

E-Commerce 101: Is it for me?

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Introduction

This document is one in a series of "Technical White Papers" that attempts to interpret and explain in non-technical language the workings of computers on the Internet. The topic of this document is E-Commerce, which is an enhancement to website interaction. Other documents in the series are mentioned and referenced, and further reading to support the concepts introduced here may be necessary.

What is E-Commerce?

E-Commerce is Electronic Commerce, typically referred to when relating to transactions on the World Wide Web. This approach is also called 'click & order,' as compared to a 'brick & mortar' actual storefront or outlet.

There are several factors involved in E-Commerce as implemented on the World Wide Web, and these include:

1. The product or service sold.
2. The financial transaction.
3. Some form of assurance that the buyer will be guaranteed the product or services sold.
4. Some form of security that assures the seller that the funds will be transferred safely to the appropriate account(s).

What is involved in an E-Commerce Transaction?

When implementing an E-Commerce facility on a website, there must be in place certain elements. These can be simplified to a certain degree, but the elements must be in place none-the-less. These elements, with definitions, are listed here:

1. Product or Service – this is the actual item for which the customer is paying, or will receive.
2. Shopping Cart – A 'Shopping Cart' is a software program or some method of accumulating or keeping track of the item(s) that a customer wants to purchase. Shopping carts can be very simple and custom scripted. They can also be very complex, and have capability for vendor input, calculating shipping, inserting product information, associating a thumbnail graphic, etc.
3. Payment Gateway – A Payment Gateway is the entity which sits between the website and the actual bank. This is the entity that verifies the validity of credit card status, and collects the funds which are placed in the Merchant Account.
4. Merchant Account – This is the actual bank account into which the funds for the transaction are transferred. Paypal is a type of Merchant Account that facilitates online transactions in a simple manner for many who sell online.
5. Secure Certificate – A Secure Certificate can be compared to a passport. A passport states that you are who you are in the eyes of the country of which you are a citizen. A Secure Certificate is a digitally signed file that is placed

on the web server that is coded to state that it is the actual website that it says it is. This makes identity theft more difficult for those cyber-crooks who would intercept financial transactions. Secure Certificates come in various styles and sizes, and the difference is that of degree. Essentially, the more you pay for a Secure Certificate, the more you are investigated, and the more the Signing Authority will vouch for.

6. SSL – or Secure Socket Layer. This is a way of encoding transactions or transmissions, and verifying their origin in a continuous manner. Most current browsers are capable of handling these types of transmissions, and SSL depends upon the appropriate software installation on the web server.

Do I need E-Commerce on my website?

This is a very crucial question, and often ignored in the quest. There are some items that are well suited for internet transactions, and some that aren't so well suited. Typically, if an item would do well through mail order, it would do well through E-Commerce. Items which are bulky, cumbersome, perishable, or otherwise hard to track, dangerous, or difficult to ship don't do well through internet transactions.

Another consideration is that a business that already has a proven sales record for a product – an existing 'brick-and-mortar' arrangement, statistically stands a better chance of surviving in the 'click-and-order' internet environment. This is not to say that a potential business can't be started or thrive on the internet. The concern to be considered is 'Am I depending on making a web presence my business sustenance?' If this is the case, one might consider reading some of the abundant historical articles about businesses that went into bankruptcy in the wake of the dot-com bust.

The key question posed by seasoned internet E-Commerce advisers is "Where is the nickel, and how do you plan to collect it?"

What's Involved in implementing E-Commerce

A typically good approach to making the switch to E-Commerce is to get involved with someone who knows what they're doing. One may be tempted to go for the cheap price, or to get involved with an entity who is initially familiar. Consider this wisely! Would it be prudent to get a root canal done by a good friend because it's cheap? Does one take their needs for car repair or other types of technical services to the cheapest source? These have statistically proven to be more costly in the long run than hiring a reputable professional. [webpointmorpheus](#) has the experience, knowledge, and resources to script Shopping Carts from small one-item approaches which use Paypal to extremely complex entities totally administered by the client. [webpointmorpheus](#) can also obtain and install Secure Certificates, SSL, and all of the other accoutrements necessary for safe, secure E-Commerce. *Total Solution Web Design* is exactly the arrangement offered by [webpointmorpheus](#), and it's solid, stable, consistent, and reputable.

Conclusion

This article has covered (very briefly and non-technically) the bare essentials of E-Commerce. There are several considerations which should be scrutinized prior to making an E-Commerce commitment. A market research survey might be in order, as well as taking a look at similar or competitive businesses which sell an equivalent product. Consider wisely the technical requirements for safe and secure internet E-Commerce.

Additional

The website process, way the web works, Search Engines, and other web & internet concepts are often very confusing, especially for the typical non-technical person. [webpointmorpheus](#) has assembled several documents hoping to simplify these topics. This series of documents are the result of a consistent set of questions posed by current, past, and potential webpointmorpheus clientele. The documents are listed below, and are available online at www.webpointmorpheus.com.

Documents available from [webpointmorpheus](#):

- Why Would I Want a Website?
- What's Involved Launching a Website?
- Block view of the Web Site Design Process
- Block View of Typical Web Page Request on the Web
- What is Web Hosting?
- DNS Stands for Domain Name System
- Web & Internet Security Considerations
- E-commerce 101: Is it for me?
- What are Search Engines?
- webpointmorpheus Search Engine Services
- What is PHP Server Side Scripting?
- Databases and the World Wide Web
- Viruses, Worms, & Trojan Horses