

Case study: Buying and paying on the internet

Online shopping

Alec and Emina are both 19 years old and have been a couple for over a year. They met at vocational school during their commercial apprenticeships. The graduation ceremony will take place in a few weeks. The theme of the party is 'Black and white – chic and classy'. Both of them are eager to buy new and coordinated outfits.

Alec always buys everything online: clothes, games, electronics, etc. He cannot remember the last time he went shopping in a physical, brick-and-mortar store. It is much more convenient, easier and often even cheaper to shop online, says Alec. Emina seldom buys anything online, she still prefers to go shopping with her friends. Nevertheless, Alec persuades her to buy their outfits online.

Before they shop, they look at their budgets and accounts to figure out how much money they can spend. Emina is a bit short on cash and can spend a maximum of 120 francs for a dress, shoes and accessories.

Alec, on the other hand, could afford to spend up to 250 francs on his black-and-white outfit. Together, they spend an entire evening on their smartphones browsing on various online shops and looking at various black-and-white outfits on Google and social media for inspiration. At the end of the evening, however, only Alec has ordered a suit and some shoes. With one click, the 230 francs are charged to his credit card, which he has already saved in the online shop. Emina, on the other hand, has not yet decided – because she also wants to buy shoes and jewellery, the dress she liked the most, at 109 francs, is actually too expensive.



Good to know

- Swiss law does not provide for a right of withdrawal for online purchases. However, online shops can voluntarily choose to grant refunds.
- In Switzerland, there are no fixed delivery times set by law. The contracting parties may agree on delivery times. These are often stated in the general terms and conditions.
- Liability for defects applies: In the case of a defective product or a product that does not correspond to the description, the buyer is entitled to a warranty for two years.
- A purchase on the internet is legally binding once the order has been completed and confirmed by the company.
- For orders abroad, the goods are subject to tax and customs duties. Customs duties are usually charged separately by the transport company.
- For persons under the age of 18: Minors may only conclude contracts with the consent of their parents. An exception applies for purchase contracts: Minors may conclude such contracts independently within the limits of their pocket money and their self-earned salary.

Advantages and disadvantages of online shopping

Advantages

- You can shop anytime and from anywhere.
- The product is delivered quickly and directly to your home.
- There are many options to choose from.
- It is easier to compare products and prices.
- You can benefit from the reviews of other customers.
- If you know exactly what you want to buy, the product can be found very easily and quickly.

Disadvantages

- Returns are not always possible or may incur costs, same as in brick-and-mortar stores.
- If you order abroad, you can incur unexpectedly high customs duties.
- There are online shops which accept only credit card or only prepayment.
- The goods ordered might not meet expectations once they are delivered.
- If there is an issue, e.g. an order does not arrive, it can be difficult to contact the online shop.

The next day, ads for similar dresses appear on Emina's social media channels. Although usually this doesn't happen, this time she gets tempted by an ad and clicks on it. She likes this dress even better and it's cheaper. It only costs 50 dollars. However, she doesn't know the online shop – it represents an American brand she's not familiar with. But when she sees that it delivers to Switzerland for an additional fee of 12 dollars, Emina orders the dress against invoice anyway.

Personalised advertising

- We all see different ads on our digital platforms. They are tailored to us personally.
- This personalised advertising is based on our online behaviour and is managed by algorithms. What kind of pages do we visit? What search terms do we use? What do we post on our social media channels and whom do we follow? All this and other data is used by marketing companies to offer us the perfect product online.

In the meantime, Alec's shoes and suit have arrived, but unfortunately only the shoes fit. He returns the suit and starts searching all over again. Since the online store allows returns, it will refund the amount of the suit. Alec will see the amount in his credit card account five days later. In the meantime, Emina went to buy accessories and shoes with a friend. She spent almost 60 francs, which means she just barely stayed within her budget.

A week later, the long-awaited parcel from the US finally arrives. The dress fits perfectly and is a real eye-catcher – Emina is super happy. Three days later, however, she receives another invoice from DHL in the mail – the customs duties! She had not thought of that. Emina has to pay 27 francs.

Returning the dress is not an option for her. First, it fits perfectly, and second, she would have to pay for the shipping to the US herself. But since she has already used up her budget, Emina has to take the money for the customs duties from her savings account. This annoys her greatly, as she had purposefully budgeted a precise amount.

In the end, Alec and Emina both have a great outfit for the graduation party and cannot wait to wear it. But both have realised that online shopping also has its disadvantages. In the future, Emina wants to pay more attention to what 'hidden' costs might be incurred, and Alec has had to admit that online shopping can also be tedious. He sent four parcels back until he had the perfect suit. For two parcels, he had to pay the return shipping fees himself and thus spend an additional 14 francs.

Tips for successful online shopping:

- Only order as much as you can pay.
- If possible, always order against invoice. It's easier to keep track of your finances if you don't pay by credit card.
- Check if the online store is trustworthy (information about the vendor, contact details, terms and conditions, shipping costs, etc. should be easy to find). Refer to quality seals such as Trusted Shops and read testimonials.
- Order only if refunds are possible.
- Pay attention not only to the price of the product, but also to any other costs (delivery, customs duties, etc.).
- Delivery times vary widely. If you need a product by a certain date, consider before you order whether it will arrive on time.