

QUALITY ISSUES IN E-COMMERCE DISTRIBUTION CHAINS

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ABSTRACT

This paper examines current trends and selected quality aspects of business to consumer (B2C) E-commerce. As Web sales increase, E-merchants collect more and more data about customer profiles and product preferences that they sell to third parties. We examine how the customers feel about the loss of privacy. In order to succeed on the Internet a company must identify and meet customer preferences better than its competitors. We examine the expectations and the frustrations of customers doing business on-line. Finally, we use several real world situations to discuss risks of alienating the traditional distribution channels by selling directly to the customer on the Internet.

INTRODUCTION

The history of the Internet has shown dynamic growth in the number of computers with Internet access. In particular, the last five years should be dubbed as explosive. Growth rate from 1 million users in 1992 to over 86 million in 2000 is unprecedented. According to a study done by the Center for Research in Electronic Commerce, The University of Texas at Austin, the US Internet Economy revenues grew at an estimated compounded average growth rate of 174% from 1995 to 2000. In just five years, the Internet Economy already rivals traditional sectors like energy (\$223 billion), automobiles (\$350 billion), and telecommunications (\$270 billion) [2]. By the end of 2000, more than 19 million US households shopped online resulting in online retail sales of \$23.2 billion. Online retail sales are expected to continue to grow, while it is also expected that the number of online shoppers in the US will level off at around 50 million households. While the number of households shopping online levels off, this will be offset by an increase in average online spending per household, from \$1,167 in 1999 to \$3,738 in 2004. The increased spending is the result of consumers shift from the convenience and researched items to replenishment purchases like groceries. By 2004, 49 million US households are expected to spend more than \$184 billion online for a variety of goods. This next phase of E-commerce or post-Web retailers will use detailed knowledge about customer segment to sell relevant products that meets customer demands. By gathering information about consumer's shopping habits retailers will be able to identify their most profitable and growing customer segments. Accumulation of data is not enough. They must anticipate customer demand, expand their product offerings, and sell through multiple retail channels, including stores, catalogs, and call centers [10].

This growth has made the Internet truly a valuable tool for business. More important than the novelty of this new communications tool, companies are uncovering very practical applications for the Internet. They use it to inform their customers, advertise to their target market, display their products, and conclude online transactions. Table 1 shows the projected growth in online sales from 1998 to 2002 as well as a breakdown product category. As the growth in Internet use continues, more opportunities for innovative E-businesses applications will emerge.

E-Commerce forecasts for the United States	1998	2002
Users buying goods and services over the Web (in millions of USD)	18.6	64.6
Year-end E-commerce revenue (in millions of USD)	26,469.4	268,816.9

Category	Millions USD	Percent
Software	22	29%
Hardware	18	25%
Books	16	23%
Travel	12	16%
Music	10	14%
Clothing	7	10%

Table 1. The growth of B2C E-commerce [5].

The Internet provides instant connection around the world to any supplier, business, or consumer that needs to conduct business. The benefits of E-commerce include speed, greater convenience and choice, more efficient supply chains, resulting in lower cost of doing business. Businesses and consumers alike are continuously looking for more efficient and productive ways of operating. Consumers are looking for convenience, ease, speed, low prices and high level of product or service quality. Leading businesses desire to meet and exceed the needs and expectations of consumers, to retain them, to attract new customers, to increase sales and to remain competitive in an ever growing and changing market place. The key ingredients of success in E-commerce include speed, ease of use (user friendliness) for the consumers or vendor (convenience), confidentiality, low costs, and increased efficiency in operations and supply (value) chain systems. The speed that E-commerce brings to business is vital. It allows companies to continue to accomplish work after business hours. For example, a 3Com E-network, combines 3Com networking gear with other vendors'

hardware and software in ways that enable entire enterprises from the front-office and back-office functions to run smoothly around the clock with minimum server downtime. Extremely low downtime is becoming a requirement [4].

Ease of use of a web site is a major element of E-commerce for a business to incorporate into their operations. Although many individuals have computers and are computer literate, they are not IT professionals and need to be able to maneuver around a web site with ease. A web site must be user friendly for a business to succeed with an E-commerce plan and this, by definition, would include having a help screen, easy to read directions on the site, and step-by-step processes for performing business transactions. A step-by-step design is vital because it takes consumers through every step necessary to complete a transaction. A high-quality designed web site is extremely important to retain and recruit customers.

Along with an easy to use web site, a user must feel confident that the information provided to the E-business in the course of conducting a transaction is confidential and that there is no risk of credit card fraud, or the risk of mishandling personal information. Customers must be certain that they will not suffer any consequences when they do business over a web site. Advanced encryption technologies and certification vehicles provide secure electronic transactions.

Businesses are excited by the idea of E-commerce because of lower operating costs. Not only is it faster, more efficient, and easier, but it is also cheaper to use the Internet compared to traditional business channels. Reduction in costs can stem from numerous sources, including decreased inventory costs, reduced procurement costs, and supply chain improvements, which will decrease the cost of production. The Internet can decrease the amount of paper costs, and the time needed to process orders and changes in orders. Decreasing costs and faster response throughout the supply chain make E-businesses more competitive and results in an increase in operating efficiency. For example, 3Com Corporation strives for an environment, in which all of our products are made to order and then shipped directly to our customers-both end consumers and our business partners [4].

Today's manufacturers want their vendors to have visibility into this process and participate as part of the workflow to accept, reject, revise, or refine matters of specifications, actual capabilities, and completion dates as part of the build process. The Internet offers businesses an opportunity to integrate throughout the supply an distribution chains with the goal of increasing sales, building market share and lowering overall costs. Much attention has been given to business-to-consumer (B2C) arena, where a consumer logs on the Internet either to look at relevant content or purchase goods and services offered at a virtual storefront. However, most analysts believe the most explosive growth area on the Internet lies in the business-to-business (B2B) arena. Forrester Research estimates that by the 2003, Internet B2B electronic commerce trade will reach approximately \$1.3 trillion versus \$108 billion for Internet B2C commerce [17]. The volume projections for US Internet commerce are included in Figures 1 and 2.

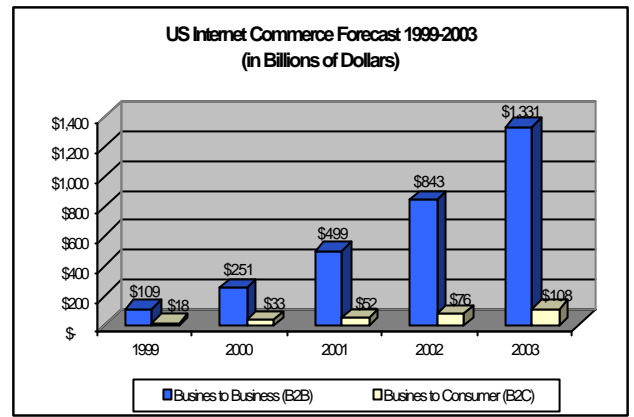


Figure 1. The B2B and B2C E-commerce forecasts for the United States [5].

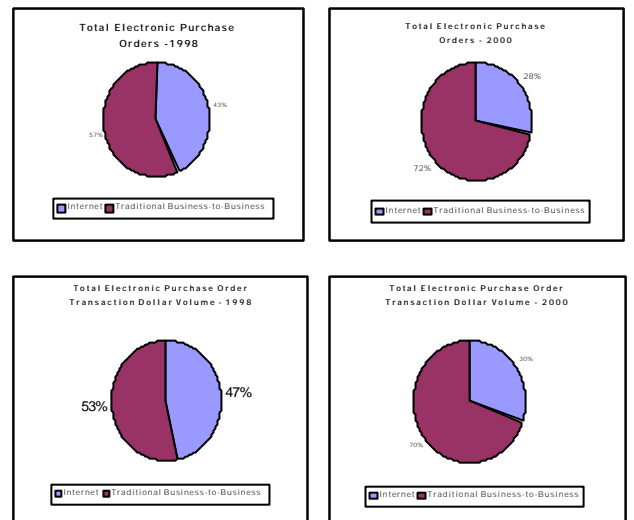


Figure 2. The volume of electronic purchase transactions [5].

B2B and B2C content and commerce sites offer many tangible benefits to both companies that visit the particular sites and to those that advertise or sell products and services online. The convenience and ubiquity of the Internet is evident. Purchasing managers and professionals can log onto the Internet from anywhere at anytime. The centralized information allows companies in this sector to become a one-stop shop for companies and consumers with their particular industry focus. An Internet site can give the feeling of being at a trade show or viewing a trade magazine. Along with centralized industry information, content sites are seeking to attract corporate purchasers with timely and detailed data. These sites enable the corporate purchaser to perform intelligent, context-sensitive information search. As a result, the inherent nature of these content sites makes them an exciting and cost effective alternative to the established norm of trade magazines and trade shows.

The Internet enables all purchasers and suppliers to interact on a truly global basis. Most of the companies that had used B2B electronic commerce were large and have the capital necessary to invest in communications networks. The Internet provides a much lower cost environment for smaller and mid-size merchants and allows suppliers to target all companies, not just the major

manufactures. This lower-cost alternative has created new strategic opportunities for all businesses.

Along with the added convenience of using one Web site to handle all of their needs, businesses can substantially lower their transaction costs. Buyers can negotiate better prices through online auctions and bidding, while sellers can sell their products online to their targeted market. As a result, the Internet is one of the cheapest tools available in terms of marketing and transactions costs. The Internet offers a cost per contact of \$0.98, versus \$1.68 for direct mail and \$277 for a standard sales call [16].

KEY QUALITY ISSUES IN B2C E-COMMERCE

In the rapidly growing world of E-commerce, the competition is fierce. Thus, it is essential to create quality in every process of the online company. E-companies should create quality in eight key areas. They need to advertise well, establish a professional and user friendly web site, design the web site with minimal download time, create excellent customer service, offer lower prices compared to traditional businesses, have a clear and strict privacy policy, offer excellent delivery options, and create a fair and effective returns policy. Before the consumer can experience a quality, online web site they must first be made aware of the web site through advertising. Below we examine these issues in more detail.

Advertise

Successful advertising is the first step to establishing a quality online business. Before a product can be purchased, the shopper needs to be aware of the name and location of the store through advertising. Therefore, it is extremely important to advertise the name, web site address, brief yet detailed description of what the web site has to offer, and the reason why the consumer should visit this particular online web site. This information needs to be made available on the Internet and through traditional means of advertising. Some of the most successful E-commerce sites, both those that are pure web start-ups and those that have changed from off-line businesses to online, continue to depend on traditional media to get exposure. Thus, it is essential that advertising is available through traditional mediums: direct mail, billboards, magazine and newspaper advertisements, radio and television commercials, and online advertising. Otherwise, potential converts from traditional storefronts will never venture to online shopping. In addition, successful E-businesses must ensure that they are registered with all popular Web search engines and that they appear in top 5 of the search results area. Otherwise, as many Internet customers never go past the first page of the search results they will receive little or no traffic nor will their site be bookmarked for future use.

Professional and User Friendly Web site

Once customers discover the web site, it is important that their first impression is excellence. In order to establish a comfortable setting the web site needs to be easy to read, easy to use, and professionally designed. In E-commerce, quality and appeal would be the main difference for potential customers in making a decision to select one web site from a vast number of web sites available for ordering products and services. The best online web sites look

professional and operate flawlessly in order to inspire trust and confidence in their potential buyers [6].

Many potential customers have shopped the Web have high expectations regarding the experience. They expect their first E-commerce attempt to work intuitively. Just as there can only be so many department stores, there can only be so many Web sites. Expected growth in E-business will lead to the success of the best in each category, and those that fail to satisfy their customer's desires will fail. The best of class Web sites will have to offer five conveniences that Web shoppers now demand. They include: fast navigation, fast checkout, fast delivery, fast exchanges and fast help. Approximately 35% of online browsers who have yet to make a purchase complain about difficulties of getting around E-sites as do 48% of those who have purchased something online. Fast and intuitive navigation avoids intimidation that produces frustrated customers.

If checkout is not fast, accurate, and secure the E-businesses risk losing customers. A sloppy checkout procedure typically results in lost future sales. A quarter of all buyers complained about the amount of time it took to receive their orders. E-commerce orders should be handled quickly and if an item is backordered, the customer should be notified without delay.

When determining the amount of shipping cost, a zip code is needed to determine the amount of the UPS charge. It is probably more convenient to enter the address and charge card information at one time rather than bouncing back and forth between the charge and ship screens. Web vendors typically do not cross-share information entered by the customer at these screens. This leads to unnecessarily long time spent by the customer entering the same information at various screens. A minor point affecting the convenience of using the web site is entering the state/province information. While the zip code needs to be entered by using the keyboard, the state/province needs to be selected from the pull-down menu. Since the zip code uniquely determines the state/province, a data entry screen can be simplified by eliminating superfluous data entry fields.

Finally, when a customer selects certain product configurations, they need to be tested for compatibility and the customer should be advised to modify system configuration when any component incompatibilities are detected. This is particularly important with complex products that are assembled to order, such as personal computers. One example of a site that provides such technical compatibility check is Dell Computers Corporation [3].

We emphasize that if the consumers are not comfortable with or are not able to quickly learn how to navigate through the web site, they will go elsewhere. The appearance of the web site needs to be inline with the same thought that would go into planning a brick and mortar store layout. It needs to be professional and able to display the products for sale in the most advantageous display and layout with minimal customer effort.

Web site with Minimal Download Time

Customers do not want to waste their time waiting for web sites to download. Therefore, it is important to design web

sites with page opening speed in mind. Use of images and sounds need to be carefully planned in order to minimize downloading time. Although attractive, large Web graphics, animations, video and sound files increase download time. If a site takes more than 30 seconds to load, a visitor is likely to migrate elsewhere. The smaller the images, the faster the web page load process. One can decrease download time without sacrificing image quality by compressing visual GIF, JPEG and AVI images [12]. Therefore, web designers need to carefully plan the layout of the site to provide it with a professional look, while minimizing the total download time. Controlling the sequence in which web page elements open is one technique to achieve this goal. Complex images that require a lot of time to download can be sequenced to open last in selected windows while the remainder of the page with text and hyperlinks is quickly viewable and available or use. Once customers are made aware of the business and view the professional and user-friendly web site with minimal downloading time, it is time to impress them with the next list of features.

Excellent Customer Service

Excellent customer service is the secret to any successful company. In designing and developing a web site, it is essential to have a well-organized, informative, customers service center. An area that customers can visit to get frequently asked questions answered, express their concerns, and get immediate feedback should be provided. If customers have a question or a concern and find that there is no place to get it answered, they will simply go to another business to make their purchases.

Customer service center needs to provide customer information including status, order history, balances due, credits, and view personal information (address, telephone, and billing changes). The operating hours of the customer service center need to be clearly displayed, with telephone number, business address, and e-mail address to provide other communication avenues for the convenience of the customer. Once the customer service centers structure has been established it is important to hire well-qualified individuals to service the customers. These individuals need to be eloquent, friendly, patient, familiar with E-business operations and proper netiquette, be detail-oriented in their work, have excellent written and verbal communications skills, excellent time-management skills, the ability to juggle multiple tasks concurrently, and at least some experience in a service-oriented setting. In addition, these individuals need to be empowered to handle both routine and unusual customer questions and concerns [12].

Customer service of E-commerce customers cannot be substandard. When an order is placed on-line and order confirmation is received via E-mail, it is important to guide the order until after the delivery. In one reported case, the delivery date had passed, a query from the customer was E-mailed yet received no response from the vendor. After repeatedly calling the vendor, the customer was told the item was backordered but would be shipped in two days. This cycle of events repeated itself several times leading to a frustrated customer canceling the entire order. As noted earlier, fast and timely product delivery, fast and

intuitive help features and the rating/feedback areas are a prerequisite for the operation of a successful E-commerce site. Fast navigation, fast checkout, fast delivery, fast exchanges, and fast help yet in many cases E-merchants are failing to do so. A failure to understand, implement and support these fundamentals will result in many Web sites being forced out of the market [11].

Low Prices

Online shopping offers customers two main advantages: convenience and price. Convenience is easily understood because an individual does not have to leave their home to search for millions of items, which are only a keystroke away. However, the price advantage is more complex. Since an online business does not have the overhead that a traditional storefront must have, the customer expects that the online business will pass some of those savings on to the consumer. A consulting company, Ernest & Young, suggested in their January 1998 price comparison that a 10% discount is the average discount offered by online business [2]. This figure does fluctuate between industries. For example, the book industry often offers books on the Web for up to 39% off the retail price. On the other hand, online auctions produce situations, where some 25 percent of auction customers pay higher prices for their merchandise.

Another way to realize price savings (at least for the time being) in online retailing is through the 3-year moratorium on state sales tax. On June 23, 1998, the United States House of Representatives passed H.R. 4105, the Internet Tax Freedom Act, which exempts Internet transactions from sales taxes until October of 2001. This decision is based primarily on the 1992 US Supreme Court confirmed in *Quill v. North Dakota* that companies with no physical presence in a state cannot be compelled to collect sales taxes for that state. Online businesses must be careful that their shipping and handling charges do not outweigh the cost savings that they offer over the traditional storefronts. If they are able to sell their product and ship it to the customer's home for less than the same customer can purchase it at the store for, then they have defeated the traditional competition. If they cannot accomplish this, then they need to look at other advantages they can offer to their consumers.

A common complaint with online shopping is excessive cost of shipping and handling. The way the Web sites are designed, the cost of shipping is not known until the customer fills out a form with complete name, address, and credit card information to pay for the content of the electronic shopping basket. The shipping charge should include all costs incurred by the vendor that are associated with taking an order. These costs include shipping, internal packing and handling costs as well as the costs of customer service. This justifies to some degree the practice of charging a premium for shipping and handling. However, we note that these charges should be disclosed to the customer as soon as the zip code for shipping destination has been entered and the preferred shipping mode has been selected. After spending considerable amount of time entering the required credit card and shipping data, the customer often finds out that there is only one available shipping option that is highly overpriced. It is a common

practice to find out that the UPS ground shipment option for a small package cost \$20.00 at a vendor Web site. In reality, UPS receives \$8.00 for such shipments with the difference going to the vendor. We note, that even though the practice may be beneficial to the vendor when the first transaction is concluded, but as it alienates the customer, it seldom leads to repeated business [13].

Clear and Strict Privacy Policy

While the accumulation of data about customers is necessary to guide E-business to its next development stage, a loss of privacy should not be its result. In a recent survey, a loss of privacy ranked as a greater concern than health care, crime, or taxes. A majority of respondents (64%) say their biggest online worry is Web sites providing their personal information to others without their knowledge. While this concern exists, few do little to see how their privacy is protected. A couple of major Web sites reported that the percentage of users reviewing their privacy policy is very low. AmericanGreetings.com has their privacy policy click-through rate of just .009%. Recently, About.com logged 50 million hits, only 20,550 or about .04%, were on the company's privacy link. Other E-commerce suppliers such as LLBean.com or Ticketmaster.com tell customers up front that personal data will be shared with the vendor's business partners. In 2000, Amazon.com changed their policy of not selling, trading, or renting customer data. It now collects all kinds of customer data and considers that collection a key asset that could be sold. It appears consumers are willing to trade their privacy for convenience. This does not seem to have a negative impact on their sales, but, on the other hand, it is reasonable to assume that Internet customers do not want to be bothered with reviewing the vendor's cumbersome legal privacy policies that are always written in fine font, while shopping online [1].

When drafting a privacy policy for a Web site, its imperative to include information about the use of customer personal data, how it is used, security measures on the site, details on third-party supplementation and whether the company will allow customers to view and update their own personal information [12]. Consumers need to be able to trust that sensitive personal information including name, address, social security number, and credit card information is going to be protected. The specifics of the web sites privacy policy need to be clearly stated and visible to the consumer when navigating the web site. In fact, this information may also need to be posted in the customer service center to ensure that customers know the privacy policy. The trust and respect that the consumer must have in order to make online purchases through a web site will be gained by the professional appearance of the web site, the enforcement of the privacy policy, and the comments that they hear or read both in and outside of the customer service center.

The emerging practice of collecting demographic data about Internet customers and making it available for sale to third parties raises valid privacy concerns. A customer should be able to reasonably assume that on-line transaction security and the privacy of personal information are of greater concern to online vendors.

Excellent Delivery Options

Once online businesses decide to make a purchase through E-commerce, they want to experience no hassles when receiving their package. The product needs to be delivered quickly, economically, and with assurance that the consumer will receive the package. It is important that online businesses choose a delivery carrier that they trust. The E-business needs to confirm the customer's order using electronic mail and offer the consumer an opportunity to reconfirm their package status in the customer service center via a pin number. The same pin number should be used to allow the customer to track the shipment of the order through the distribution channel. Naturally, the customer's account should be debited only after the package has been shipped. For example, a partnership between Hewlett-Packard and Federal Express allows worldwide HP customers to track their orders throughout both companies integrated information systems.

Fair and Effective Returns Policy

It is common that after the consumer has received the product through the delivery service, he/she then decides that they are not happy with the purchase. An E-business needs to post clear guidelines regarding product return and refund policy on its web site. These policies should also be included within the shipping package. The charges for shipping and handling, if any, must be covered by the written guidelines of the return policy.

Fast product returns, exchanges, and the availability of product demo policies are features that leading E-businesses should be incorporating in their operations. Clearly, it is inconvenient and expensive for online stores to allow customers to return a product for a refund or exchange. In order to minimize this, leading Internet vendors provide customers with ample information about the products including technical specifications, digital pictures, digital video tours, and customer testimonials. In addition, vendors provide a comparison feature where a product selected by the customer can be compared on-line against other product in a given price or feature range that are offered by the vendor. A customer feedback and product rating area should be available to customers to make such comparisons easier. One example of a site that provides such customer-friendly features is Tire Rack [15]. One site that allows customers to try out tennis racquets prior to purchase is Tennis Warehouse [14]. The availability of such customer-friendly features makes the shopping experience a pleasant one even for a customer who is not very knowledgeable about the product. When the customer wishes to return the product for quality or other reasons, the customer should not have to pay for the original freight, the return freight, and the freight on a replacement item. The customer should be able to drop-off the product at any shipping vendor's pickup station or with the delivery truck driver. In addition, the return shipping documentation should be preprinted and should be enclosed with the original shipment in order to simplify the process of returning the product and minimize customer frustration. Clearly, E-merchants should also make sure that when replacing an item that the replacement is in good repair, not just someone else's return [9].

Potential hassle with a return deters 67% of those surveyed from buying online. It is therefore necessary that returns be handled promptly and courteously. Finally companies should always strive to offer fast help with product returns or replacements, whether it be online or off [7].

B2C E-COMMERCE AND TRADITIONAL DISTRIBUTION CHANNELS: REAL-WORLD CASES

The Internet definitely provides a needed service. Using the Net can provide information to customers, reduce the cost of processing orders, cut down errors, save time and money, as well as make sales staff more productive.

Companies that do not sell online suffer a cost disadvantage in order handling. At the same time consumers are drawn to shop on line out of convenience. What is the impact on the traditional distribution channel? Let's consider a few examples of what happened to companies who used the Internet to sell their product and how their middlemen reacted.

Many of today's on-line businesses are also traditional retailers or manufacturers for which the Web is simply another sales channel. We note that such vendors should be careful not to alienate the traditional network of vendors and distributors by offering direct sales to customers over the Internet. Typically, these businesses provide after-sale service, training, and support for the product on customer's site. Confounding channels takes away the incentive for the independents to support the product sold through the Internet and often leads to poor customer service. This is evidenced by the recent experience of Hewlett-Packard in selling IT solutions directly over the Web. As a result, many independent vendors dropped the HP line for the competition contributing to a poor financial performance of the stock in the late 2000 and early 2001. In early 2001, HP cleared the rules of the game by restricting direct Internet sales to top 500 accounts and leaving other customers to the traditional channels.

Musicians around the world have long admired Gibson guitars. The company decided to market its product on the Internet at a price 10 percent below list. This caused dealers to become irate. Gibson was forced to stop selling guitars online before they sold any. Gibson listened to complaints from dealers and decided to compromise. The company no longer sells guitars online. Instead, the company's online sales are limited to strings and accessories. Gibson also plans to put its parts catalog on the Web and sell items that were previously available only to dealers and repairers.

VFCorp, an apparel manufacturer, has used their Web site to help customers find the right product, or to help them find the nearest retail store. The business does not sell direct to consumers. The idea of selling direct has been dismissed because the risk is outweighed by potential losses. In this case, a \$5 billion company is not interested in doing \$5 or \$10 million of business on the Web if it means risking business with a major account like Wal-Mart.

Sega initially viewed a Web site as a marketing support vehicle where their product could be promoted, but customers then asked why the site did not let them buy

right on the Web. Sega's on-line group felt that the Internet was the only way for the future. Sega's sales group on the other hand, felt that this would upset key retailers. The retailers could retaliate by limiting shelf space or promotions. Sega's compromise was to sell online but would not at a discount and the customers would have to pay for shipping. Sega would still use the Web for promotions but not revolve around price.

Avon has been selling their product door to door for more than a century. After research showed that direct marketing would not hurt door-to-door sales, Avon added direct mail catalogs and an 800 number. The company had to consider the impact on Avon ladies across the country before introducing a Web site offering 100 products. Avon's Web strategy was based on market research indicating that the site would reach new customers rather than shifting old customers from their salespeople. The site's bulletin boards allow reps to trade tips and access data. They were able to show that the site was non-threatening. Many Avon reps agree that the site is non-threatening. Some reps believe they cannot compete with the Web site and a toll-free number given Avon's commission structure. Avon has asked some entrepreneurial reps to stop selling Avon products from their personal Web sites because their sites' design was simply not convey the image that Avon wanted to present. Avon is developing a strategy to let reps do business with the company via the Web and is exploring how reps might serve their own customers via the Web using templates that meet Avon's design and image standards [8].

CONCLUSIONS

Many companies have been successful in doing business on the Internet. It is a good conduit to direct sales leads to your distributors. Companies that want to sell online can use the Web to market items that dealers do not always stock, or they can create new products especially for the Web. In conducting E-business companies must look at what value their current channels add, explore how the Web can improve that and then communicate their plans to their partners. Further, they must take into account the strategic dimensions of B2C E-commerce and develop operational strategies that address order winning and order qualifying criteria for their products sold over the Internet. Company managements appear excited about the prospect for using the Internet to improve the efficiency of their business. There are many real-world cases where the Internet was used as a vehicle to enable integration throughout the supply chain on a global basis. There is room for even greater efficiency in the relationships between manufacturers and retailers. The Internet can facilitate the flow of information between the two parties, which can improve forecasting accuracy, as well as help get shipments just in time.

When establishing an E-commerce business it is vital that quality is instilled in every step of the online business. In order to gain customers the web site must be well advertised both with traditional mediums and the Internet. The web site needs to be both professional and user friendly. Once the consumer is navigating the web site, they must be offered excellent customer service with a place to go to get their questions answered. The Web page

downloading time must be kept to a minimum by creative web design and layout. The prices of the products must be at an advantage over traditional brick and mortar stores. Consumers want to know that their personal information will be kept private. When they make their purchase, it should be delivered quickly and at a reasonable rate. If for any reason they are not completely happy, they need to know the specifics of the returns policy. Once the eight categories: advertising, professional and user friendly web site, minimal downloading time, excellent customer service, lower prices than traditional storefronts, clear and strict privacy policy, excellent delivery options, and create a fair and effective returns policy are successfully implemented the quality of E-commerce will be the best available.

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