



Industry
Canada

Industrie
Canada

Your

Internet Business

Earning consumer trust

*A guide to consumer protection
for on-line merchants*



Office of Consumer Affairs

Canada

Contents

Putting consumer protection into practice	4
Sample Web page	5
Telling consumers who you are	6
Letting consumers “kick the tires”	7
Customer-friendly ordering	8
Quick-buy option for repeat customers	9
Clear terms and conditions of sale	10
Your secure transaction system	11
Protecting customers’ personal information	12
Certifying your Web site	13
Responding to customer complaints	14
Unsolicited commercial E-mail	15
Educating your customers	16
Your on-line business checklist	17
Publication information	18
Working Group Participants	19



Your Internet business

Earning consumer trust



In the pages that follow, you'll find a guide for on-line merchants to protecting consumers and earning their trust.

The information presented here is based on principles* developed by representatives from businesses, consumer associations and governments across Canada. These principles cover in detail what Internet merchants should do to provide their customers with reasonable protection in the areas of information provision, contract formation, privacy, security of transaction and personal information, redress, liability, unsolicited commercial E-mail, and consumer awareness.

* *Principles of Consumer Protection for Electronic Commerce: A Canadian Framework*. Please refer to page 18 of this guide for information on how to obtain this document.

Putting consumer protection into practice

The fictitious bike store **Betty's Bikes** (see opposite) provides an example of successful business practices that follow the consumer protection principles like a pro. On the following pages, you'll see how Betty and her staff worked in all the important consumer information, while still producing an attractive site that draws in customers and is easy to use. The information is presented in the order a consumer might encounter it when considering making a purchase.

At the back of the guide (page 17), you'll find a checklist you can use when developing your own site to be sure you follow the principles.



Sample
Web page

Welcome to Betty's Bikes, serving bike lovers since 1981

Models

Accessories

Order

What's New

Customer Service

Weekly Sales!

New models are here!

Betty's Bikes

Serving bike lovers since 1981

- The latest off-road machines, road bikes and cruisers for professionals and weekend warriors of all ages.
- We sell high-quality bikes, parts and accessories from all the leading manufacturers.
- Check out our award-winning, custom-built titanium-alloy frame.

APPROVED Internet Merchant

SECURITY

Contact us toll free in Canada
at 1-800-555-1234 or at (902) 555-1234

E-mail: General information: info@bettysbikes.ca
Sales: sales@bettysbikes.ca
Fax: (902) 555-6789

Visit our retail location:
2235 Wheeler Way, Halifax NS Z3Z 1X1

[[Guarantees and Returns](#)] [[Privacy Policy](#)] [[Terms and Conditions](#)]
[[Tips for Your On-line Shopping Protection](#)]

Letting consumers "kick the tires"

Welcome to Betty's Bikes, serving bike lovers since 1981

Models

Accessories

Order

What's New

Customer

The weekend trail rider MODEL REV LH1

- Frame Series 100 aluminum
- Fork REV standard
- Shifters Yoshoyo 3B
- Derailleurs Yoshoyo std
- Cranks Yoshoyo std
- Brakes Yoshoyo std
- Rims Mavrick 300
- Tires ABC Rounders
- Colours **Midnight Black, Marine Blue, Key Lime Green**
- Sizes **Small, Medium, Large**
(click on the size for frame dimensions)

• Accessories

• Customer Service

Order Back

at 1-800-555-1234 or at (902) 555-1234

E-mail: General information: info@bettybikes.ca
Sales: sales@bettybikes.ca
Fax: (902) 555-5789

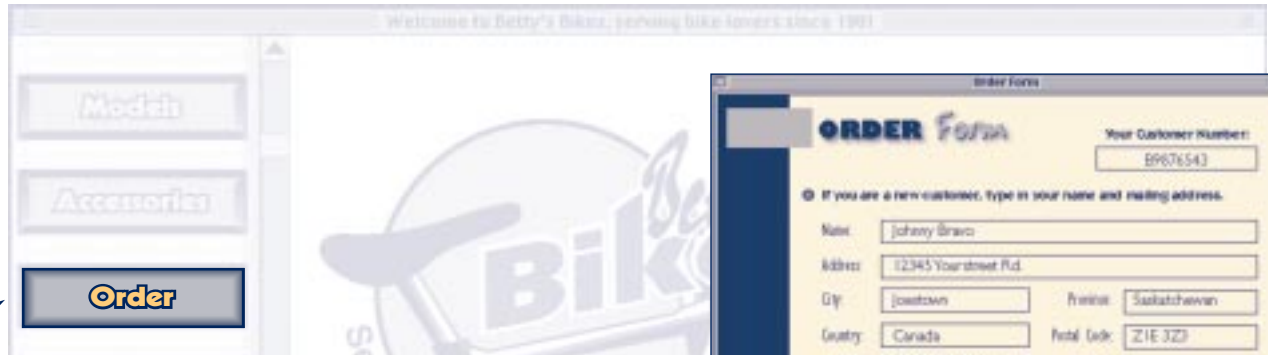
Visit our retail location:
3235 Wheelier Way, Halifax NS, Z3Z 1X1

[[Guarantees and Returns](#)] [[Privacy Policy](#)] [[Terms and Conditions](#)]
[[Tips for Your On-line Shopping Protection](#)]

SECURITY

Consumers can't make a hands-on inspection of your wares, so offer as much detailed information as you can about your products and services (including any applicable safety warnings and care instructions). Describe them in simple, plain language and be accurate and truthful.

Customer-friendly ordering



Provide customers with a clear, multistep purchasing process.

For example, set up a separate screen on your site for an order form or “shopping cart” that allows consumers to identify the items they are thinking about buying and choose their transaction option. Once they’ve listed all their items, they then click on the “Send” button to finalize their order. If you don’t have a multistep purchasing process, then you should provide a “cooling off” period during which customers can change their mind. If you want to provide repeat customers with a faster way to buy, see the next page.

Show the full price of the items, the terms and conditions (see page 10 for more on this) and methods of transaction. Customers should be able to print a copy of the transaction for their records.

As well, if there is a delay between purchase and delivery, you should consider providing the terms and conditions of sale, customer service contact information, transaction arrangements and safety and care instructions at the time of delivery.

A screenshot of an 'ORDER Form' on a website. The form is titled 'ORDER Form' and includes a 'Your Customer Number:' field with the value 'E9676543'. Below this is a checkbox and a note: 'If you are a new customer, type in your name and mailing address.' The form contains several input fields for customer information: Name (Johnny Bravo), Address (12345 Yourstreet Pk.), City (Jostown), Province (Saskatchewan), Country (Canada), Postal Code (S1E 3Z3), Telephone ((999) 555-1212), Fax, and E-mail address (johnny.bravo@stella.com). Below the form is a table with columns for Product code, Quantity, Product description, and Price. The table is currently empty. At the bottom of the form, there is a checkbox and a note: 'Once you've listed all your items, click Send. This will take you to the confirmation screen where you can double check your order before sending it to us.' There are 'Cancel' and 'Send' buttons at the bottom right of the form.

Quick-buy option for repeat customers

Welcome to Betty's Bikes, serving bike lovers since 1981

Modish
Accessories
Order
What's New

QUICK-BUY

If you're a repeat customer, use this option for increased convenience.

Account #
Password
Item #

Check out our latest winning...
titanium-alloy frame.

Contact us toll free in Canada
at 1-800-555-1234 or at (902) 555-1234

E-mail: General information: info@bettysbikes.ca
Sales: sales@bettysbikes.ca
Fax: (902) 555-5789

Visit our retail location:
3235 Wheelier Way, Halifax NS Z3Z 1X1

[\[Guarantees and Returns\]](#) [\[Privacy Policy\]](#) [\[Terms and Conditions\]](#)
[\[Tips for Your On-line Shopping Protection\]](#)

Repeat customers, who have already created an account and a password, may want a more convenient way to order your products. A quick-buy feature provides these customers with a clear and simple purchasing process, but requires a straightforward method of changing or cancelling an order within a reasonable period of time after the purchase. Providing this option makes your secure transaction system (see page 11) and privacy policy (see page 12) even more important to your customers.

Clear terms and conditions of sale

Consumers need to know all the terms and conditions that apply to their purchase, for example:

- the full price and the currency in which the price is calculated
- shipping charges
- taxes
- customs duties and customs broker fees
- any other charges that will be added to the full price
- delivery arrangements
- limitations on where the product is for sale or can be shipped
- cancellation, return and exchange policies, warranties if applicable and any associated costs.

Put all the terms and conditions in one easy-to-find place on your site. Also provide customers with a way to print a copy of the terms and conditions for their files when they make their purchase.

Welcome to Betty's Bikes, parking bike lovers since 1991

Terms and conditions

Terms and conditions of sale

All prices are in Canadian dollars.

Shipping charges for complete bikes (CANS)	
NOVA SCOTIA, NEW BRUNSWICK, PRINCE EDWARD ISLAND and NEWFOUNDLAND	\$40
ONTARIO, QUEBEC, MANITOBA, SASKATCHEWAN, ALBERTA, BRITISH COLUMBIA, YUKON, NORTHWEST TERRITORIES and NUNAVUT	\$40
FOREIGN DESTINATIONS	\$100

- Shipping charges for parts and accessories: CANS10
- Residents of Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland pay 15% HST on top of the retail price. All other residents of Canada pay 7% GST.
- We ship all orders by Federal Express. A customs broker will contact foreign customers to arrange for duty to be paid on delivery.
- Please allow 10 working days for delivery of full bicycles, five days for parts and accessories and 30 days for custom bike orders.
- Print a copy of this screen for your records.

Check out our award-winning, custom-built titanium-alloy frame.

Contact us toll free in Canada at 1-800-655-1234 or at (902) 555-1234

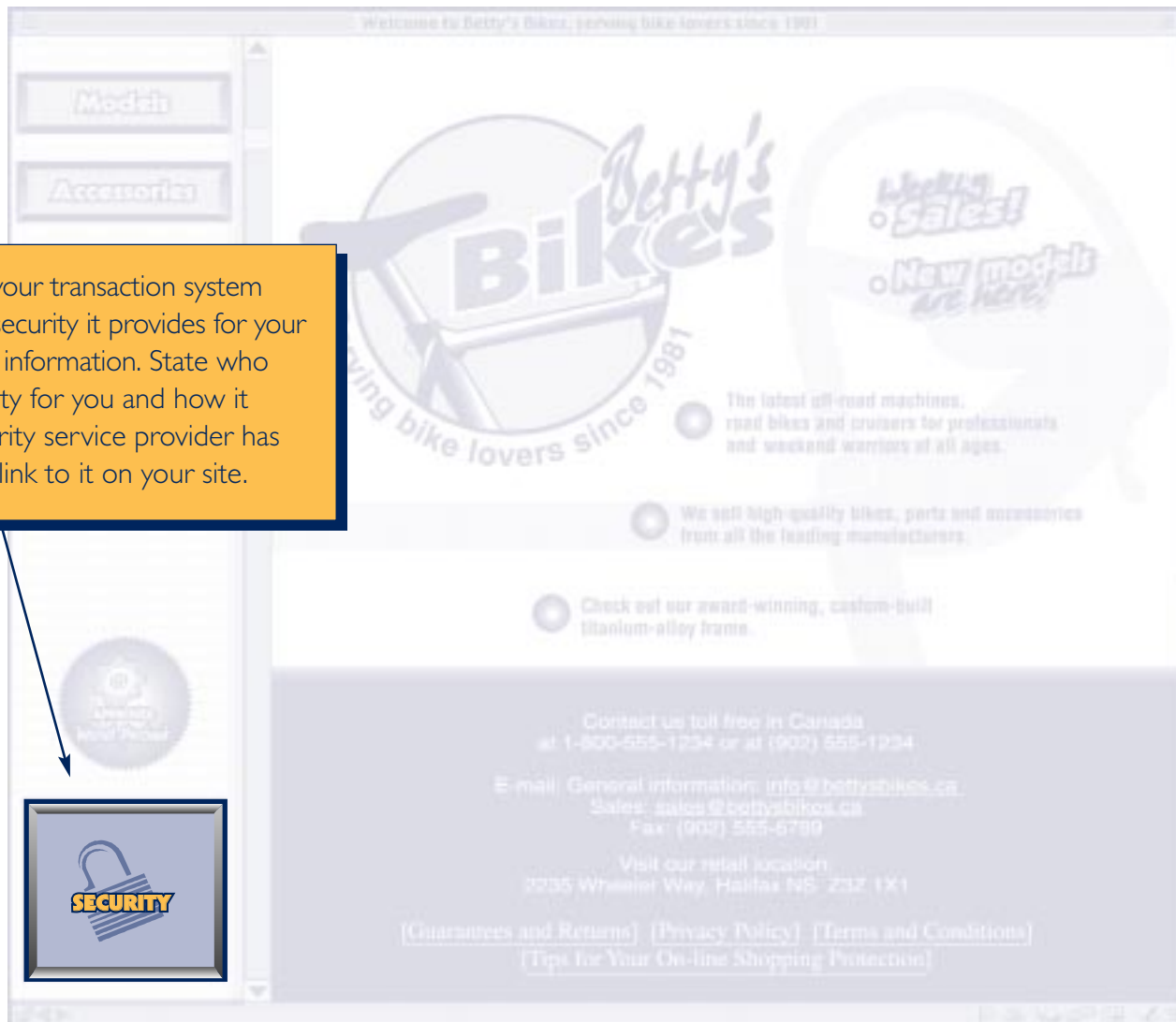
E-mail: General information: info@bettysbikes.ca
Sales: sales@bettysbikes.ca
Fax: (902) 555-6789

Visit our retail location:
3235 Whelan Way, Miramichi, NB, E3Z 1X1

[\[Terms and Conditions\]](#)

Your secure transaction system

Be up front about your transaction system and the degree of security it provides for your customers' financial information. State who provides the security for you and how it works. If your security service provider has a Web page, put a link to it on your site.



Protecting customers' personal information

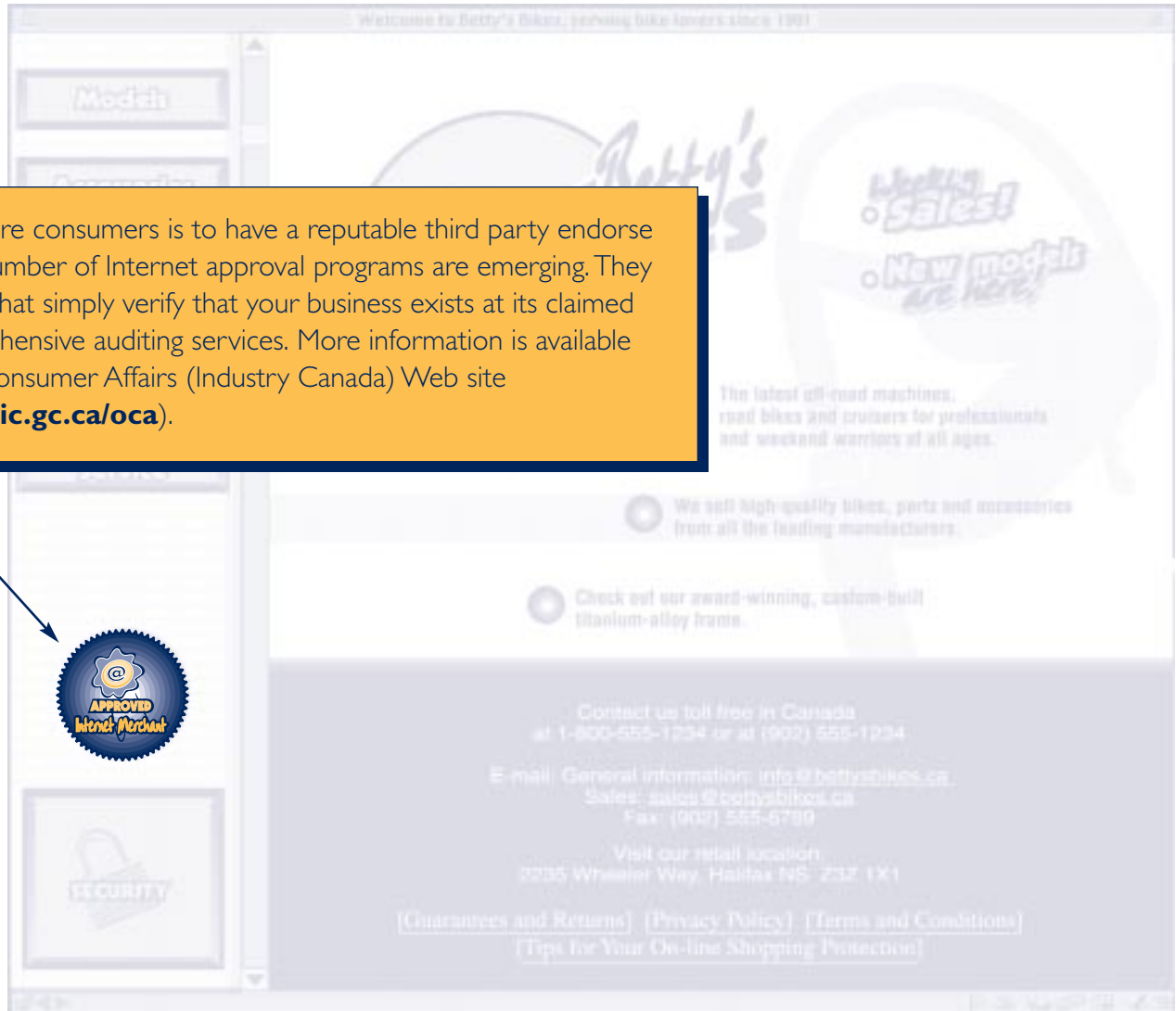
Protect the privacy of your customers by developing a privacy policy and posting it on your site. The best model to base your policy on is CSA (Canadian Standards Association) International's privacy code (available from <http://www.csa-international.org> or **1-800-463-6727**). Examples of private sector codes are the Canadian Association of Internet Providers' privacy code (<http://www.caip.ca/privacy>) and the Canadian Marketing Association's code of ethics and standards of practice (<http://www.the-cma.org>).

If you are going to use any of the personal information you collect about your customers, by selling your mailing list, for example, get their consent first.

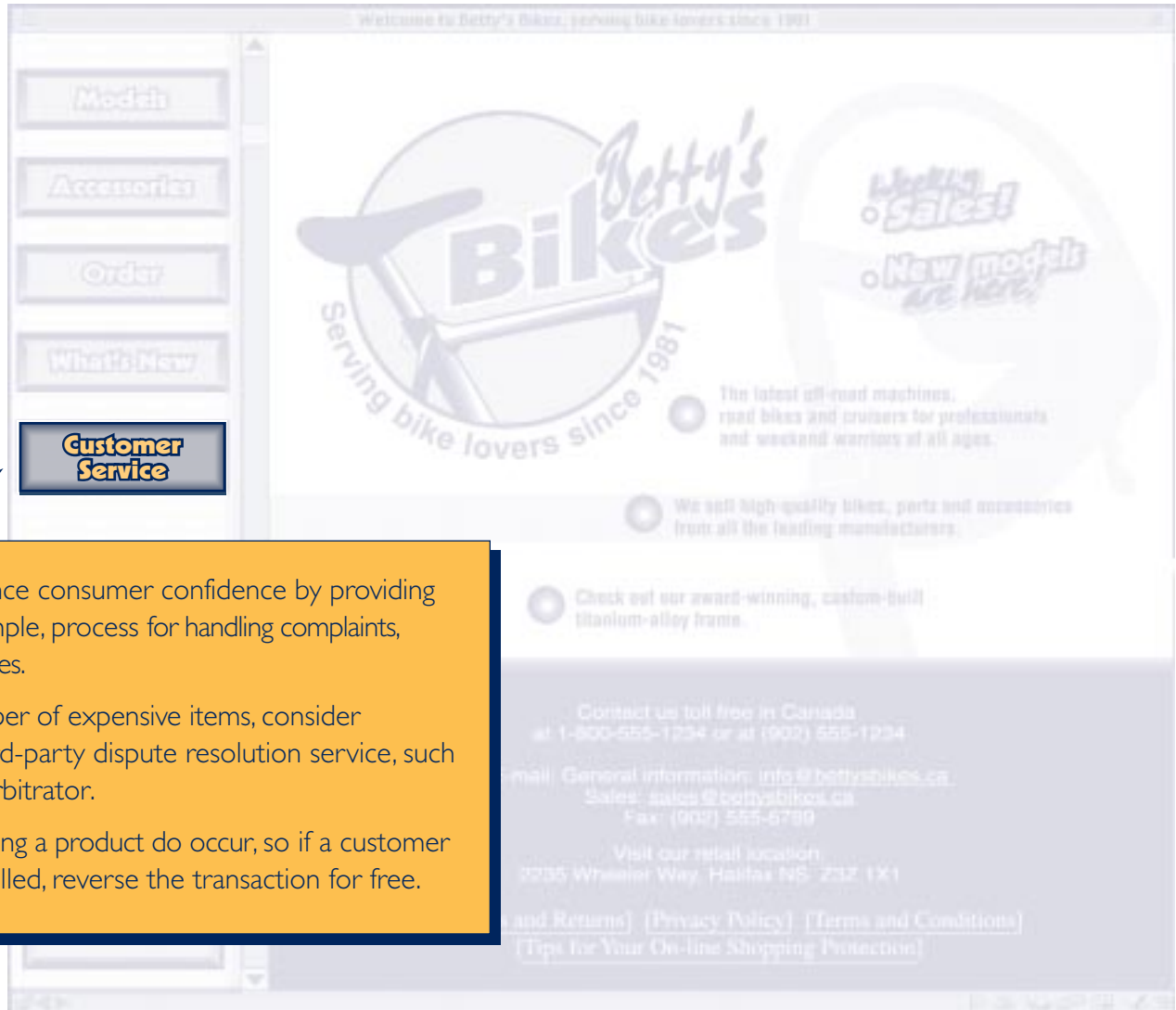


Certifying your Web site

One way to reassure consumers is to have a reputable third party endorse your business. A number of Internet approval programs are emerging. They range from those that simply verify that your business exists at its claimed address to comprehensive auditing services. More information is available on the Office of Consumer Affairs (Industry Canada) Web site (<http://strategis.ic.gc.ca/oca>).



Responding to customer complaints



You can also enhance consumer confidence by providing an effective, but simple, process for handling complaints, concerns and inquiries.

If you carry a number of expensive items, consider working with a third-party dispute resolution service, such as a mediator or arbitrator.

Mistakes in purchasing a product do occur, so if a customer is unintentionally billed, reverse the transaction for free.

Unsolicited commercial E-mail

Although E-mail makes it very easy to reach a large number of customers, sending out unsolicited commercial E-mail (spamming) is likely to do more harm than good to your company's reputation. If you have previously sold an item to customers or they have enquired about your merchandise, they may not mind you sending them new information. However, you should give customers the means to refuse further E-mail, and you should respect their wishes.



Educating your customers

Use your site to help inform consumers about safe and responsible Internet shopping. Make available pointers on what to look for before buying from an on-line merchant. You may also want to provide a link to the Office of Consumer Affairs Web site (<http://strategis.ic.gc.ca/oca>) where customers will find more tips.

The image shows a screenshot of the Betty's Bikes website. The page features a large logo for "Betty's Bikes" with the tagline "Serving bike lovers since 1981". To the right, there is a "New Sales!" banner and a list of product highlights:

- The latest all-road machines, road bikes and cruisers for professionals and weekend warriors of all ages.
- We sell high-quality bikes, parts and accessories from all the leading manufacturers.
- Check out our award-winning, custom-built titanium-alloy frame.

At the bottom of the page, contact information is provided:

Contact us toll free in Canada at 1-800-655-1234 or at (902) 555-1234
E-mail: General information: info@bettysbikes.ca
Sales: sales@bettysbikes.ca
Fax: (902) 555-6789

Visit our retail location:
3235 Whannel Way, Halifax NS, Z3Z 1X1

Links for [Guarantees and Returns], [Privacy Policy], and [Terms and Conditions] are also present.

An orange callout box with a dark blue border is overlaid on the left side of the screenshot. It contains text about educating customers. A blue arrow points from the bottom of this box to a dark blue box at the bottom of the page containing the text "[Tips for Your On-line Shopping Protection]".

Your on-line business checklist

When you're building your Web site, or fine-tuning your existing site, include each of these elements to ensure maximum consumer comfort:

- full name of the business
- mailing address
- address(es) of your retail location(s)
- telephone and fax numbers (be sure to mention if the numbers are for specific purposes, such as general information or sales)
- E-mail address(es) (the same applies here)
- detailed product information, including sizes, dimensions, colours, materials, model numbers and uses
- customer-friendly ordering process
- detailed list of terms and conditions of sale that customers can print
- secure transaction system and information about it
- privacy policy, including a place where customers can give you permission (or not) to use their personal information for purposes unrelated to the transaction
- third-party certification information, if applicable
- customer service area listing warrantees, your return policy, and your process for answering questions and handling problems and complaints.



Publication information

For additional copies of this publication or a copy of *Principles of Consumer Protection for Electronic Commerce: A Canadian Framework*, please contact:

Information Distribution Centre
Communications Branch
Industry Canada
Room 205D, West Tower
235 Queen Street
Ottawa ON K1A 0H5

Tel.: (613) 947-7466
Fax: (613) 954-6436
E-mail: publications@ic.gc.ca



This publication, as well as the principles and tips for consumers, is also available electronically on the World Wide Web at <http://strategis.ic.gc.ca/oca>

This publication can be made available in alternative formats upon request. Contact the Information Distribution Centre at the numbers listed above.

© Her Majesty the Queen in Right of Canada
(Industry Canada) 1999

Cat. No. C2-419/1999
ISBN 0-662-64129-9
52647B



20% recycled
material

Working Group Participants

The following organizations participated in the Working Group on Electronic Commerce and Consumers:

- Action réseau consommateur
- Alliance of Manufacturers & Exporters Canada
- Cable Television Standards Foundation
- Canadian Association of Internet Providers
- Canadian Bankers Association
- Canadian Marketing Association
- Competition Bureau, Industry Canada
- Consumers' Association of Canada
- CSA International
- Information Technology Association of Canada
- Ministry of Consumer and Commercial Relations, Government of Ontario
- Ministry of Government Services, Consumer Affairs Division, Government of Alberta
- Office de la protection du consommateur, gouvernement du Québec
- Office of Consumer Affairs, Industry Canada
- Option consommateurs
- Public Interest Advocacy Centre
- Retail Council of Canada

