

Online Shopping

Pre-Reading

A. Warm-Up Questions

1. Do you shop online? Why or why not?
2. What are your favorite online shopping websites?
3. What items or services do you purchase online?
4. How do you pay for the things you buy online?
5. Discuss the pros and cons for the following:
 - a) shopping online
 - b) shopping at a store or mall



B. Vocabulary Preview

Match the words on the left with the correct meanings on the right.

- | | |
|---------------------|---|
| _____ 1. mammoth | a) have a specific place |
| _____ 2. facets | b) sales |
| _____ 3. retail | c) depending on summer, winter, autumn, or spring |
| _____ 4. whopping | d) giving a way to do something |
| _____ 5. seasonal | e) very big |
| _____ 6. variation | f) very big |
| _____ 7. enables | g) giving a cause |
| _____ 8. localized | h) an area |
| _____ 9. attributed | i) differences |
| _____ 10. geography | j) aspects |

Reading

ONLINE SHOPPING

1. Everyone has noticed the **mammoth** impact technology has had on business. Although all **facets** of the business world have been affected in some way, one seems especially supported by the public—the shopping industry. Consumers are spending more of their time and money without ever leaving the comfort of their own homes. Although many people still like to spend a day at the mall and prefer to see items before they buy them, online shopping has become a major player in the **retail** world, with more and more people joining the ranks as Internet shoppers.
2. Consumers can buy almost anything via the Internet, and electronic sales appear unstoppable. Back in 2007, the US Census Bureau reported that American consumers spent 32.2 billion at online retailers in the third quarter of 2007. Amazingly, that jumped just over one percent from the second quarter of 2007 and increased a **whopping** 18.9 percent from the same time period in 2006. What a difference a year makes! These days, many people spend more money online than they do offline. In fact, Cyber Monday is one of the most popular shopping days of the year. On the Monday after Thanksgiving, retailers try to convince people to shop online.
3. Clearly, electronic shopping is becoming more and more popular. However, it isn't just about buying from a retailer. Consumers can play the role of the seller as well. One of the more popular sites that allows the consumer to be the retailer is eBay. The online shopping website **enables** people to participate in auctions to sell items. The site was originally founded in 1995 and has become a major player in the world of online business. Although it started in San Jose, California, eBay now has **localized** websites around the world. Consumers can buy and sell hundreds of different items like appliances, books, computers, clothing, cosmetics, and even cars.
4. The online auction business model is successful. Other sites that have adopted this business model include Amazon, Overstock, and uBid. Success could be **attributed** to a **variety** of factors. Consumers are not constrained by time or **geography**. The auction lasts for days, and bidders can shop any time, day or night, from anywhere in the world, as long as they have access to the web and a computer.
5. Online shopping in general has its advantages and disadvantages. Online stores, like the auctions, are available around the clock. People can shop from home or work. In contrast, a visit to the mall requires consumers to travel via some form of transportation during the stores' business hours. Physical stores aren't necessarily losing business. It's simply far more convenient to click on an item on the store's website. However, when shopping in person, consumers can actually examine items before they make purchases. Shopping online forces the consumer to be dependent on pictures, text descriptions, and reviews. Online shoppers have the advantage of comparing competing stores without driving to the actual stores, but visitors to a physical store don't face the same security and privacy concerns.
6. Hundreds of billions of dollars are spent in online retail stores each year, and online shopping is predicted to grow steadily in the upcoming years. Mobile devices will continue to play a huge role in how people shop. Consumers use mobile devices to search for items, compare prices, read reviews, and make payments.

Vocabulary Review 1

A. Definitions

Define these business terms based on what you read in the main reading.

1. business model _____
2. sales _____
3. factors _____
4. consumer _____
5. profits _____

B. Big Adjectives

Which of the words from the vocabulary on page 1 mean “big”?
Explain why company executives would like those words to be used to describe their sales.

Pair Work (Partner A)

A. Reading

Read the short article to the right, but do not show it to your partner. Your partner will ask you questions about your article.

TRADITIONAL FORMS OF PAYMENT

Once consumers make their purchases, they must then pay the retailers for whatever product was purchased or whatever service was rendered. While cash is accepted in stores, it isn't accepted for online sales. Paying with old-fashioned currency, bills and coins, is reserved for in-person sales made at a physical location. Some methods of payment are identical whether the items are being purchased online or in a store. For example, a credit card is a popular choice. Credit cards are essentially "loans" from the issuer so the merchant profits immediately and the buyer "pays back" the loan either in full or over time. Debit cards are also accepted for online or in-person sales. When a buyer uses a debit card, money is withdrawn from the user's bank account. Occasionally, buyers write a check for a purchase or service. A check tells the user's bank to pay the money from their account. It's similar to cash, but safer for the buyer of large purchases because he doesn't have to carry a large amount of currency. The seller, on the other hand, has to trust that the check is legitimate. In lieu of a financial institution's checking account, people can get money orders. This, too, is similar, but safer than carrying cash. It's also safer for the seller because it means that the buyer had to prepay to get the amount shown on the money order. Whereas checks can bounce if there aren't enough funds, a money order cannot. Perhaps the most fun way to shop is with a gift card. A gift card looks like a credit card and contains a pre-paid amount of money. Recipients of a gift card can take it to the merchant from which it was purchased and buy anything they want until the prescribed amount is spent!

B. Sharing Information

Work with your partner. Ask the questions to the right about your partner's reading. Write the answers in your notebook.

1. Who uses electronic payments?
2. What company is mentioned as an e-commerce business?
3. Where is this business located?
4. When was this business founded?
5. What is becoming antiquated and why?

Pair Work (Partner B)

A. Reading

Read the short article to the right, but do not show it to your partner. Your partner will ask you questions about your article.

MODERN FORMS OF ONLINE PAYMENT

Nowadays, consumers have the opportunity to make a significant amount of purchases via the Internet. The e-shopping world doesn't lend itself to cash because consumers don't visit a store and might never meet the retailer in person. Therefore, more electronic forms of payment have been developed for the ever-growing world of online shoppers. One choice is a wire transfer which literally transfers money from one entity's bank account into another's. If someone were to sell something on eBay and another were to buy it, the buyer can transfer funds from a bank account. The seller can watch the money appear in his or her own account and neither party leaves home. Another popular way to pay for things online is via PayPal. PayPal is an e-commerce business that was founded in Palo Alto, California in 1998. This booming business allows payments and transfers to be completed through the Internet. It's growing in popularity because buyers and sellers are not dependent on checks, money orders, or cash. Electronic money refers to scrip that is only electronic in format. Scrip is any currency substitute. Electronic Funds transfers (EFT) and direct deposits are versions of electronic money. With the advent of electronic forms of payment, paper money is becoming an antiquated form of payment.

B. Sharing Information

Work with your partner. Ask the questions to the right about your partner's reading. Write the answers in your notebook.

1. What type of payment is referred to as *old-fashioned* currency?
2. What are some popular choices of payment other than cash.
3. What is a credit card described as?
4. Why does a check bounce?
5. What funds are available on a gift card?

1. an experience you have had making an online purchase
2. why you prefer shopping online
3. why you prefer shopping at the mall
4. methods of payments you use most frequently

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Vocabulary Review 2

Work with a partner to fill in the table below.

Form of Payment	Definition	Example
credit card		
debit card		
check		
money order		
gift card		
electronic money		
scrip		
wire transfer		
PayPal		
currency		
cash		
bills		
coins		

Group Work

Work with three classmates to develop your own online store.

1. What is the name of your company?

2. What product or service do you sell?

3. Describe your product or service.

4. How do customers pay?
How do customers receive their item?

5. How is your product different from others?

6. Draw a logo for your store.

7. Who will buy your product? (What is your typical customer's age, gender, and ethnicity?)

8. How much money do you need to start your online store?

9. What do you expect your profits to be?
