



BUSINESS GUIDE



How to Create an E-Commerce Web Site

A VeriSign Guide



Where it all comes together.™



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Introduction: The Elements of E-Commerce

Your business may be small—but the Internet lets you think big. Whatever product or service your business offers, the Internet levels the playing field and lets you compete with bigger businesses, reaching customers around the world who can conveniently buy from your online storefront 24 hours a day. In the competitive world of the Web, growing your business and increasing your profits online requires careful planning and important steps. For every successful e-commerce business, there are dozens that fail because they don't address basic risks and pitfalls along the way. So to take full advantage of the e-commerce opportunity, make sure you base your Web business on a solid foundation that covers every element of e-commerce:

- **Establish your identity.** The right domain name, or URL, can make the difference between a memorable e-commerce identity and getting lost in the online crowd.
- **Find the right online home.** For “brick-and-mortar” stores, location is everything. Your Web business needs the right home, too. Purchase and set up your own Web server, or find a home for your site with a reputable Internet Service Provider (ISP) or Web host.
- **Build an attractive storefront.** With the right tools, creating a Web site is easier than ever—but following some basic guidelines will help make your site easy and fun for customers to navigate. And that means more sales for you.
- **Let customers know they can trust you.** In the anonymous world of the Internet, customers will provide you with private information, like credit card or phone numbers, only if they're sure your site is legitimate and the information they send you is protected. Make sure your site is secure—and that your customers know it.
- **Make it easy for customers to pay you.** You can set up your site so customers can pay by keying in a credit card number. But how will you process that transaction? Make sure you not only offer customers a variety of convenient payment methods, but that you can process them all reliably.
- **Let the world know about your site.** A memorable domain name, a great looking design, and top-notch products and services can make your site successful only if customers know about it. Promote your site to drive traffic to it.

Clearly, building the elements of e-commerce into your business is a big job, but it is too important to ignore if you want your business to grow and thrive. VeriSign can help. As the leading provider of secure Internet and e-commerce services for businesses of all sizes, VeriSign offers a complete set of solutions that help you easily handle every step required for successful e-commerce. This Business Guide outlines crucial steps that can give your e-commerce business a competitive edge.

Step One: Establish Your Online Identity with the Right Web Address

The first step toward e-commerce is selecting the name of your site. Your Web address (also called a URL or “domain name”), tells customers who you are and how to find you on the Internet. It is the core of your Internet identity—your online brand. And because no two parties can have the same Web address, your online identity is totally unique.

+ What’s in a Name?

Quite a lot, actually. Remember that not only does your domain name act as your address on the Web, but it also communicates and reinforces the name of your business to every Web site visitor. It can also be used as part of your email address to reinforce your online identity.

Keep these tips in mind before you choose your domain name:

- **Make it memorable.** “Amazon.com” is more unique and less limiting than “booksonline.com.”
- **Describe your business.** Avoid confusion by simply and logically describing your business. “Flowers.com” obviously leads one to believe they can buy flowers on the site. If you are setting up an online presence for an established business, keep the name of your site the same as the name of your business.
- **Keep it short.** The best domain names are those that customers can remember and type into their browsers after seeing or hearing them only once, so complicated strings of words like “onlinecdstore.com” don’t work as well as a simple phrase: “cdnow.com.”

+ How to Get and Manage Domain Names

Once you’ve decided on your Web identity, the next step is to determine if it is available and then register it with a domain name company or “registrar.” Registering is easy and inexpensive, so do it as soon as you’ve decided on your domain name to make sure you get the name you want.

Many businesses register a number of variations, just in case they want to use them later—or to avoid the risk of competitors obtaining similar names. You also may want to register common misspellings so that customers who type your address incorrectly still find their way to your site instead of receiving an error message. E-commerce businesses most often register a name with “.com” as the domain name extension (the letters after the dot; also called a top-level domain, or TLD), but names with “.net” and “.org” (for “organization”) are also common. Other suffixes include “.tv” for rich content/multi-media Web sites, “.edu” for schools and universities, “.biz” for small businesses, and “.info” for resource Web sites.

How to Buy an Existing Domain Name

What happens if the domain name you want is already registered? You can either choose another name or buy your first choice from the current owner. Remember—the fact that the name you want has already been registered doesn’t necessarily mean it is not available for sale. A domain name broker handles domains that are for sale by their owners. Brokers

Quantify your goals for sales, clicks, or inquiries so you can objectively measure the success of your e-commerce Web site.

include BuyDomains.com and AfterNIC.com. Once you've established your Web identity by selecting and registering your domain name, it's time to build your site.

Step Two: Build a User-Friendly Site

With a domain name in place, you're ready to start building your e-commerce storefront. But before you begin, take some time to plan.

+ Plan Your Site Carefully

First, identify clear marketing goals for your site, such as generating leads, building a database of potential customers' names and email addresses, or putting a product catalog online to save the time and expense of printing and mailing. Quantify your objectives—such as increasing sales by 15 percent—so you know whether or not your site is successful.

Then, figure out what your potential customers need to know before buying your products and services. This might include:

- An overview of your company, its products and services, and their applications
- Complete product or service descriptions, including features, key benefits, pricing, product specifications, and other information, for each product or service
- Testimonials, or success stories so customers can see how similar individuals or organizations have worked with you
- An FAQ section that anticipates and answers customers' common issues

Plan the structure of your site, focusing on making it easy for customers to learn what they need to know, make a purchase decision, and then buy quickly. Create a site map that outlines every page on your site starting with the home page and mapping how customers get from one page to the next. Use tools that quantitatively measure site activity—where customers are clicking, how often, and whether they end up purchasing—then compare the results with your goals.

+ Choose the Right Site-Building Tools

With a solid plan in hand, you're ready to start constructing your site. Many e-commerce businesses turn to professional Web design studios to create their Web sites. But if your budget is limited, there are self-service Web site building tools that make it fast and easy for you to create your own polished, professional-looking site—with no in-depth HTML knowledge necessary.

+ E-Commerce Site Design Tips

Following these basic guidelines will help make your site not only attractive, but also easy for customers to use—and that means easy to buy from you.

Where to Find the Right Web Host

VeriSign® Secure Site ISP Program's Premier Partners include the industry's leading ISPs and Web-hosting companies, such as:

- Interland
- Digital Insight
- Rackspace
- Affinity
- Digex

Carefully Research Your Own Favorite E-Commerce Sites

Creatively adapt the most compelling marketing and design techniques to enhance your site's effectiveness.

Your Home Page Is Your Site's—and Your Business'—Online Front Door

It's essential that it make a good first impression on visitors. Make sure it clearly presents the following basic elements that customers are always likely to look for:

- Your company name, logo, and tagline prominently displayed. Take full advantage of the opportunity to showcase your brand identity.
- Contact information. Don't make it difficult for visitors to find your phone number, email address, mailing address, and fax number.
- A link to an "About the Company" page for customers to quickly learn who you are and what your business offers.
- A site menu listing the basic subsections of your site. Keep this menu in the same place on every page throughout your site to make it easy to navigate.
- A "What's New" section for news, announcements, and product promotions. Frequently updating this area will encourage customers to return often.
- Your privacy statement, clearly describing your business' policy for protecting customer's personal information.

Make It Easy for Customers to Navigate Your Site

As you build your site, try to minimize the number of clicks it takes the customer to go from your home page to actually being able to make a purchase. Four to six clicks is a useful rule of thumb. Make sure links make sense, so customers know what to click to find what they're looking for.

Don't make your navigation buttons or links too dominant an element in your site design; instead, focus on product information.

Keep Things Simple

Don't fill up your site with graphics, animations, and other visual bells and whistles. Stick to the same basic color palette and fonts your company uses in other communications, like your logo, brochures, and signage. Ensure that images and graphics serve to enhance, not distract from, your marketing goals. Make sure the text is easy to read—black letters on a white background may not be terribly original, but they are easier on the eyes than orange type on a purple background.

Keep Download Times Short

Test pages to make sure they're not too heavy with graphics that will slow load times—and minimize the size of your images when possible. Zona Research estimates that most Web pages take anywhere from three to eleven seconds to load, depending on the user's modem and Internet connection (remember: many e-commerce customers shop from home using slower connections). Most users click away to another site or log off if a page takes more than eight seconds to load, costing e-commerce businesses billions in lost potential revenue.

As soon as you've completed this step, you're ready to put your site on the Internet.

Step Three: Set up Your Web Server—or Select an ISP to Host Your Site

Your Web site is a series of files that reside on a special computer, called a Web server, connected to the Internet. For customers to visit your site, they must actually connect to that Web server via the Internet and view the files. Web servers and the Internet connections that link them to visitors must be fast and powerful enough to quickly respond to all the visitors' requests to view your site.

Many businesses prefer the complete control of purchasing, setting up, and managing their own Web server hardware and software. Other small- and medium-sized businesses prefer to turn to an ISP or Web hosting company, instead of investing in the hardware, software, and infrastructure necessary to get online. For a monthly fee, ISPs and Web hosting companies will connect your site to the Internet at high speed via one of their Web servers, allowing the site to be viewed by anyone with an Internet connection and a Web browser. The host provides your site with space on a server, and also offers Web server software, access to its high-speed Internet connection tools for managing and maintaining your site, customer support, e-commerce features, and more. There are many ISP and Web-hosting options to choose from, so use the following list to find one that meets your needs.

+ What to Look for in a Web Hosting Company

- **Shared hosting or dedicated server.** Shared hosting is an arrangement in which your site is housed on the same host server with several other Web sites. This is an economical solution for smaller sites. Paying the host for your own dedicated server, a solution used by larger and busier sites, provides faster access and ensures that your site will be accessible to visitors 100 percent of the time (instead of sharing Web server speed and power with other sites). Does your ISP or Web-hosting provider offer both options?
- **Hard-disk storage space.** Smaller sites may need only 300–500 MB (megabytes) of Web site storage space, while busier e-commerce sites may need at least 9 GB (gigabytes) of space—or their own dedicated Web server. As your site grows, your ISP should be able to accommodate you with a range of options.
- **Availability.** If you run an e-commerce business, your site must be accessible to customers 24 hours a day. ISPs and Web hosts maximize the availability of the sites they host using techniques like load balancing and clustering. Can your ISP promise near 100 percent availability?
- **Email accounts.** Email accounts that match your domain name are often available from your ISP. Are they included with your monthly access and hosting fee?
- **Secure Sockets Layer (SSL) Encryption.** The security of the credit card numbers and other personal information customers send you should be a top concern. Does your ISP or Web host protect your site with an SSL server ID? See Step Four below to learn more about Web site security.
- **Support.** A big part of the value of turning to an ISP or Web host is that you don't have to worry about keeping the Web server running. Does your host offer 24/7 customer service?

Whether commerce takes place in the digital world or in the physical world, the parties involved must be able to answer these questions:

- Who are you? (Requirement of identity)
- To what community do you belong? Are you a trusted member? (Trust by association)
- How can you prove your identity? (Validation of identity)

Step Four: Minimize the Risks of E-Commerce

With your Internet identity established and your site built, it's time to turn your online storefront into a thriving e-commerce business. To do that, you must win your customers' trust. Eighty-five percent of Web users surveyed reported that a lack of security made them uncomfortable sending credit card numbers over the Internet. Merchants who can prove the security of their Web site and win the confidence of these customers will gain their business and loyalty—and an enormous opportunity for grabbing market share and expanding sales.

+ The Risks of E-Commerce

In traditional retail business, consumers accept the risks of using credit cards in brick-and-mortar stores because they can see and touch the merchandise and make judgments about the store. On the Internet, without those physical cues, it is more difficult for customers to assess the safety of your business. Also, serious security threats have emerged:

- **Spoofing.** The low cost of Web site creation and the ease of copying existing pages makes it all too easy to create illegitimate sites that appear to be operated by established organizations. In fact, con artists have illegally obtained credit card numbers by setting up professional looking Web sites that mimic legitimate businesses.
- **Unauthorized disclosure.** When transaction information is transmitted “in the clear,” without proper security and encryption, hackers can intercept the transmissions to obtain customers' sensitive information—like personal information and/or credit card numbers.
- **Unauthorized action.** A competitor or disgruntled customer can alter a Web site so that it malfunctions or refuses service to potential clients.
- **Data alteration.** The content of a transaction can be not only intercepted, but also altered en route, either maliciously or accidentally. User names, credit card numbers, and dollar amounts sent without proper security and encryption are all vulnerable to such alteration.

+ The Trust Solution: Authenticated SSL Certificates

In the age of e-business, authenticated SSL digital certificates provide crucial online identity and security to help establish trust between parties involved in online transactions over digital networks. Customers must be assured that the Web site they are communicating with is genuine and that the information they send via Web browsers stays private and confidential.

There are three key elements to inspiring the confidence of your customers and ensuring a truly secure online transaction:

- **Encryption.** Businesses that are serious about e-commerce must implement a complete e-commerce trust infrastructure based on encryption technology. Encryption, the process of transforming information to make it unintelligible to all but the intended recipient, forms the basis of data integrity and privacy necessary for e-commerce.
- **Authentication.** Although some Certificate Authorities (CAs, or the “signers” of digital certificates), believe that encryption is enough, it is imperative that your Web site is also authenticated. This will improve your visitors' trust in you and your site. Authentication means that a trusted authority can prove that you are who you say you

Fully authenticated SSL Certificates enable a visitor to your Web site to:

- Securely communicate with you such that information they provide cannot be intercepted in transit (confidentiality) or altered without detection (integrity)
- Verify that they are actually doing business with you and not an imposter's site (authentication)

are. To prove that your business is authentic, your Web site needs to be secured by the best-of-breed encryption technology and authentication practices.

- **Digital Certificates.** A digital certificate is an electronic file that uniquely identifies individuals and Web sites on the Internet and enables secure, confidential communications. They serve as sort of a digital passport or credential. The practice of providing unauthenticated SSL Certificates exposes online users to the risks of false online storefronts operating on the Internet.

+ How Authenticated SSL Certificates Work

An authenticated SSL Certificate allows the receiver of a digital message to be confident of both the identity of the sender and the integrity of the message. Fundamental to the process of issuing high-assurance SSL Certificates to an organization for use on its Web site are three basic, and very important, authentication and verification steps:

- Confirmation that the organization named in the SSL Certificate has the right to use the domain name included in the certificate
- Confirmation that the organization named in the SSL Certificate is a legal entity
- Confirmation that the individual who requested the SSL Certificate on behalf of the organization was authorized to do so

When Web visitors connect to Web sites, they reach one of two kinds of servers. If they reach servers that are secure, they will get messages indicating that fact (a closed padlock icon and "https:" in the URL). Similarly, if they reach servers that are not secure, there will be warnings to that effect. A truly secure Web server is one that has an authenticated SSL Certificate. The authenticated SSL Certificate tells users that an independent, trustworthy third party has verified that the server belongs to the company it claims to belong to. A valid authenticated SSL Certificate means that users can have confidence that they are sending confidential information to the place to which they think they are sending it.

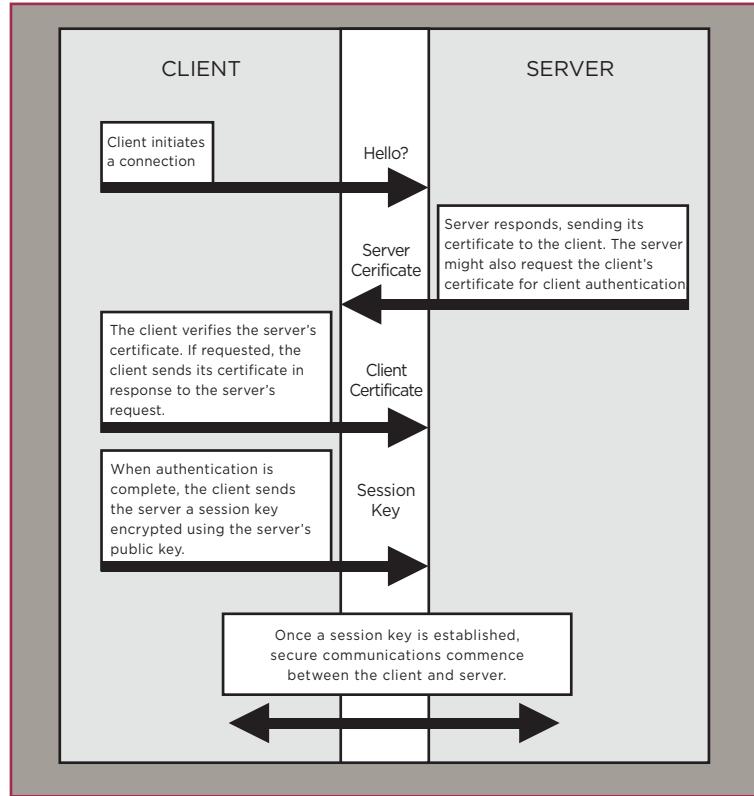
A Webmaster generates a certificate request, which in turn creates two encrypted keys: one private, one public. The Webmaster sends the public one off to a CA, such as VeriSign. CAs should then make certain that they are issuing SSL Certificates to the "correct" company. CAs must ensure:

- That the company they are certifying is the registrant of the Internet domain name they have certified
- That it is registered as a company in one or more countries
- That its registered name is the same as that on the SSL Certificate the CA is signing
- That the person requesting the SSL Certificate is an employee of that company

Once the verification and background check has been done, the CA signs off on the public key. The public key comes back to the Webmaster, who loads it into the server. As soon as both the private and public keys, a matching pair, align perfectly, the SSL will start functioning. SSL ensures that the information sent by a server is identical to the information received by a Web visitor and that no modifications have taken place.

+ Secure Your Site with a VeriSign® SSL Certificate

VeriSign secures more Web sites than any other company in the world—over half a million. This diverse universe of customers includes virtually all of the Fortune 500 and top e-commerce sites, but also scores of small- and medium-sized businesses just getting started on the Web.



VeriSign provides authenticated SSL Certificates in two encryption strengths:

- 40-bit SSL Certificates enable 40-bit SSL sessions when communicating with export-version Netscape® and Microsoft® Internet Explorer Web browsers. Export-version browsers are used by over 50 percent of Internet users. 40-bit SSL is strong enough for most intranets and lower-volume Web sites. But when communicating with domestic-version Web browsers, SSL Certificates enable super-strong 128-bit SSL encryption, the world's most powerful. 128-bit SSL encryption has never been broken: according to RSA Labs, it would take trillions of years to crack using today's technology.
- 128-bit Global Server IDs automatically ensure a minimum level of 128-bit SSL encryption when communicating with both domestic and export versions of Netscape Communicator and Internet Explorer. The encryption power of 128-bit SSL Global Server IDs make them ideal for sites that exchange sensitive, personal information, such as credit card numbers, with customers. VeriSign is one of the only providers authorized by the U.S. Department of Commerce to sell 128-bit SSL IDs in the United States.



VeriSign Secured™ Seal

Be sure to post the VeriSign Secured™ Seal on your home page or other pages where confidential information exchange takes place. The VeriSign Secured Seal lets your site visitors know that you have chosen leading services to help protect them.

+ VeriSign Authentication Practices Are More Trustworthy

Before issuing a server certificate, VeriSign reviews your credentials and completes a thorough background-check process to ensure that your organization is what it claims to be, and is not claiming a false identity. VeriSign then issues your organization an authenticated SSL server certificate, which is an electronic credential that your business can present to prove its identity or right to access information.

The VeriSign Authentication Process

VeriSign has established authentication and verification procedures to help merchants grow their online businesses, inspiring trust and confidence in consumers by verifying online merchants' identities and reducing the risk of fraud. These procedures are the result of years of operating trusted infrastructure for the Internet and authenticating over half a million businesses. To appreciate the power and trustworthiness of this process and the benefits it can have on your growing online business, an outline of the VeriSign authentication process is presented below:

Step 1: Individuals and businesses initiate authentication by providing information to VeriSign.

Step 2: VeriSign then verifies that:

- The applicant(s) are not listed on any of the three U.S. Government-denied entity lists: Denied Persons List, Denied Entities List, U.S. Treasury Department List.
- The applicant(s) have government-issued credentials, such as articles of incorporation or a business license, that allows it to conduct business.
- The applicant(s) own the domain name for which the certificate is issued or has obtained legal right to use that domain name from the owner of the domain.
- The applicant(s)'s corporate contact personnel can be verified via a third-party number as an employee of the organization that is ordering the certificate.

Step 3: VeriSign issues the certificate in compliance with VeriSign Operations Policies, which dictate:

- At least two different VeriSign employees must complete authentication of the applicant(s) and verify the Corporate Contact's employment.
- All VeriSign employees that process digital certificates must pass extensive criminal and financial background checks.
- "Department-of-Defense-grade security" with biometrics are required for all facilities where digital certificates are processed.
- All customer data is strictly confidential and data centers containing customer information are housed in highly secure locations.

Step 4: Once a VeriSign SSL Certificate has been issued and the authenticated Web business installs it on its Web server, visitors to the site can instantly access the authentication data. This data assures Web site visitors that the site is what it appears to be and belongs to a real business simply by clicking on the lock icon or on the VeriSign Secured™ Seal, which is provided to every Web site equipped with a digital certificate.

+ Attract More Customers with the VeriSign Secured™ Seal

When you have established your secure Web site, you can take advantage of a wealth of options from VeriSign to further enhance your e-commerce operation. With the VeriSign Secured Seal, included with the VeriSign® Secure Site Services, you can display the number-

The VeriSign Secured Seal is the #1 sign of trust on the Internet.¹

one trust brand on the Internet¹ to give your customers the confidence to communicate and transact business with your site. The seal allows your visitors to check your SSL Certificate's information and status in real time, and provides additional protection against the misuse of revoked and expired certificates.

The number of VeriSign Secured Sites is so large, and faith in the VeriSign Secured Seal is so great, that customers actually clicked on VeriSign Secured Seals nearly one million times during April 2002 alone. The seal provides evidence to customers that the Web site they are visiting has been authenticated as a real business and is secured with SSL-encryption technology.

What is the ultimate result of a VeriSign server certificate on your site? Ensuring safe online transactions that protect both customers and your business. Customers gain confidence that they are sending their personal information to a legitimate business and not an impostor. In turn, you know that your company is receiving accurate information that the customer cannot refute later.

+ Your Privacy and Security Statement

A vital component of every e-commerce Web site is a comprehensive security and privacy statement that describes exactly how your business secures information and uses it. (See VeriSign's statement at www.verisign.com/truste/index.html.) This is extremely important to your customers. TRUSTe, a nonprofit association supported by leading businesses such as VeriSign, AT&T, Land's End, and Wired, regulates the use of data collected on the Web. By abiding by the association's rules regarding use of information collected on your site, you can display the TRUSTe logo as yet another symbol of trust.

See www.truste.com for more information about TRUSTe's policies and how you can join.

Step Five: Accept and Manage All Kinds of Payments

With an SSL-secured site, your customers will have the confidence to purchase your goods and services. But enabling customers to pay you online takes more than just collecting their credit card numbers or other payment information. What will you do with customer payment information once it's sent to you? How can you verify that a customer's credit card information is valid? How will you go about processing and managing those payments with a complex network of financial institutions?

You could simply set up a credit card terminal and process orders manually. But why invest the time and effort to build an e-commerce site without taking advantage of the efficiency of online payment processing? To offer a complete e-commerce experience, you need to implement an "Internet payment gateway" that provides Internet connectivity between buyers, sellers, and the financial networks that move money between them.

¹Cheskin/Studio Archetype Study

+ The Internet Payment Processing System

Before you implement a payment gateway, you need to understand how the Internet payment processing system works. Participants in a typical online payment transaction include the:

- **Acquiring Bank:** In the online payment processing world, an Acquiring Bank provides Internet Merchant Accounts. A merchant must open an Internet Merchant Account with an Acquiring Bank to enable online credit card authorization and payment processing. Examples of Acquiring Banks include Merchant eSolutions and most major banks.
- **Credit Card Association:** A financial institution that provides credit card services that are branded and distributed by Customer Issuing Banks. Examples include Visa and MasterCard.
- **Customer Issuing Bank:** A financial institution, such as a bank, that provides your customer with a payment instrument. The issuer is responsible for the cardholder's debt payment.
- **Internet Merchant Account:** A special account with an Acquiring Bank that allows the merchant to accept credit cards over the Internet. The merchant typically pays a processing fee for each transaction processed, also known as the discount rate. A merchant applies for an Internet Merchant Account in a process similar to applying for a commercial loan. The fees charged by the Acquiring Bank will vary.
- **Payment Gateway:** A service that provides connectivity among merchants, customers, and financial networks to process authorizations and payments. The service is usually operated by a third-party provider such as VeriSign.
- **Processor:** A large data center that processes credit card transactions and settles funds to merchants. The processor is connected to a merchant's site on behalf of an Acquiring Bank via a payment gateway.

+ Payment Authorization and Settlement

Payment processing can be divided into two major phases or steps: authorization and settlement. During the authorization phase, verification is made that the credit card is active and the customer has sufficient credit available to make the purchase. The steps in the authorization process are:

1. Customer decides to make a purchase on the Merchant's Web site, proceeds to check-out, and inputs credit card information.
2. The Merchant's Web site receives customer information and sends transaction information to the Payment Gateway.
3. The Payment Gateway routes information to the Processor.
4. The Processor sends information to the Issuing Bank of the Customer's credit card.
5. The Issuing Bank sends transaction result (authorization or decline) to the Processor.
6. The Processor routes transaction result to the Payment Gateway.
7. The Payment Gateway passes result information to the Merchant.
8. The Merchant accepts or rejects transaction and ships goods if necessary. Because this is a "Card Not Present" transaction, the Merchant should take additional precautions to ensure that the card has not been stolen and that the customer is the actual owner of the card.

The second phase is the settlement process during which money is transferred from the customer's account to the merchant's account. During this process the following takes place:

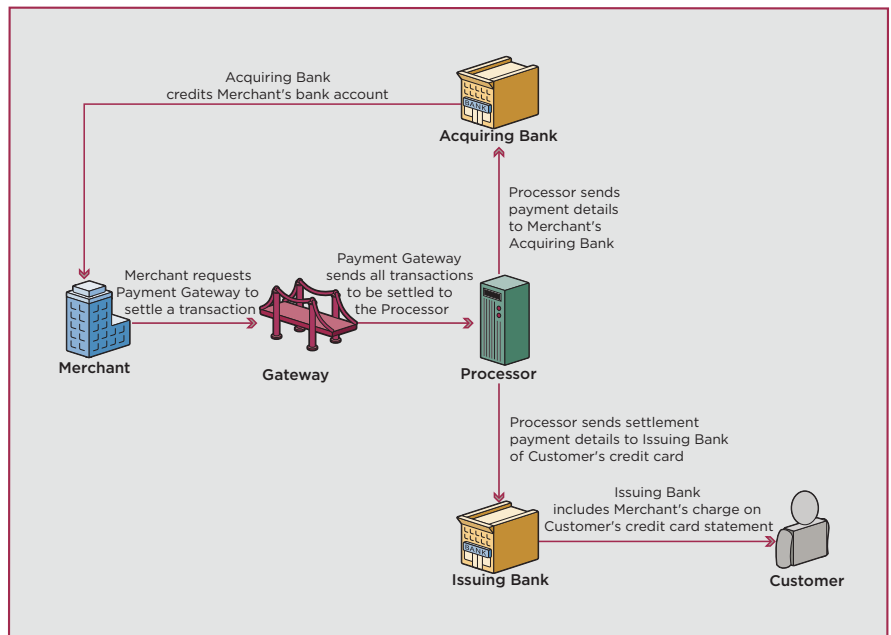
1. Merchant requests the Payment Gateway to settle a transaction.
2. The Payment Gateway sends all transactions to be settled to the Processor.
3. The Processor sends settlement payment details to Customer's credit card Issuing Bank; at the same time the Processor sends payment details to Merchant's Acquiring Bank.
4. The Issuing Bank includes the Merchant's charge on the Customer's credit card statement while the Acquiring Bank credits the Merchant's account.

So how do you implement a payment gateway to process payments on your e-commerce site? Building your own dedicated pipeline to connect all the players isn't a practical option, so outsourcing to a payment gateway service provider is the best solution.

+ VeriSign® Payment Services

VeriSign® Payment Services, now the industry standard for online payment processing solutions, are designed to meet the demanding and diverse needs of online merchants. VeriSign Payment Services simplify online payment processing by providing reliable, secure, and affordable payment connectivity among merchants, customers, and financial networks. VeriSign Payment Services allow merchants to securely and easily authorize (in real time), process, and manage multiple payment types—without investing in or maintaining significant technological resources. Additionally, VeriSign Payment Services can be used as a “virtual terminal” to process offline orders (i.e., telephone, fax, email, and in-person).

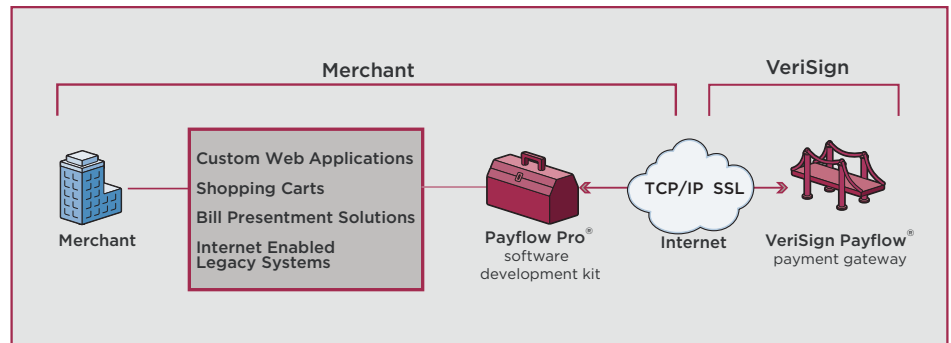
The Settlement Process



VeriSign services fit a variety of merchant needs, offering important feature upgrades, like our optional Payflow® Recurring Billing Service, and customer service packages that include professional integration support. The Payflow suite of services is also designed to scale quickly and seamlessly as your business grows. Most importantly, VeriSign offers the industry's only payment gateway with immediate connectivity to all major processors and most shopping carts.

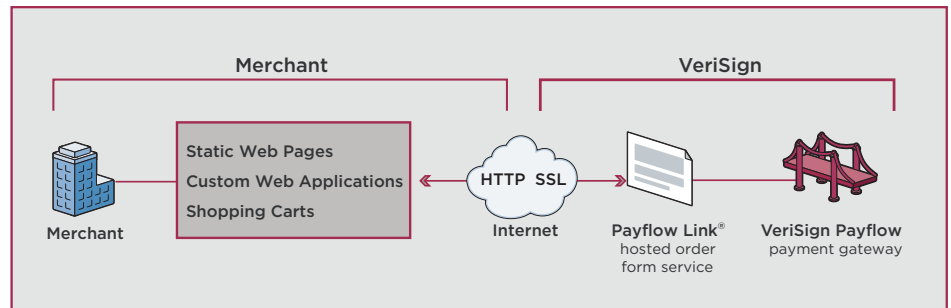
Payflow Pro®

Scalable and fully customizable, the Payflow Pro® service is recommended for merchants who require peak site performance and direct control over payment functionality on their site. The Payflow Pro service allows merchants to process payments through their Web site with a software download that includes a software development kit for simple automated program interface (API) integration. The Payflow Pro service features credit card, debit card, Automated Clearing House (ACH), and check processing as well as purchase card levels II and III. The Payflow Pro service is integrated with most major shopping-cart software. For a complete list of shopping carts integrated with the Payflow Pro service, go to www.verisign.com/products/payflow/partners/cartPartners.html.



Payflow Link®

The Payflow Link® service is designed for merchants who require a simple solution to selling on the Web. Payflow Link is a hosted order-form service that allows a customer to securely input credit card information. To use the Payflow Link service, merchants need only add a small piece of HTML code that will link a customer from their Web site to the order forms hosted by VeriSign. The Payflow Link service offers merchants a simple package for payment processing, including credit card, debit card, and check processing functionality, as well as offline order processing. The Payflow Link service works with most major shopping-cart software. For a complete list of shopping carts that work with the Payflow Link service, go to www.verisign.com/products/payflow/partners/cartPartners.html.



Commerce Site Services: SSL Plus the Payflow Pro Service

As you discovered in Step Three, authenticated SSL Certificates are the best way to accomplish the essential step of securing your e-commerce site. VeriSign also offers Commerce Site Services, a complete integrated e-commerce solution that is ideal for online stores. Commerce Site Services combines the Payflow Pro service with a VeriSign SSL Certificate.

- Commerce Site includes the Payflow Pro service and a 40-bit SSL (Secure Server) ID; 40-bit SSL is ideal for security sensitive intranets, extranets, and Web sites
- Commerce Site Pro includes the Payflow Pro service and a 128-bit SSL (Global Server) ID; 128-bit SSL is the world's strongest SSL encryption and is the standard for online merchants

+ Set up Your Internet Merchant Account

After you've selected and set up your payment processing solution, all you need to start accepting online payments is an Internet Merchant Account with a financial institution that enables you to accept credit cards or purchase cards for payments over the Internet.

VeriSign has partnered with several Internet Merchant Account providers to make applying easy right when you purchase your payment processing solution. Applying for an Internet Merchant Account through VeriSign brings you the following benefits:

- Competitive rates
- MasterCard, Visa, American Express, and Discover credit card and debit card processing
- 24-hour confirmation of account approval
- Automated account setup with VeriSign
- VeriSign customer support for your payment processing integration.

Visit www.verisign.com/products/payflow/merchant.html to get started on your Internet Merchant Account.

+ What You Should Know about Fraud

Many business owners don't realize that in the online world, merchants are held liable for fraudulent credit card transactions. This means that if you process a fraudulent transaction on your Web site, you could incur severe penalties and fees imposed by credit card associations. This is in addition to the loss of the stolen goods and shipping charges.

You should also know that every merchant is at risk for online fraud, so it's important for all businesses to take steps to prevent fraud—even businesses just starting to sell online or businesses with low transaction volumes.

Fortunately, there are many ways to protect your online business from criminals. The most important thing you can do is choose a payment solution that is secure and reliable. The solution should include standard processing level anti-fraud features, such as Card Security Code (CSC) and Address Verification Service (AVS), as well as options that allow you to upgrade to the new Buyer Authentication solutions, such as Mastercard® SecureCode™ and Verified by Visa®. These new Buyer Authentication programs provide essential merchant liability protection against fraudulent credit card transactions. Every VeriSign® Payflow payment processing service includes standard anti-fraud features, and offers seamless integration of advanced anti-fraud features such as Buyer Authentication.*

*As this service becomes commercially available. Buyer Authentication prompts consumers to share a password with their card issuers at checkout—similar to providing a PIN number for ATM transactions.

Don't forget to develop good customer support processes—it's the key to creating loyal customers. Make sure to develop a step-by-step process for customer follow-up and trouble-shooting.

Lastly, you should look for a solution that saves you time and money while protecting your business from fraud. VeriSign® Fraud Protection Services not only give you added protection against credit card, cash fraud, and hacking attempts, but also allow you to manage all of these features quickly and easily with a single, plain English interface. With VeriSign Fraud Protection Services, you don't need technical or fraud expertise to ensure the integrity and profitability of your business.

Step Six: Test, Test, Test

You may be eager to launch your e-commerce storefront, but take time to review and test your site thoroughly before going live. You will only have one chance to make a first impression on each new visiting customer, and broken links, incorrect phone numbers, and grammatical or spelling errors diminish the professional polish you're striving for.

Have objective testers walk through the entire ordering process to test its usability. Is it clear exactly what customers need to do to purchase? Test buying a product: Is the page on which you supply payment information secure? Is the payment processed correctly through your payment gateway? Make sure you use both Macintosh and PCs for testing, as well as different browsers and modem speeds.

Also, never neglect good customer support: it's the key to creating loyal customers. Are you prepared to confirm that a customer's order has been received? Are you ready to follow up with an email message for good measure? A personalized message from a real customer service representative is best, but sending an automatic reply works as well. Set minimum response times and standards for replying to customer questions and concerns, and ensure that your customer support staff is fully knowledgeable about all your products and services, their features and benefits, pricing, and availability.

Step Seven: Promote Your Site

Now that you've established a compelling, secure, and easy-to-use Web storefront for your products and services. It's time to let people know about it. Here are a few tips for driving traffic to your site.

- **Register your site with search engines.** Over 90 percent of Internet users search one or more of the top engines to find what they need. Make sure your business is part of the results when customers look for the products and services you offer. Manually submitting your site to search engines and directories can take countless hours every month, so try SubmitWizard, an easy-to-use search engine submission service from Network Solutions and MyComputer.com. SubmitWizard has the capability of automatically submitting your site to over 200 search engines and directories, including Google, Yahoo!, Altavista, Look Smart, and Lycos. Check out www.searchenginewatch.com for more tips for getting the most out of search engine listings.

- **Put your domain name everywhere.** Brochures, advertisements, business cards, and even hats, jackets, and t-shirts can be effective ways to promote your site and establish your corporate identity. Don't forget to include your domain name in press releases, too.
- **Advertise.** Placing a banner ad on other well-trafficked sites can attract huge numbers of prospective customers—and doesn't have to cost a fortune.
- **Purchase keywords.** Another way to promote your products and services is to purchase keyword listings on sites like Overture and Find What. With these pay-for-performance services you bid on keywords relevant to your business and pay for each click on your listing.

Now, Start Selling

With an online identity, a Web host, an eye-catching, professional-looking Web storefront, rock-solid security, easy-to-use payment management, and the right promotions, your e-commerce business is ready to succeed in the competitive world of the Web.

Following these basic steps will help you lay the foundation for a thriving site. And relying on VeriSign, the leading provider of Intelligent Infrastructure Services, for complete end-to-end e-commerce solutions, means you have a trusted expert in your corner every step of the way.

Getting Started

Secure e-commerce requires you to establish an online processing system that will allow you to accept secure online payments. VeriSign's secure, cost-effective and customized payment solutions are designed so you can easily buy what you need, when you need it, with the option to upgrade or add services anytime, as your business grows. In three easy steps, you can complete everything you need to accept online payments on your Web site.

+ Choose a Payment Processing Service

- **Payflow Pro**—designed for merchants who want maximum customization, control, and scalability.
- **Payflow Link**—designed for merchants who are just getting started on the Web or who have low transaction volumes.
- **Commerce Site Services**—the Payflow Pro service plus a VeriSign SSL Certificate.

+ Set up an Internet Merchant Account

All online businesses need to operate with an Internet Merchant Account, primarily for depositing and refunding online payments. VeriSign has made getting one an easy process. As you register for either the Payflow Pro or Payflow Link service, we will provide you with the option to apply for an Internet Merchant Account with our preferred Merchant Account provider.

**+ Customize Your Payment Processing Service with Additional Services**

Protect Your Business and Your Customers from Fraud

- **VeriSign Fraud Protection Services**—from simple automated credit card fraud screening to enterprise grade perimeter security services, VeriSign can save you time and money while protecting your business.

Accept Repeat Payments from Your Customers

- **Payflow Recurring Billing Service**—a fast, cost-effective way to accept repeat payments for installment plans, monthly fees, or other subscription-based services.

That's it! You've now got everything you need to start accepting payments online—conveniently, reliably and securely.

+ For More Information

For additional VeriSign product and pricing information, please call us at 1-888-847-2747 or 650-426-3898 (select option 1), send us an email at paymentsales@verisign.com or visit the VeriSign Payment Services section of the VeriSign Web site at www.verisign.com/products/payment.html.

Visit us at www.Verisign.com for more information.