



Safe, Not Sorry

It offers the convenience of buying from home, but much can go wrong. Here's how to know your online shopping spree is secure. RAHUL SACHITANAND

AIR TICKETS, FLOWERS, jewellery, apparel and electronic accessories are among the many goodies that you can buy from the comfort of your living room, thanks to rapidly growing broadband. Retailers are also making their presence felt online with a host of new (retailing) websites mushrooming every day. But there's many a compromise for the unsuspecting online shopper and much e-pain can be avoided by following some simple rules when you

are shopping online.

The online business is growing by leaps and bounds, which means that many new e-shoppers are turning online to its convenience. According to some industry estimates, the online travel business, valued at around Rs 9,000 crore, is the largest and fastest growing segment in the e-retailing market. Books, electronics and mobiles are not too far behind. But before you log on to bargain hunt on the net, here's what you should make sure for a safe e-shopping.

Secure Sites

When buying online, ideally stick to well-known sites. Shopping sites should have the latest 128-bit encryption technology, which ensures that the data is secure. This technology encrypts data in a way that is difficult to crack online. This data is then decoded at the merchant's end and processed. Online merchants who have products such as VeriSign to protect their consumer data also make the cut. "With the evolution of encryption technology, it is perhaps safer to give out your credit card details at a travel portal than in a small store or restaurant," claims Deep Kalra, Founder & CEO of makemytrip.com, a Sequoia Capital-funded travel and hospitality portal. Aside from asking for conventional details, several sites have begun to ask for additional information such as PIN (Personal Identification Number) to ensure that details are genuine.

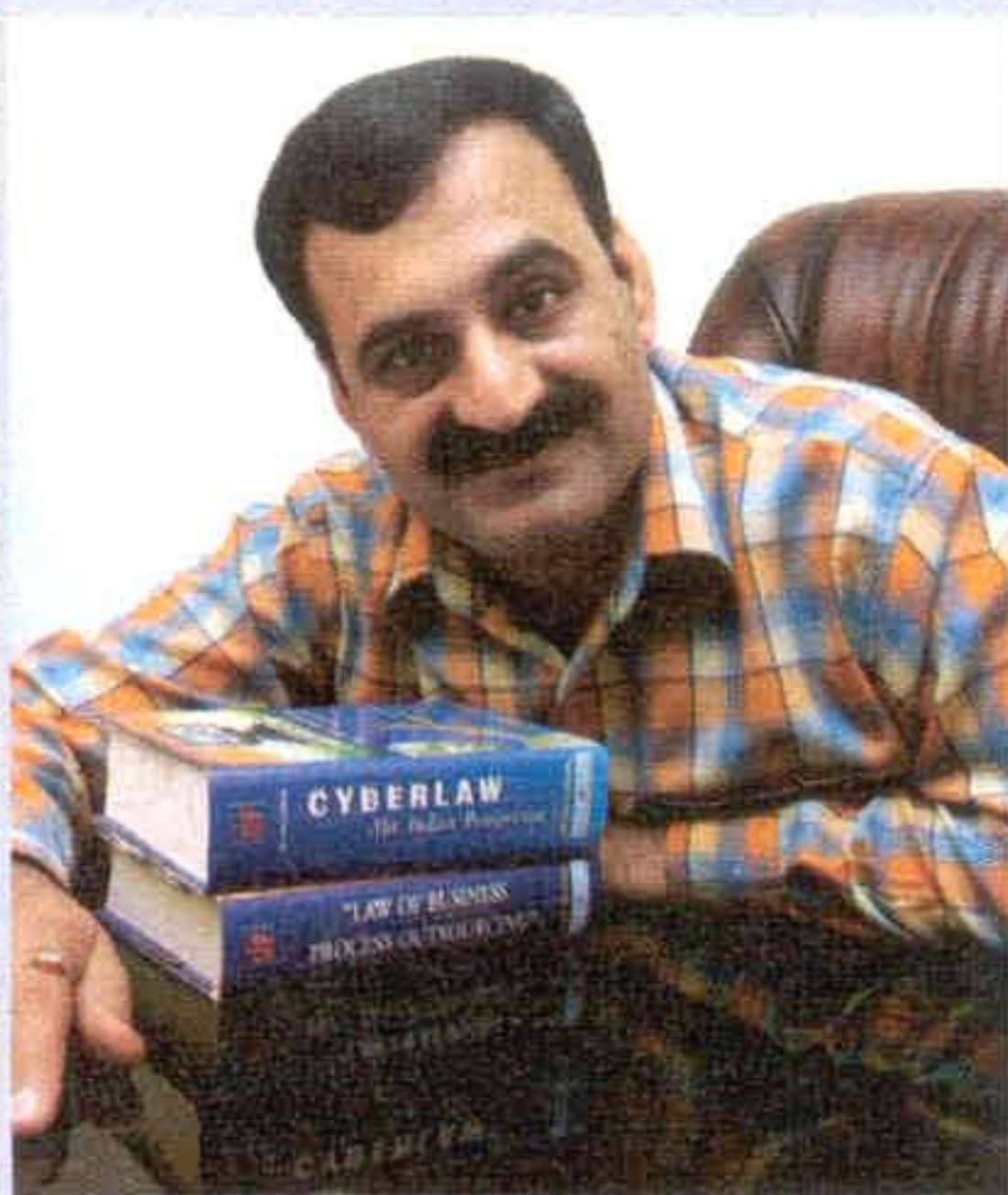
The Offline Network

For regular online shoppers, it may also be worthwhile to check if the merchant has a strong stocking or warehousing network and allows you to book or request for something that's currently unavailable. "We can source most requests in a couple of days since we have a



Subho Ray/President/IAMAI

"A Rolex watch for Rs 2,000 is perhaps a clear sign that something's wrong"



Pawan Duggal/IT & IP law expert

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strong offline presence,” says K. Vaitheeswaran, COO, indiaplaza.com. Large online retailers such as Indiaplaza have a large customer base (one million, according to Vaitheeswaran) and sell Mysore silk sarees to Tata Sky direct-to-home (DTH) services on-site.

Frequent users of online commerce portals say that a key reason to stick with one site (or a brand) is the back end services that it can offer. These include the size and access to warehouses, ability to deliver product on time and perhaps most importantly the ability to accept refunds and returns without question. “More than technological issues such as payment gateways, consumers want these issues addressed,” says Vaitheeswaran. A good way to check this is to call a customer service cell and get definite answers on the company’s refund policy and the time taken to respond to queries. For example, Vaitheeswaran says, users can request for specific book titles or other products and the site will revert when it becomes available. “Online retailing has grown rapidly over the last couple of years and many of us have strengthened our back end and worked on logistics over the last few months to keep pace,” says Dinesh Wadhwan, CEO, Times Internet, which operates the popular Indiatimes and Times Jobs portals.

Use Online Cards

Credit cards remain the most popular form of payments and executives say much of the hesitancy in detailing personal data online has worn off today, with improvement in security features and awareness of internet browsers. At the same time, some portals such as Indiatimes have launched their own co-branded cards with ICICI Bank to provide guarantee in case of an online fraud. “We launched this card a few months ago and it gives users a security of Rs 25,000 against fraud. We already



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Deep Kalra/ CEO/ makemytrip.com

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DEEPAK C. PAWAR

K. Vaitheeswaran/ COO/ Indiaplaza

“We can source most requests in a couple of days since we have a strong offline presence”

Click for Secure Deals

- Stay with well-known portals
- Reveal credit card details only where mandatory; call and check with customer care if they've got payments
- Beware of seemingly unreal offers. Rolexes don't cost Rs 2,000
- Check on the returns and refunds policy so that you can repatriate damaged or incorrect shipments
- If you're finicky about your card, opt for doorstep payment offered by several portals
- Steer clear of sites that offer online purchases for only specific seasons like festivals. Their logistics are likely to be stretched during that time and deliveries could be late or lost
- If you buy prepaid cards, check which sites accept them. Several like Indiaplaza don't, so you could be wasting your time and money
- Most reputed portals have 128-bit encryption of your data to ensure confidentiality, but check on this and try and avoid lesser known ones which don't offer this

have 2.5 lakh members for this,” says Wadhwan, who points out that unlike the West, in India, banks don't protect against fraud.

Apart from that, portals offer payment-on-delivery services for their products. If you are a regular shopper, you can also use this facility. While there have been some newer forms of payments such as prepaid cards, akin to those used in mobile telecom, few portals have integrated their payment gateway.

Several stories on individual's credit card details being compromised and of online fraud have surfaced in recent times, but this is largely offline. “Most frauds happen when credit card numbers or other data is stolen offline and then used on the net for fraudulent activities,” says Subho Ray, President of the Internet and Mobile Association of India (IAMAI), an industry body.

More often, buyers online are lured by great bargains. There's a punishment for websites that do fraudulent dealings, but with many websites mushrooming, it's best not to take chances. “This area of online commerce is evolving and the laws are maturing with its evolution,” says Pawan Duggal, Managing Partner at Pawan Duggal Associates, and an expert on IP and IT Law. So, carefully check the deals that appear too good to be true. Says Ray: “A Rolex watch for Rs 2,000 is perhaps a clear sign that something's wrong. But not everyone sees the warning signs.”