

Expert explains how shopping online for gifts offers risks, benefits

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(PhysOrg.com) -- The idea of holiday shopping can excite, scare or depress those who participate. Depending on the emotions the thought of retail evokes, online shopping might be the remedy.

Tulay Girard, an assistant professor of marketing at Penn State Altoona whose knowledge of [Internet security](#), perceived risk, [shopping](#) orientations and retailer attributes has led to numerous career achievements and publications in academic journals, knows a lot about shopping online. Her interest in marketing began when she was working on her master's degree while working as a manager at a company. It continued as she conducted research in online shopping and risk perceptions when she was a doctoral student at Florida Atlantic University. Her dissertation was on validating a product classification framework called search, experience and credence for online shopping based on consumer risk perceptions.

With the start of the biggest shopping season of the year approaching, Girard offers her expertise in shopping online.

What do you see as the pros and cons of holiday shopping online, as opposed to in the stores?

Girard: There are several pros to online shopping, including the ability to shop at any online store 24/7. Also, most online stores offer different ways to pay for a purchase just like a local store – with the exception of

cash. The delivery of a product can meet the shopper's timeline, for a price. A shopper pays more for delivery but can have the product shipped overnight. And finally, online price comparison engines like Shopping.com, Dealtime.com, TheFind.com and many others allow shoppers to save time and money.

There are also some cons: Placing orders with unknown retailers entails risk; a shopper is unable to experience the item, other than seeing a photograph or video. The shopper needs an Internet connection and a way to make a payment for the purchase other than paying cash. Returns may require more effort such as boxing, packing and e-mailing or calling for an authorization.

**What risks might be involved with online shopping?
Do you have advice to offer people who might not
know which sites are trustworthy and which sites they
should be more cautious with?**

Girard: The risks include identity theft, credit card theft and similar types of fraud. With care the risks can be managed. If a shopper buys from known retailers, both online and local stores, the risks can be reduced to an acceptable level. Many credit card companies offer cards with total fraud protection included for no fee. The shopper should read and fully understand the rules of the contract that is enclosed with their card. If they have any questions about the contract the shopper is encouraged to call the card issuer.

With respect to shopping on the internet, the shopper should buy from known retailers, both online and local stores. The online shopper should look for secure connections with retailers' servers before entering credit card data (https: in the URL line of the browser window) and the lock symbol on the browser window which indicates that the connection is secure and data sent will be encrypted.

Additionally, an online shopper should look for Trust Seals from companies that provide services to retailers that protect consumers. For example, VeriSign and TRUSTe are two companies that provide such services.

What are malicious coupons and how can we identify them?

Girard: Do not use online coupons unless you are 100 percent sure it is from a company that you permitted to send you special offers. This is called opt-in. If you receive an unexpected e-mail from a company that you did not opt-in with and it contains a coupon, free offer, sweepstakes entry or contest with an attachment that you are asked to click on to open, do not open it or do not click on the URL link embedded in the e-mail. Just delete the e-mail. There is so much to know about malicious emails and other types of frauds, the best thing one can do is to visit the government website about online frauds and learn how to avoid them. It is www.onguardonline.gov/default.aspx .

What other online shopping scams have you heard of and how can we avoid them?

Girard: Examples of online fraud include impostor web sites, phishing and counterfeit goods. Again, the best thing one can do is to visit the government website about online frauds and learn how to avoid them. It is www.onguardonline.gov/default.aspx .

Does Cyber Monday ever offer discounts comparable to Black Friday? Can consumers expect to get good deals? Are computer experts more likely to beat everyone else out and claim all the best discounts?

Girard: Yes, online retailers offer discounts on Cyber Monday to compete on prices just like Black Friday sales at local retailers after

Thanksgiving. However, good deals can be found both online and at local stores throughout the year depending on what the consumer is purchasing. Consumers do not need to be a computer expert to shop for bargains. Using shopping search engines like NexTag.com, Dealtime.com, Google and Yahoo shopping, Shopping.com, and Pricegrabber.com will lists retailers with discounts.

Do a lot of sites offer free shipping and handling during the holidays, or free shipping with a purchase of certain dollar amount? How can consumers shop and compare good deals online but still consider the cost of shipping and handling over prices in stores?

Girard: Some online retailers offer free shipping and some do not. The shopper should read the merchant policy to be certain. Online price comparison engines like Shopping.com, Dealtime.com, TheFind.com and many others allow shoppers to save time and money. Shoppers will have to find out the local store price on their own by visiting, calling or checking the website of the store in question. The shopper will have to build his or her own price evaluation or comparison model.

Do most sites offer returns? How are most returns done -- printing shipping labels at home?

Girard: Yes. The shopper should read the policy on the online merchants' website to determine what qualifies as returnable merchandise and follow the policy to the letter. He or she should also carefully read the merchants' return policy to see whether a customer has to pay a restocking fee or has to pay for shipping the product back to the online retailer, or both, and decide to make the purchase or look elsewhere.

What kind of impact do you think shopping online has had to local, small specialty shops?

Girard: I am sure that online shopping has impacted some local small specialty shops. Instead of viewing online shopping as a threat, the local specialty shop owner should see it as an opportunity. A specialty shop owner could set up an online store affiliated with a known retailer to reach more potential customers with his or her product offering. Thus, growing the business by serving local and online customers simultaneously.

Can shopping at, for example, Target online cause lower sales for a Target in your town?

Girard: In my opinion, I would not think the drop in sales revenue would be significant. Target.com and local target stores are serving two different segments. Consumers shop at a local Target store for the opportunity to touch, try on, see, smell and even taste products. Local stores provide the convenience of one-stop shopping while an online store provides the convenience of shopping from home 24/7.

Provided by Pennsylvania State University

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