Regulations governing e-commerce

Data Protection Act 1998

Every organisation that stores personal information electronically on a computer is to follow the data protection act making sure that all information (Names, Addresses, telephone numbers etc.) stored is kept securely, and by following the eight principles. The effect that the data protection act has on e-commerce is that all online businesses must follow the principles when it comes to storing customers’ personal information that they use, whether it is to deliver products to them or use their contact addresses for emails, for example when a customer orders products from Treading Ahead’s e-commerce website, it is necessary for them to give that website their personal details like their name address and telephone number, along with their credit card details if they want their items ordered to their homes. When an e-commerce website receives these types of information from users signing up to their website t get deliveries, it’s a must for them to keep their information secure, as well as not sharing the details or using it for any other purposes.

Computer Misuse Act 1990

This legislations are created in order to protect sensitive data that are stored on computers, preventing hackers and computer viruses’ from having access to the data. The offences that come with the computer misuse act are: Unauthorised access to computer programs or data, unauthorised access with the intent to commit further offences and unauthorised modification of computer material. Treading Ahead would have to make sure that their e-commerce site is not prone to hackers being able to access their website and databases, stealing customers’ details. They would have to make sure that their site is protected well enough for hackers not to gain access into their websites.

Consumer Credit Act 1974

E-commerce websites require customers to pay for their products with the use of a credit/debit card. With the consumer credit act, it allows consumers to have rights to be able to pay off credit early, to be able to look at credit files, and a ‘cooling-off period’ of five days, if an order placed is to be cancelled. This may benefit the customer but can be a drawback for a company as even if the purchase is completed, the customer may still want a refund. The Consumer Credit Act protects payments that are made, but if the customer is not able to carry out this purchase, the e-commerce website will still receive the money from the bank and the customer will receive their item ordered.

Trading Standards

Ensure that consumers and businesses maintain fair trading as well as having to follow legislations that are enforced such as: Trade descriptions act (1968), Prince marketing order (2004) and consumer protection act (1987). Trading standards have to handle problems like counterfeit goods, for example if an e-commerce website were to sell alcohol online they can only be able to sell it to a customer (in the UK) that is aged 18 and over, this goes the same for in a traditional store, alcohol cannot be purchased by someone under 18. It is ensured that Treading Ahead is to describe their products clearly, and to provide clear images of their products. This is important because customers who look to buy their products only see pictures available and base this on their judgement of buying the product, rather than just on the description.

Freedom of Information Act 2000

The freedom of information act ensures that the public have “the right to know” if they were to request information based on public bodies such as the government and legal entities like businesses. For example if someone would want to request information from Treading Ahead, the freedom of information act would allow a person to request a copy of any official information or communication, whether electronic, paper based or published by other means.

Copyright Legislation

Whether it is software, music, books or videos (in this case its shoes & trainers in Treading Ahead’s store), all would be copyrighted by the law. It is forbidden to share these on a network, or even to a friend as well as making copies and selling them. The copyright legislation effects e-commerce as many people of the public are downloading music and videos, along with un-paid for software’s with the use of the internet providing them with these downloads. Even shoes and trainers can be copyrighted and sold as counterfeit goods online, dropping the sales of Treading Ahead’s as customers would see these items and buy them else where but cheaper. Having these items copyrighted would allow the owners to have control on how they are distributed.

E-Commerce Regulations

E-commerce regulations can be the same as an in-store regulation. For example if a customer were to purchase an item in a store, it could be an item of clothing, they would receive a receipt with the amount spent on that item, and would have a 30 day grantee if they wish to return or exchange this item, whereas on the e-commerce website when an order is placed they must send an invoice attached with the order and if a customer were to return the product, they would have the same rights as they do if they were doing the same for an in-store purchase.