checkout process (e.g. the free PayPal shopping cart), most shopping cart software actually provides additional features that an Internet merchant uses to fully manage an online store. Data (products, categories, discounts, orders, customers, etc.) is normally stored in a 10 and accessed in real time by the software.

Shopping Cart Software is also known as e-commerce software, e-store software, online store software or storefront software and online shop.

IV. Translate the following passage from English into Chinese.

Frequently Asked Questions about the Shopping Cart and Payment

1. What is the shopping cart?

This is an application that runs on your own Web site that allows you to sell goods and

services over the Internet.

2. How much does the program cost?

The PayPal version of the program is free and there are no charges made by us, the suppliers of the shopping cart.

3. Are there any transaction charges?

For Credit Card processing we have integrated the store with PayPal who have their own transaction charges.

4. How am I paid?

Your customers payments are transferred directly to your PayPal account. These can then be transferred to your own bank account at your convenience. Payments are converted to the currency your account is held in.

5. How do I upload the store to my Web site?

The store contains its own inbuilt FTP program for transferring files. Alternatively you may use your own FTP program such as Cute FTP. FrontPage users should import the files first and then publish them to their Web site.

Text B

Create an Online Shop

1. Benefits of selling online

Selling products and services online can have major advantages for businesses, leading to increased profitability and lower costs. Selling online has a number of advantages over selling by conventional methods, including:

(1) Making savings in set-up and operational costs. You don't need to pay shop assistants, rent high street premises, or answer a lot of pre-sales queries.

(2) Reducing order processing costs. Customer orders can automatically come straight into your orders database from the Web site.

(3) Reaching a global audience, thereby increasing sales opportunities.

(4) Competing with larger businesses by being able to open 24 hours a day, seven days a week.

(5) Being able to receive payment more quickly from online transactions.

(6) Attracting customers who would not normally have investigated your type of high street outlet.

(7) Improving your offerings using the data gathered by tracking customer purchases.

(8) Using your online shop as a catalogue for existing customers.

Online selling will work best if you have: