

Research on Consumer Privacy Protection Countermeasures Based on Shopping Process

Jinghe Zhu

Hunan Vocational College of Modern Logistics, Changsha, Hunan, 410131, China

Keywords: Online Shopping; Consumers; Privacy Right; Countermeasures Study

Abstract: Compared with the traditional shopping mode, online shopping has the characteristics of preferential price, variety and convenient service, etc., which not only brings convenience to consumers but also a series of problems. By analysing current situation and characteristics of online shopping in China, this study aims to point out the existing problems in consumer privacy protection in online shopping, and puts forward corresponding improvement measures.

1. Introduction

With the vigorous development of computer and network business, online shopping is increasingly popular among people and becomes one of the main ways of people's consumption. Online shopping is a fashion and convenient shopping way, which not only brings new shopping experience to consumers, but also injects new vitality into the production and circulation of commodities.[1] At present, China has no special laws and regulations on online shopping, which leads to many problems during this process.[2] Infringements on consumers' rights and interests occur from time to time. [3]Therefore, the present study aims at the infringements of consumers' rights and interests in the process of online shopping, and studies the protection countermeasures of consumers' privacy right, so as to better protect the rights and interests of consumers in online shopping.

2. New Characteristics of Consumer Privacy Right under Online Transaction

2.1. Expanding scope of personal privacy

Traditionally, personal privacy refers to unwillingness to know for others and interference in the private affairs.[4] In online shopping, privacy is more represented by some personal data and information, such as personal name, phone number, home address, E-mail address and so on. Such information is known by the operator during the transaction, but they are obliged to keep confidential and shall not disseminate such information without authorization. Therefore, the content and scope of personal privacy show a trend of gradual expansion.

2.2. Dual attributes of the privacy right in the online transaction

According to the traditional theory of civil law, privacy right is generally regarded as a right of personality.[5] However, in online transactions, consumers have to disclose part of their personal information to merchants. Driven by interests, they may illegally collect, use or even buy and sell personal privacy. Therefore, personal privacy not only reflects personality characteristics, but also has economic value. Personal information has become a kind of intangible property. Therefore, privacy right in online transaction has the dual attributes of personality and property rights.

3. Problems in Consumer Privacy Protection in Online Shopping

3.1. Consumers' weak information security awareness

Online shopping develops at an amazing speed in China. The constantly refreshing transaction volume on each "double eleven" shows consumers' enthusiasm for the online shopping. Compared

with the enthusiastic online shopping, consumers have little awareness of personal information security and privacy protection.[6] In the early stage of online shopping, consumers focus less on personal information security and privacy protection issues due to the attraction of interests, which has resulted in some adverse effect caused by personal information leakage during online shopping. For example, online banking account passwords are stolen, which leads to economic losses. Even worse, personal and family safety is threatened due to the leakage of home address. It can be seen that although Chinese consumers have begun to pay attention to the issue of personal privacy in online shopping, the vast majority of consumers still have weak awareness of personal information security, which needs to be strengthened.

3.2. Deficient self-discipline mechanism of privacy protection in online shopping

At present, Chinese e-commerce enterprises do not have perfect self-discipline mechanism for consumer privacy protection. The key to the privacy protection of e-commerce enterprises for consumers lies in the attitude of enterprises themselves.[7] The most important information of consumers in online shopping will bring huge benefits to online operators. By collecting, sorting out, and analyzing the personal information of the consumer groups it deals with, targeted services can be better provided, so as to expand the market share and obtain huge profits. Online operators often take the initiative to collect consumers' comprehensive personal information, and some even use some private network technology.[8] However, when collecting and using consumers' personal information, online operators pay little attention to the protection of consumers' personal information, which results in undesirable disclosure. Some undesirable businessmen even openly sell the customer information in hand in order to make profits. Such information is easy to be widely spread out due to the particularity of the Internet, which thus violates the information security and personal privacy of consumers.

3.3. Imperfect legislation of consumer privacy protection

At present, there is no specific provision on privacy right in China's *General Principles of Civil Law*. The latest *Law on Protection of the Rights and Interests of Consumers* revised in October 2013 clarified for the first time operators' duty of confidentiality of personal information. In recent years, China has successively introduced some administrative rules and local regulations concerning consumers' information security and privacy protection. For example, on May 31, 2010, the state administration for industry and commerce issued "Online Commodity Trading and Relevant Service Behaviour Management Interim Measures" that is China's first standard administrative rules of online commodity trading and related services, in which article 16 stipulates that online commodity operators and service operators have the obligation to safekeep, reasonably use, hold within a time limit, and properly destroy the consumer information they have collected. Article 25 stipulates that the operators who provide online trading platform services shall take necessary measures to protect the data information related to business secrets of operators or personal information of consumers. Without the consent of the parties to the transaction, it is not allowed to disclose, transfer, lease or sell to any third party the list of parties to the transaction, transaction records and other data involving business secrets of operators or personal information of consumers.

4. Protection of Consumer Privacy in the Process of Online Shopping

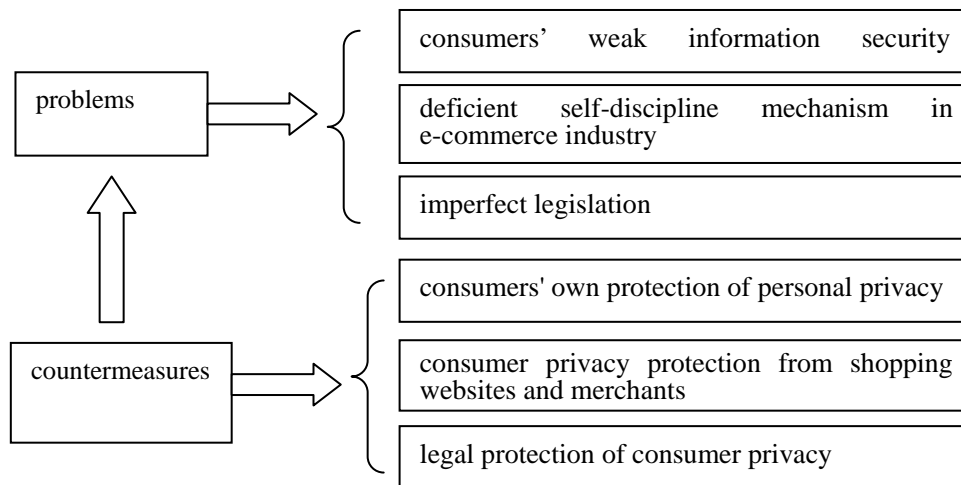


Figure 1. Protection countermeasures of consumers' privacy right in the process of online shopping

4.1. Consumers' own protection of personal privacy

First, consumers should be on guard against network security issues. They should install antivirus software, anti-Trojan software or firewall on computer, and update the virus library in time.

Second, consumers should register information and make transactions on private computers, and avoid using online banking and other payment tools on public computers.

Third, when consumers buy commodities on the Internet, they should choose large and formal shopping websites and look for sellers with high reputation.

Fourth, when consumers register information on the website, they should pay attention to whether the operator provides the statement of protecting personal information and terms of privacy protection.

Fifth, consumers should apply for a special bank card for online payment, using e-cert, U shield, dynamic password or consumption message prompt and other services to ensure the safety of online bank payment.

Sixth, as for the personal information that must be filled in, such as the delivery address, consumers can choose to use the address of the work unit to receive goods.

4.2. Consumer privacy protection from shopping websites and merchants

Strengthening the self-discipline of online operators is the most effective way to make the e-commerce industry develop healthily and orderly. In online marketing activities, operators may collect consumers' personal information in order to study their consumption habits and provide personalized services for consumers. However, the collection of such personal information must follow the principle of appropriateness. Collecting too much personal information will make consumers worry. Some users often give up registration or provide false information for fear that personal information will be abused, which will also have adverse effects on the normal business activities of operators. First of all, operators should carefully handle the relationship between personal information collection and personal information protection, and minimize unnecessary personal information collection. Secondly, operators should publicize personal privacy protection clauses to effectively protect consumers' personal privacy. Consumers' personal information shall not be used or traded illegally.

4.3 Legal protection of consumer privacy

China's current legislation has no clear provisions on consumer privacy. To protect personal information of consumers in online shopping and regulate the business activities of merchants, the guidance and protection from the legal system is required. Firstly, the relevant content of privacy

right should be clearly stipulated in the civil code. China's current civil laws and regulations and relevant judicial interpretations do not define the specific connotation and legal status of privacy right, which is extremely unfavourable to the protection of consumers' privacy right. Secondly, special e-commerce laws and regulations should be formulated to protect consumers' privacy in e-commerce. The current judicial interpretation says: "publicizing others' privacy in written and oral forms should be considered as an infringement on citizens' right of reputation." Obviously, privacy is regarded as a right of personality. However, the privacy right in the network environment possesses certain property rights, so it is urgent to formulate special e-commerce legislation. Thirdly, administrative supervision should be strengthened. For the operator who violates the confidentiality obligation, it shall compensate for the losses caused to consumers. In addition, network operators who maliciously and illegally obtain and buy and sell consumer information, should be subject to administrative fines or even criminal penalties higher than their illegal earnings, and be severely punished for all kinds of acts of illegally trading personal privacy. Finally, it is necessary to strengthen the management of network security. China has promulgated *Computer Information System Security Protection Ordinance*, *Measures for the Security Protection and Management of Computer Information Networks and International Networking*, and other laws and regulations. The criminal law also stipulates the illegal invasion of computer information system as a crime. However, China's computer security legislation is still lagging behind. With the continuous development of computer technology, computer virus is also increasingly rampant, as a result of which making laws and regulations on prevention and control of computer virus is the primary task of computer security legislation.

5. Conclusion

Online shopping gets the favour of consumers due to its convenience, efficiency, low cost and other advantages. However, the violation of personal privacy on the Internet happens from time to time, and the security of personal data has always been one of the issues that consumers are most concerned about. In view of the new characteristics and situation of privacy protection under the online trading environment, the present paper has discussed the countermeasures to protect consumers' privacy and the improvement of relevant legal system.

References

- [1] PRIVACY AND FREEDOM. Westin A F. Michigan Law Review . 1970
- [2] Privacy as a Social Issue and Behavioral Concept[J] . Stephen T. Margulis. Journal of Social Issues. 2003 (2)
- [3] Internet Privacy Concerns and Social Awareness as Determinants of Intention to Transact[J] . Tamara Dinev,Paul Hart. International Journal of Electronic Commerce . 2005 (2)
- [4] Success Factors and Impacts of Mobile Business Applications: Results from a Mobile e-Procurement Study[J] . Judith Gebauer, Michael J. Shaw. International Journal of Electronic Commerce. 2004 (3)
- [5] On-Line Retailing: What Drives Success? Evidence from Ireland [J]. William Golden, Marsha Hughes, Patricia Gallagher. Journal of Organizational and End User Computing (JOEUC). 2003 (3)
- [6] Privacy, Surveillance, and Law. Posner, Richard A. The University of Chicago Law Review. 2008
- [7] Electronic Commerce and Organizational Innovation: Aspects and Opportunities [J]. Vladimir Zwass. International Journal of Electronic Commerce. 2003 (3)
- [8] Information privacy in cyberspace transactions. Kang, J. Stanford Law Review. 1998