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The traditional vs. the online market
A study of consumer behaviour and consumer preferences in the purchase of high-involvement products

Bachelor Thesis within Business Administration

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Abstract

Problem	The complexity of high-involvement products, especially when bought online needs further studying so that a merchant-consumer dialogue and information exchange is initiated. The opportunity for both merchants and consumers lies in the profits from these dialogues and exchanges.
Purpose	The purpose of this thesis is to investigate what specific features buyers in the traditional market believe are unsatisfactory or missing in the online market. Our findings will help us give suggestions on what actions online merchants might take in order to redistribute high-involvement purchases from the traditional market to the online market.
Method	The data collection involves both a survey and interviews in order to assemble appropriate, justifiable and relevant data. In total, 150 people responded to the survey, and six of them were later objects to the in-depth interviews. To ensure that the collection of data was retrieved consistently and reliably, and to avoid miss-interpretations, issues such as significance and reliability have been considered.
Result	Almost twice as many respondents bought their laptop in the traditional market. It is preferred due to; a rooted habit of making purchases traditionally, the tangibility of the product, more apparent communication with salespeople, stronger purchase sensations and instant transactions.
Conclusion	The major features missing in the online market are; 1) the experiential sources and 2) the enjoyable sensations of a purchase found in a traditional purchase. The major unsatisfactory features include customer service, delivery and the complexity still adhered to online purchasing. The features have led consumers to hesitate and mistrust the online market in high-involvement purchases. In order to attain a redistribution; buyers' hesitation has to be overcome and subsequently trust must be built in the capabilities of the online market.

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1 Introduction

This chapter will cover the background of the chosen area of study. Furthermore, the problem, purpose delimitation and definitions will be presented and discussed.

1.1 Background

In its original context a traditional market is defined as a physical place where buyers and sellers meet in order to make exchanges (Kotler, Wong, Saunders & Armstrong, 2005).

However, the Internet which is a rather new type of digital interactive media, an electronic channel of communication where actors can take part actively and instantly (Arens, 2004), has given rise to a new marketplace, and a new form of commerce called e-commerce. To conduct e-commerce on the Internet is to buy, sell, transfer, or exchange products, services, or information (Turban, Leidner, McLean & Wetherbe, 2006b).

As explained by Cross and Smith (1996), the key selection criteria for consumers' purchases in the interactive age will be the marketers ability to deliver pure and relevant information. This new environment has changed the traditional marketing process into a more customer initiated and controlled process. Traditional marketing is aimed at a passive audience while e-marketing is targeting consumers that actively seek information and thus single-handedly screen out the unwanted information (Kotler et al., 2005).

The business-to-consumer interaction has clearly increased with the development of the Internet where online consumers are in many cases not only consumers but also creators of information. This is the reason why companies regard 'word-of-mouth' of high importance. Online consumers' creativity and information-sensitivity has brought up the use of 'word-of-Web' or 'word-of-mouse'. As the creativity rises among consumers, so should the approaches used by marketers and companies in order to fully exploit the Internet as a marketplace (Kotler et al., 2005).

As children of the 80's, the authors practically grew up with the Internet and consequently had the chance not only to experience the traditional way of commerce, but also e-commerce and its development over the last years. For this reason, and as academics within the field of business administration, the authors have found it very interesting to investigate what actual factors that consumers consider when they chose to go either to the traditional and physical marketplace or the Web-based marketplace on the Internet. In short, the authors would like to understand *why* people chose either one or the other option.

The main reason for the great interest within this field is the authors' belief that the Internet will develop even further, and perhaps one day, when our world only inhabits people from the Internet generation (see definitions in section 1.5), it might end up being the marketplace where the majority of commerce will take place. But to reach there, and for entrepreneurs to understand how to act properly towards their consumers on the Internet, they have to be aware of what features people value in the traditional marketplace in order to be able to incorporate these in online market and thereby optimise it.

Of special interest to the authors is when consumers are highly involved in their purchasing of a product. This is when buying behaviour is complex due to high risk in terms of financial commitment, and when differences are considerable among brands. A product that

might induce high-involvement, according to Kotler et al. (2005), could for example be a personal computer. The authors search to find out if high-involvement purchases also affect what marketplace consumers chose. Hence, the study will be narrowed down to focus more directly on high-involvement products, and more specifically laptops.

Further, the thesis will focus on a specific consumer segment, i.e. students. The reason for choosing students is explained in section 3.1.

1.2 Problem

The Internet explosion has shifted some of the traditional shopping to the online shopping environment. The Internet has also divided consumers into two distinctively characterised groups, namely traditional and online consumers, where the latter tend to value information highly and are more sceptical to pure sale messages (Kotler et al., 2005).

Through interactivity, the majority of communication has shifted from a monologue to a dialogue. Companies can gain success by encouraging consumer involvement, i.e. to empower their consumers by letting them communicate and be involved on their own initiative (Spalter, 1996).

Still, in order to initiate a dialogue, extensive knowledge and information is needed in order to be able to direct a tempting message that consumers are willing to respond to. This reasoning can be explained by the following quotation;

"Spies are a most important element in water, because upon them depends an army's ability to move."

(Tzu, 6th cent. B.C./2005, p.259)

In a competitive environment, knowledge is everything and crucial information gives you the ability to make the right decisions. The meaning of 'water' is essentially the capability of information, as it can both lead you to victory (when information is valid and reliable) as well as complete disaster (when it is deceptive and dubious). Vital information is complicated to get hold of and one has to use 'spies' to be able to get to this information. Spies are denoted as the means of acquiring information, regarding a party of interest. The danger with using spies is however, that you have to trust the information they provide and accept the possibility of being betrayed. Only when this is present, the right decisions and actions are achievable. The complexity and danger of this process could be illustrated as a battle where the party with the most information will attain competitive advantages and be able to exploit opportunities.

With the increasing importance of the Internet in everyday life, both from a social and commercial point of view, it has become ever more crucial to understand the new market and the new type of consumer. This information is hidden in the perceptions and attitudes where these parts depict the behaviour of consumers, which is why spies are used in extracting this type of information. The more concrete task of the spies in the context of this thesis consists of understanding what implications the Internet has on consumer behaviour in general and high-involvement purchases in particular.

There are great advantages and opportunities with studying consumers in order to find out what could make them purchase more on the Internet. This is a burning and contemporary issue that needs to be explored further as both the consumers and the online market could profit from the findings of this research, although on the expense of the traditional market.

1.3   Purpose

The purpose of this thesis is to investigate what specific features buyers in the traditional market believe are unsatisfactory or missing in the online market. Our findings will help us give suggestions on what actions online merchants might take in order to redistribute high-involvement purchases from the traditional market to the online market.

1.4   Research questions

The following three research questions have been developed in order to support the purpose of the thesis in the best way possible.

- *What* is the distribution of consumers' high-involvement purchases at the traditional market in contrast to the online market?

- *How* do consumers behave when making high-involvement purchases in the traditional market?

- *Why* do consumers prefer one market over the other, i.e. if this distribution is unequal?

The first of these research questions is set to discover how uneven the distribution between the two markets is. This is important in order to understand the significance of the overall purpose. The second research question is of importance due to its descriptive nature, while the third research question is explanatory in order to elucidate findings from research question two.

1.5   Definitions

- *Better Business Bureau* (BBB) – Vendor evaluation (Turban, King, Viehland & Lee, 2006a).

- *Byte* – Short for binary term. A unit of data, today almost always consisting of 8 bits. A byte can represent a single character, such as a letter, a digit, or a punctuation mark. Because a byte represents only a small amount of information, amounts of computer memory and storage are usually given in kilobytes (1,024 bytes), megabytes (1,048,576 bytes), or gigabytes (1,073,741,824 bytes) (Microsoft, 2001a). *See also Gigabyte.*

- *Compact Disc* (CD) – An optical storage medium for digital data, usually audio (Microsoft, 2001b). *See also Digital Video Disc.*

- *Digital Video Disc* (DVD) – Optical disc storage technology. With digital video disc technology, video, audio, and computer data can be encoded onto a compact disc (CD) (Microsoft, 2001c). *See also Compact Disc.*

- *Frequently Asked Questions* (FAQ) – A document listing common questions and answers on a particular subject. FAQs are often posted on Internet newsgroups where new participants ask the same questions that regular readers have answered many times (Microsoft, 2001d).

- *Gigabyte* (GB) – One thousand megabytes (Microsoft, 2001e). *See also Byte.*

- *Random Access Memory* (RAM) – Semiconductor-based memory that can be read and written by the central processing unit (CPU) or other hardware devices (Microsoft, 2001f). *See also Video RAM.*

- *The Internet Generation* (Generation i) – People born since 1994 (Microsoft, 1999).

- *Uniform Resource Locator* (URL) – An address for a resource on the Internet. URLs are used by Web browsers to locate Internet resources. A URL specifies the protocol to be used in accessing the resource (such as http: for a World Wide Web page or ftp: for an FTP site), the name of the server on which the resource resides (such as //www.whitehouse.gov), and, optionally, the path to a resource (such as an HTML document or a file on that server) (Microsoft, 2001g).

- *Video RAM* (VRAM) – A special type of dynamic RAM (DRAM) used in high-speed video applications (Microsoft, 2001h). *See also Random Access Memory.*

- *Word-of-Mouth* (WOM) – Verbal consumer-to-consumer communication (Schindler & Bickart, 2005).

2 Frame of reference

The frame of reference will mainly cover aspects related to consumer behaviour with respect to the traditional and online environment. Additional theories that will be covered are related to the online market and high-involvement purchases with power to influence consumers in the decision-making process.

2.1 Consumer behaviour

Buying behaviour according to Sargeant and West (2001) is the process in which individuals and groups are affected when they evaluate, acquire, use or dispose of goods, services or ideas.

Arens (2004) stresses the importance of finding a common language for communication, where the study of consumer behaviour enables marketers and companies to understand their consumers and to keep them interested in their offerings. The importance of understanding consumer behaviour is more specifically attached to; opportunities in the market, selection of target, the marketing mix, and sending appropriate messages. The aim of learning about consumers' buying behaviour is, from a business perspective; to be able to more effectively reach consumers and increase the chances for success (Sargeant & West, 2001).

The area of consumer behaviour touches upon a vast amount of ideas and models which makes the selection for relevant parts necessary. The aspects below were chosen with the purpose of this thesis in mind where the more general part concerns the consumer's purchase decision. The specific parts are on the other hand the influences that the consumer may be exposed to with regards to the purchase, such as the group influence and involvement.

2.1.1 Buyer decision process

As presented by Kotler et al. (2005) the buyer decision process consists of five stages; namely *need recognition*, *information search*, *evaluation of alternatives*, *purchase decision* and *post-purchase behaviour*. The important notion is that a purchase should be viewed as a process rather than just a single action, as can be seen in figure 2.1. Consumers do not necessarily go through all five steps in every purchase situation since some purchases are less complex than others, as explained in section 2.1.3 and figure 2.4.

Need recognition → Information search → Evaluation of alternatives → Purchase decision → Post-purchase behaviour
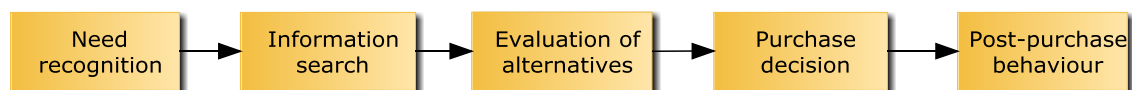
Figure 2.1 - Buyer decision process (Kotler et al., 2005).

The first step of the buying process is the need recognition i.e. consumers feel a difference between their *actual state* and some *desired state*. The need can be activated by either internal or external stimuli where the internal stimuli has to do with the consumer's normal needs (feeling hungry, thirsty etc.). The external stimuli on the other hand could be a smell that that triggers hunger, an admiration for an object and so on. The understanding of need recognition explains what kind of need is triggered by a particular product which is highly significant from a business or marketer perspective (Kotler et al. 2005).

The second step is the search for information regarding the product that will satisfy the consumer's need. As explained above, the consumer may skip some steps due to the complexity and importance of the purchase. If the consumer already has a satisfactory product in mind, the search for more information is not likely to occur. The amount of information that is needed is directly linked to the costs and benefits of the search. Factors that play a role here would be ease of accessing information, the amount of information that is present in the beginning, satisfaction of searching and so on. The additional information can be obtained through *personal sources*, *commercial sources*, *public sources* and *experiential sources*. Personal sources are basically the people that the consumer is familiar with in a private manner, such as family, friends and so on. Commercial sources are the broad marketing messages that companies send out in various ways. Public sources are on the other hand media, organisations and such that the consumer can extract information from regarding some specific product. Experiential sources are linked to the testing of the product or previous experiences and so on. Companies could save a great amount of resources by identifying the consumers' sources of information and their respective importance. Once this is done, companies can easily tailor the marketing mix for the purpose of the situation (Kotler et al. 2005).

The third step concerns the evaluation of alternatives that are available to the consumer at the moment. The set of present alternatives is highly affected by the consumer's desired benefits that a certain product can provide. One aspect is the relevant *product attributes* that the consumer is in search of and how important each attribute is thought to be. Other aspects involve *brand beliefs* where some brands are preferred over other brands. There are various decision rules which can help consumers when selecting an alternative, ranging from careful calculation to impulse or intuition decision. This means that consumers' evaluation process is often dependant on the particular situation and the individual consumer (Kotler et al., 2005).

The fourth step, purchase decision, is mainly dependant on the results in the evaluation process, i.e. the consumer decides to buy the product which is most favourable according to the product attributes, brand preference or decision rule in the evaluation process. However, there are also some exceptions from the general purchase decision. The two factors in figure 2.2 that can affect the purchase intention are *attitudes of others* and *unexpected situational factors*. People close to the consumer can affect the purchase intention if other people's attitudes are strong and if the consumer chooses to act in accordance with these attitudes. Unexpected situational factors occur without the consumer's control and affect the purchase intention by shifting the circumstances which might force the consumer to reconsider the entire process. The purchase decision has a lot to do with minimising the risk involved with the purchase, which is why the consumer undertake various actions such as; information search, preferring certain brands or excluding products without warranty, to mention a few (Kotler et al., 2005)
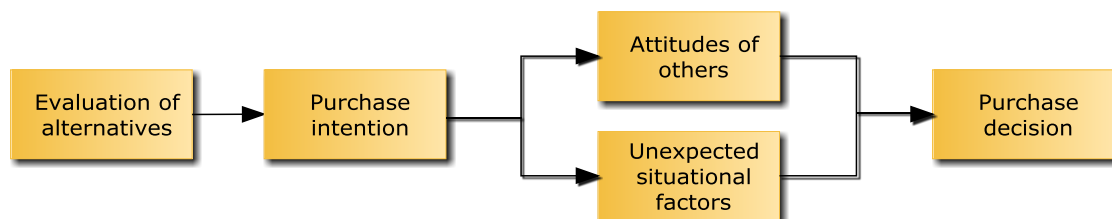
Figure 2.2 - Steps between evaluation of alternatives and a purchase decision (Kotler et al., 2005).

The fifth and final step is post-purchase behaviour, which involves further actions based on the consumer's satisfaction or dissatisfaction after the product is bought. Satisfaction is present when the *consumer's expectations* match or exceed the product's *perceived performance*. When the opposite occurs, the consumer is likely to be dissatisfied. Keeping customers satisfied is vital for a company's existence and prosperity, since satisfied customers are in general more willing to; purchase again, spread positive word-of-mouth, exclude competing brands and offerings, and buy other products from the company. Dissatisfied customers on the other hand spread on average almost four times more word-of-mouth than the satisfied customers, although as complaints instead of praises. Negative word-of-mouth reaches far more people and has a greater effect than the positive word-of-mouth which is a clear indication that companies and marketers need to match or exceed the consumers' expectations in order to be successful (Kotler et al., 2005).

2.1.2 Group influence

Consumers are influenced by a number of social factors in their buying behaviour, such as family, groups, social roles and status. Primary groups are family, friends, neighbours or other groups that the consumer has regular yet informal interaction. Secondary groups on the other hand are less frequent but more formal gatherings like religious groups, organisations, professional associations and so on (Kotler et al., 2005; Sargeant & West, 2001).

Groups influence consumers' behaviour in various ways and Kotler et al. (2005) argues that group influence is highest for conspicuous purchases. The similar notion is stated by Sargeant and West (2001), where the authors argue that the greatest group influence is present for high-risk products. Figure 2.3 shows the extent of group influence with regards to both product and brand choices for four types of products. Conspicuous products fall under public luxuries and public necessities since these products are socially visible. The difference between a necessity and luxury lies in how few or how many people own the product (Kotler et al., 2005).

Group influence on brand choice
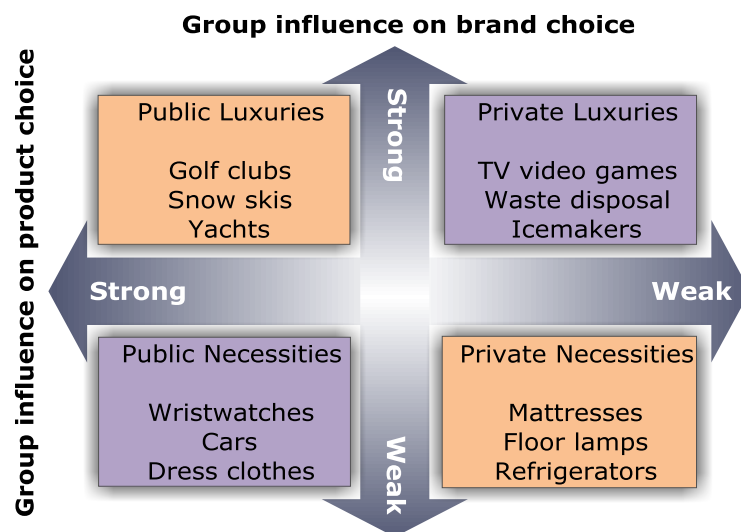
Figure 2.3 - Extent of group influence on product and brand choice (Kotler et al., 2005).

The weakest group influence is within private necessities since these products are both publicly noticeable and owned by a majority of consumers. The strongest influence on the other hand is for the public luxuries (Bearden & Etzel, 1982).

Additional groups can be reference and aspirational groups, where reference groups influence consumers' attitudes by comparing or referring to the group's attitudes about a product or brand. In the case with reference groups, consumers are influenced by their own need to 'fit in' the group's beliefs and attitudes. This need simply comes from valuing and feeling concern for the members of your group, and whose opinions and approval means a lot (Arens, 2004). The high influence of reference groups is strong since consumers regard members of their group as credible (Sargeant & West, 2001). Aspirational groups influence consumers indirectly by acting on their affection for their favourite artist or athlete (Kotler et al., 2005).

2.1.3 Involvement

The level of involvement is individual and dependent of the consumer's interest and/or recognized importance. A certain level of involvement and differences between brands decide how motivated the consumer is to process information (see figure 2.4).

Complex buying behaviour – There are several factors that might make consumers highly involved, for example when (Kotler et al., 2005);

- a purchase involves a high risk,
- products are expensive,
- there are great differences among brands,
- products are very self-expressive,
- and/or when the product is purchased rarely.
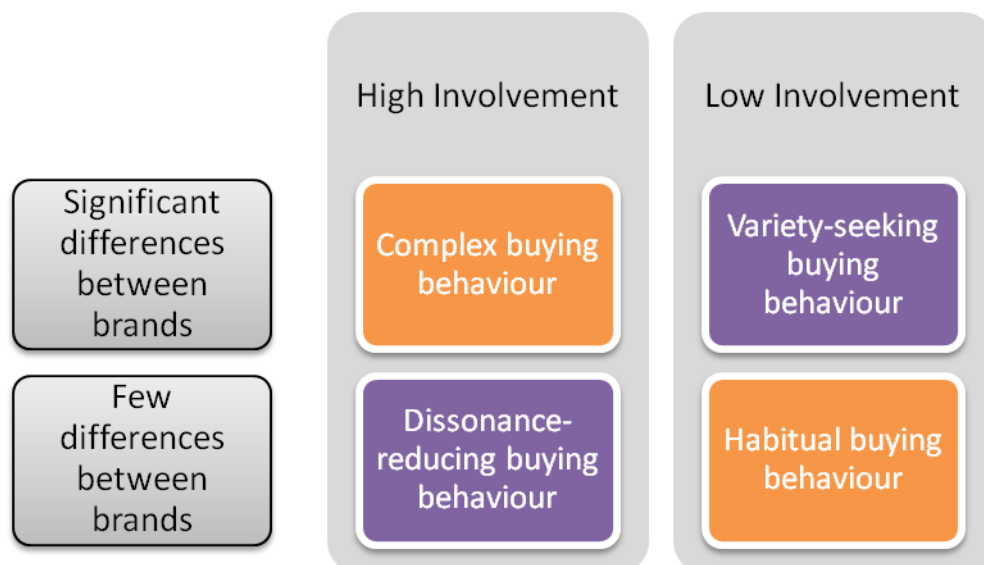
Figure 2.4 - Four types of buying behaviour (Kotler et al., 2005)

In such situations consumers tend to take on a complex buying behaviour. In this case consumers have to process great amounts of information in order to be able to gain knowledge about the product, develop beliefs and attitudes about it, and finally purchase it, e.g. a PC is regarded as complex due to the big differences in terms of technical specifications and brands (Kotler et al., 2005).

Dissonance-reducing buying behaviour – In situations where consumers carry out a dissonance-reducing buying behaviour, the same factors constitute an important role as for the complex buying behaviour, except here we only find few differences among brands. Consequently, consumers are highly involved, but tend to make quick decisions after learning what choices they have, and price often becomes the primary factor of importance (Kotler et al., 2005).

Habitual buying behaviour – Habitual buying behaviour are undertaken when consumer involvement is low. Also here differences among brands are recognised as insignificant, and price is low. The products are bought on a regular basis, and the choice of brand is made by routine (Kotler et al., 2005).

Variety-seeking buying behaviour – Here highly perceived differences among brands often result in brand switching. Consumers have a low-involvement, and often hold a belief about the product before the purchase. Evaluation of the product is instead made during the consumption (Kotler et al., 2005).

Communication and persuasion are not synonymous but consumers can be persuaded to some extent with thought-out and well-aimed communication. Two ways of persuading consumers can be by using the central and the peripheral route to persuasion. When consumer's involvement is high, the central route would be more suitable for persuasion. On the other hand, when consumer's involvement is low, the peripheral route would be a better alternative (Arens, 2004).

The steps of the central route to persuasion begin with consumer's high-involvement for a product or message where the attention should be on the 'central' product-related information. The peripheral route to persuasion sets off with lower involvement and the attention is put on 'peripheral' non-product information. The comprehension accents short elaboration on shallow and non-product information. Persuasion acts upon non-product beliefs and attitudes towards the communication instead of the product (Arens, 2004).

For high-involvement purchases and when a product has a distinct advantage, the focus should be on product superiority and comparative information. Although, the key to persuasion is to repeat the message in order to penetrate consumers' perceptual screens (Arens, 2004).

2.2 Online consumer behaviour

The Internet has become so vital for our everyday life where it has evolved from a theoretical concept to the reality it is today. There are so many activities on the Internet that not even your imagination can set the boundaries for what is possible. No matter what it is used for, it will be around for a long time and also an elementary part of our society (Groucott & Griseri, 2003).

The typical Internet user today is a young person and the more rare Internet users are the persons over 35. The interesting information is that in 2001, female Internet users overtook men in the USA and it is also stated that women are more and more willing to make online purchases (Groucott & Griseri, 2003).

According to Turban et al. (2006a), the more experience consumers have with the Internet and online purchases, the more likely it is that they will spend more money online, which clearly is another interesting finding with regards to online consumer behaviour.

The increased competition in the online environment has made the acquiring and retaining of customers more complex than ever before. The key here is to be able to understand the consumer behaviour online in order to find success (Turban et al., 2006a).

The model regarding online consumer behaviour was selected as a contrast to the traditional consumer behaviour. The time constraint related to this thesis affected the amount of empirical data that could be collected which resulted in an investigation focusing on the behaviour of the traditional buyer. These empirical outcomes of the traditional consumer behaviour will be compared with the online consumer behaviour theories in order to form a meaningful comparison of the consumer behaviour in the traditional and online environment. Similarly, the section regarding trust in e-commerce is relevant for understanding the complexity of online purchases from different angles and to put the different types of trust in the picture.

The e-commerce consumer behaviour model is quite broad in describing the consumer behaviour in the online environment (see figure 2.5). The central part of the model is more focused on the actual purchase and the various steps related to the purchase process. This part is quite similar to the traditional five-step buyer decision process (see figure 2.1) where identical steps are present with the exception that this process is focused on aspects concerning the online environment (see table 2.1).

2.2.1 E-commerce consumer behaviour model

The model can be divided into four main variables, where each variable has sub-variables (see figure 2.5). The independent or uncontrollable variables comprise *personal characteristics* and *environmental characteristics*. The intervening or moderating variables hold the business aspect and its control in the form of *market stimuli* and *EC systems*. Found in the centre of the model is the decision-making process which is influenced by the two previously mentioned variables (independent and intervening). The whole model ends with the dependent variables or results which are the buyer's decisions box (Turban et al., 2006a).

Personal characteristics involve demographics, behaviour and individual factors. These factors influence online consumer behaviour in various ways, for instance; consumers with high levels of education and/or income are correlated with higher amount of online shopping. Another finding is that the more experience consumers have with online shopping, the more likely it is that they will spend more money online. Personal characteristics also affect why consumers do not buy, where the two most influencing reasons are shipping fees (51 percent) and inconvenience of assessing the product's quality (44 percent). The least mentioned reason for not buying online is the occurrence of a negative experience (only 1,9 percent) (Turban et al., 2006a).

Environmental characteristics consist of social, cultural/community, political, technological and other environmental variables. With regards to the purpose of this thesis, most weight is put on the social factors. The social variables play a major part in online purchasing (Turban et al., 2006a), as does group influence in traditional purchasing (Kotler et al., 2005). These aspects are quite alike since both consider how family members, friends, co-workers, neighbours and so on influence the consumer. The important difference is that the online environment enables consumers to communicate through online communities and discussion groups (Turban et al., 2006a).

The intervening or moderating variables are comprised by product and brand offerings, marketing mix, and supporting systems and services. The market stimuli aspects are quite common with the stimuli in the traditional environment but the services and systems differ somewhat from the ones in the traditional environment. For example, online payments are different from traditional payments as well as customer contact which differ in the sense that online consumers cannot physically see the salesperson or feel the atmosphere at the company (Turban et al., 2006a).

The independent and the intervening variables influence the decision-making process where the focus in this thesis is on the individual buyer rather than the group (or organizational) buyer. The previously mentioned buyer decision process (in section 2.1.1) could rationally be applied even in the online environment since it consists of quite general steps. The Web-based customer decision support system is basically a framework based on the steps of the buyer decision model (see table 2.1). Each generic step is supported by customer decision support system (CDSS) facilities and Internet and Web facilities. Certainly, the CDSS facilities can be seen as purpose-built tools aimed at consumer decision-making, the Internet and Web facilities on the other hand are more general tools that can be used in decision-making (Turban et al., 2006a).
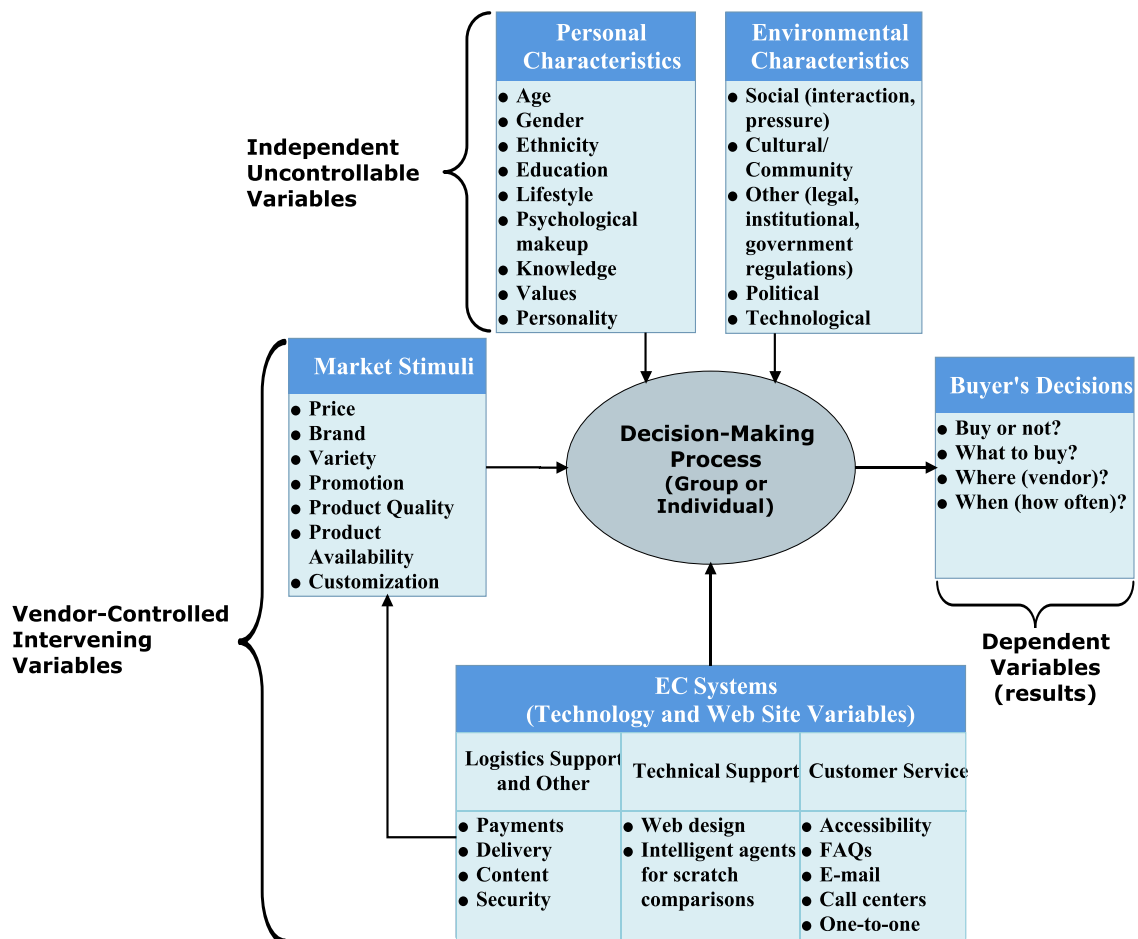
Figure 2.5 - E-commerce consumer behaviour model (Turban et al., 2006a)

To wrap up the e-commerce consumer behaviour model (figure 2.5), the consumer's decision-making process is influenced by the independent (personal and environmental characteristics) and intervening (market stimuli and e-commerce systems). The results of this whole process are basically the answers to the questions regarding buyers' decisions, i.e. to buy or not, what to buy, where to buy and when. Businesses can only affect the intervening variables but it is highly important to understand in what way these variables affect consumers and how one could achieve even greater effects (Turban et al., 2006a).

Table 2.1 - Web-based CDSS (Turban et al., 2006a)

Web-based customer decision support system		
Steps in the Decision-making process	*CDSS facilities*	*Generic Internet and Web support facilities*
Need recognition	• Agents and event notification	• Banner advertising on Web sites • URL on physical material • Discussions in newsgroups
Information search	• Virtual catalogues • Structured interaction and question/answer sessions • Links to (and guidance on) external sources	• Web directories and classifiers • Internal search on Web site • External search engines • Focused directories and information brokers
Evaluation, negotiation, selection	• FAQs and other summaries • Samples and trials • Models that evaluate consumer behaviour • Pointers to and information about existing customers	• Discussions in newsgroups • Cross-site comparisons • Generic models
Purchase, payment, and delivery	• Ordering of product or service • Arrangement of delivery	• Electronic cash and virtual banking • Logistics providers and package tracking
After-purchase service and evaluation	• Customer support via e-mail and newsgroups	• Discussions in newsgroups

2.2.2 Trust in e-commerce

Trust can be defined as; "the psychological status of involved parties who are willing to pursue further interaction to achieve a planned goal", Turban et al. (2006a, p.149). Trusting someone means to have confidence that the promises made by another party will be kept. This statement also implies that there is a certain risk involved, for both parties, that this trust can be breached. The breach could involve destructive actions from either party or problems within the e-commerce environment and infrastructure. These aspects are de-

picted in the e-commerce trust model (see figure 2.6), where each area of trust is high-lighted (Turban et al., 2006a).

The orange aspects deal with the consumer's trust in the capabilities of the Internet mer-chants. The blue aspects grasp trust in Internet as shopping channel and the lilac aspects hold issues related to the e-commerce environment. According to the model, the level of trust in each area depends on the performance of each variable on the left side of the model (Turban et al., 2006a).
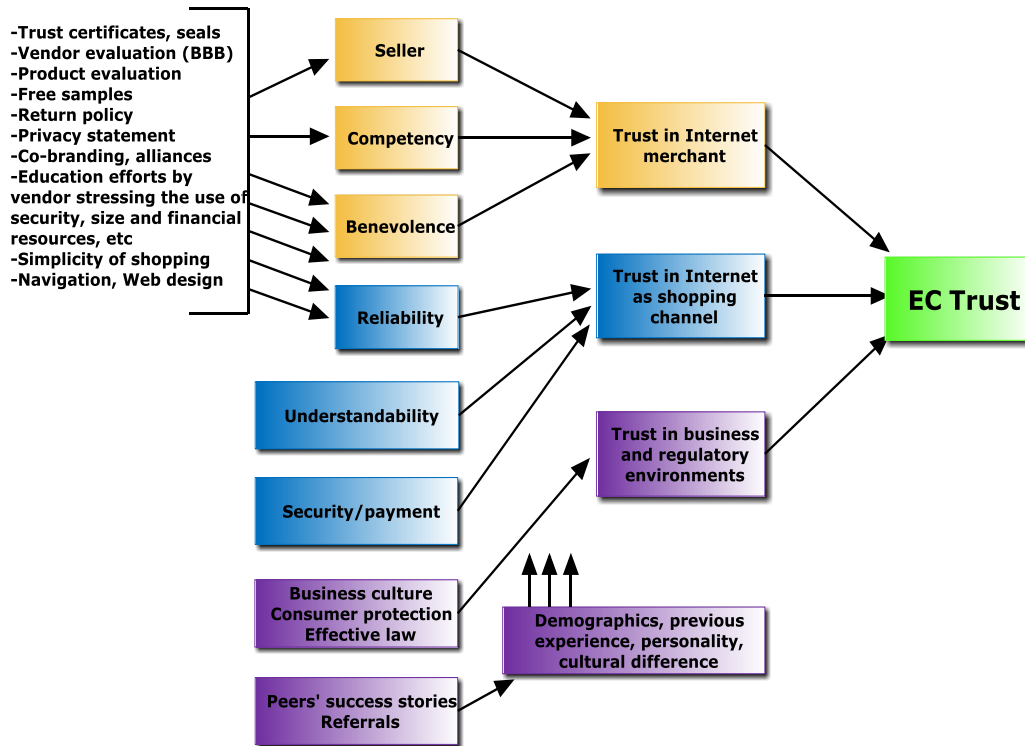
Figure 2.6 - E-commerce trust model (Turban et al., 2006a).

3 Method

This chapter will describe the methods used to collect and analyse the quantitative survey and the qualitative interviews.

3.1 The empirical study

The data collection throughout the study includes both qualitative and quantitative research methods. The reason behind the combination rests on the requirement that all data assortment has to be appropriate, justifiable and relevantly collected. The two approaches have their respective advantages; the quantitative is used to address hypothetical relationships among variables that are measured in numerical and objective ways. The qualitative on the other hand, is used to address questions of sense, interpretation and realities in a social construction (Newman, Ridenour, Newman & DeMarco, 2003). The target group for the entire thesis was students at Jönköping University. We have chosen to concentrate the study on students because;

1. Data from this segment is relatively accessible, both from geographical and time consuming aspects. The gathering of data is further simplified as the authors, in capacity as students, are in daily contact with this segment.

2. Students are constantly bound to use the school networks for various concerns (information search, student collaboration, data sharing, signing-up for exams/projects/courses, document uploading/downloading, general track-keeping etc.). Consequently, they are familiar with Internet usage – a vital factor to be able to provide sufficient information to the study.

3. Built on previous experience and observations it is likely that students have, at some point in their life, conducted a high-involvement purchase (e.g. laptops and cell-phones etc). Conclusively, the probability to acquire appropriate information within this segment is believed to be high.

On the basis of the second explanation above, only students that have answered that they use the Internet on a daily basis were considered in the qualitative interviews. An additional requirement has been that they have bought their current laptop in the traditional market. This lies within the reasoning to figure out why they have *avoided* the Internet in this matter. It is important to follow this requirement since the research aims to investigate the reasons for why some consumers avoid purchasing high-involvement products online. Finally, to ensure an objective evaluation of perceptions among students, but also between sexes, an equal gender distribution has been chosen to represent the segment.

The exclusion of other segments (non-students) lies within the reasoning that the possibility of being *unable* to find respondents for the qualitative survey (as they may turn out to be unfamiliar with Internet usage) might show to be substantially high. Hence it may pose a threat to the time planning.

The data collection for finding out where students make their high-involvement purchases is to demonstrate the market allocation of consumers. It is only to map out the purchase location (i.e. the traditional or online market) and thus the survey will be run in a quantitative fashion. A group of one hundred fifty students is to represent the segment. In this

phase consumer preferences and factors affecting the choice of location are not relevant and thus not considered.

The choices that students make rely on some preferences. The relevance of these preferences is to be examined to a greater extent in order to acquire a deeper understanding of the student behaviour. This comprehension will be revealed by thoroughly interviewing six students. By doing so, we will get a lock on the preferences that drive the choices they make. In order to obtain information regarding interpretations, realities and senses the interview is to be conducted qualitatively.

The reason behind driving a quantitative research on one hand and a qualitative research on the other is to answer two essential but different questions. The quantitative research basically aims at showing the purchase location. The results from this research will mainly entail the statistical reality, thus answering – *where* do students purchase their laptops? The qualitative research will on the other hand reveal the reasoning *behind* the choices students make in prior to the purchase, thus uncovering – *why* do they purchase their laptops at one location and not the other?

3.2   The quantitative research

Since the quantitative survey is only to categorize consumers into two segments, i.e. traditional buyers and online buyers, it is arguable to treat the data nominally in a descriptive fashion (Saunders, Lewis & Thornhill, 2003). Although the data is purely descriptive it is possible to measure the case spread between the two segments and since this is the only measure we desire at this particular moment of the process, it is unnecessary to take the data treatment further. The survey entailed where 150 students had made there last laptop purchase. Further, it disclosed their age and gender, but also data on level of involvement, frequency of Internet use etc. It is simply an illustration of the consumer distribution among students. The quantitative survey was provided to students in both Swedish and in English. In order to increase the response rate for the qualitative research, a gift certificate was promised to the six selected interviewees.

3.2.1 Pilot study

The benefits of piloting are to see how well the questionnaire works in practice and to give the researchers the chance to, if necessary, modify the questionnaire before handing it out to the final target group (Blaxter, Hughes & Tight, 2006). Doing so, there will be no difficulty for the respondents of the final questionnaire to answer the questions. Further, it will help estimating the validity of the questions and the reliability of the data. This is done in order to make sure that the answers provide sufficient information to be able to execute the purpose of the research (Saunders et al., 2003).

Saunders et al. (2003) further argues that the respondents of the pilot and the respondents of the final questionnaire should be "as similar as possible", and that the number of people in the former group should be adequate enough to cover potential variations in the results received from the latter. Saunders et al. (2003) specifically states that a minimum of ten pilot questionnaires should be conducted in a relatively small survey, while 100 to 200 should be done for a larger survey.

In prior to the quantitative survey underlying this research, a pilot version was submitted to eleven individuals. Some of them where randomly chosen while some where relatives and

friends of the authors, all fulfilling the same criteria as the respondents of the final quantitative survey. They were asked to answer the questions in the first draft of the questionnaire and in addition to give feedback and constructive critique, both in writing and orally.

The purpose of the pilot study was to ensure that the questions stated were appropriate, that it was not difficult to understand and answer them, and that the structure and layout was applicable and appealing to the respondents. Moreover, it was important to find out if the respondents would be unwilling to answer any of the questions. The piloting also measured and defined the approximate time it took for a single questionnaire to be completed.

3.2.2   The findings and changes from the pilot study

The second question in the questionnaire was simply stated "Age:" followed by a blank space. Six out of the eleven test respondents did not state their age. When asked why, they answered that they simple failed to notice the question. Hence, the text "Please state your age:" was added in the earlier blank space.

Originally in question six, "How frequently do you order/purchase goods and/or services on the Internet?", five alternatives for an answer was given. Those were "Once every week", "Once every month", "Once every six months", "Once every year", and "Less than once every year". Several of the respondents expressed that there were too large time gaps between the alternatives, specifically between "Once every month" and "Once every six months". Therefore, a sixth alternative was added, namely "Once every three months".

Initially the questionnaire included ten questions, divided into three parts, where the third part held the four last questions in the given order below;

- Do you have a laptop (notebook)?

- Did you actively participate in the purchase (based on brand, quality, price, components etc)?

- Did you personally pay for the laptop?

- If yes on question nine, did you buy the laptop online or in a traditional store, (e.g. SIBA, ElGiganten, OnOff, etc)?

The alternatives that were given to the first three questions in the third part were either "Yes" or "No", and for the fourth one the respondent could answer either "Online store" or "Traditional store".

When conducting the pilot study it was found that the first of these four questions did not allow the respondents to answer the following three questions if the answer "No" was given. Consequently, it was decided that this question was to be removed and instead asked orally before a person was given the questionnaire. In that way time could be saved when conducting the research and analysing it as all respondents would match the target group on this prerequisite.

A significant number of the test respondents also expressed that, if they personally had paid for their laptop, it was obvious that they had actively participated in the purchase. Hence, in order to clarify, the second question was reformulated. Instead the question was

changed to; "How involved where you in the purchase of your laptop, concerning brand, quality, price, components etc?", and the alternative answers given where "Very low", "Low", "High", and "Very high". This way, it was no longer a question whether the respondent was involved or not, but how involved the person was. Further, the order of the second and third question was changed to create a more natural structure. Also the alternatives were changed when asking if the person had paid personally for their laptop. Instead of just "Yes" or "No", the alternatives "Yes, fully", "Yes, partly", and "No" were given.

In order to simplify the questionnaire even further, the last question was reformulated as well. In the final version the ninth (last) question simply said; "Did you buy the laptop online or in a traditional (physical) store?" The alternatives were left to be the same.

The overall feedback on the layout and structure of the questionnaire was positive with only a few exceptions. Hence, some changes were made concerning font, font size, and spacing.

3.3 The qualitative research

In the qualitative survey we examined the reasons behind the choices that students make. The choices are associated with which market place they prefer and why they prefer it. Again, as mentioned in section 3.1, the selection of interviewees renders from certain requirements, such as high Internet usage frequency, high-involvement and what purchase location they chose for their laptop. It included six cases, all of whom had bought their respective laptop in the traditional market; three male cases and three female cases. The reason for selecting six interviewees was since this amount was feasible and manageable within the given time horizon. It is within the research area to figure out what needs to be done in order to attract traditional consumers to online purchasing and hence the traditional consumers (and not the online consumers) must be interviewed to provide answers to why the Internet has been avoided in this matter. The idea that already current online consumers could be studied to come to disclosing findings for this matter is evident, but the interest of the study lies in the *missing* attributes for online purchasing – attributes that current online consumers understandably have disregarded or overseen. An equal gender distribution has been selected for the six interviews to ensure an objective evaluation, not only of perceptions among students, but also differences opinions across the sexes. Perhaps males and females think differently, and this notion should not be neglected in advance. In our investigation we examined consumer behaviour and its subcategories, all of which we believe are drivers of high-involvement decision making, an idea also stated by Kotler (2005).

By conducting in-depth interviews with cases from the traditional segment – students that have purchased their laptop in the traditional market – the findings should lead to results that can be helpful in attracting more consumers to the online market. The aim is to figure out why they are reluctant to purchase online. Conclusively, the major motive arises - to discover why traditional consumers have avoided online stores.

The interviews were held in Swedish. There is one fundamental reason behind this decision – as there is a risk of interpreting the answers differently, depending on what language is used; there is a possibility of making linguistic miss-interpretations. All the interviews were therefore held in the same language. The average time length for the interviews was approximately fifty minutes.

3.4   Critical data collection and treatment

To ensure that the collection of data is retrieved in a consistent and reliable manner, and in order to avoid miss-interpretations, certain steps to ensure a compelling methodological approach have been regarded and followed.

3.4.1 Significance

The findings from the surveys will be analysed and together with theoretical rationale present an answer to the main research questions. It is important that the data analysis holds, meaning that the data collection along with the analysing process is concise and relevant. According to Blaxter et al. (2006) significance is to measure how important a particular finding is judged to be. In the process of preparing the data a strong emphasis have been put on this to secure that no data is overlooked, misunderstood or neglected. An extensive documentation of each interview is provided to the reader in a transcript, where each and every statement uttered during the interview is documented. How and why this is important is further explained in section 3.6 Preparing data for analysis.

3.4.2 Reliability

The study is to be carried out in a way that if another researcher tries to present answers to a similar research, perhaps in another setting, he or she should come up with similar results (Blaxter, Hughes & Tight, 2006). The interview objects have been chosen on two criterions. Respondents in the quantitative survey who have answered that they were highly involved in the purchase of their laptop and respondents who answered that they paid for the laptop in full or partly. This has been done to reduce the threat that respondents that do not fall within one of these two categories might expose to the data collection; they might not have sufficient experience or valuable opinions over the buying process since they were not highly involved in the purchase. This poses a definite threat to the data collection as it means that, after having chosen the six interview objects, it might turn out that they cannot provide elaborative answers. The respondents that fully or partly paid for the laptop have, other than the need for a laptop, a financial motive for getting involved. This motive is likely to encourage the buyer to get involved; thereby reducing the risk of informational meagreness, in the data collection. The criterions render from this reasoning.

Sargeant and West (2001) argue that in both consumer and organisational buying there is an overabundance of variables affecting whether a buyer is to initiate a purchase or not. Following this, we have excluded certain elements from consumer behaviour with the reasoning that the time horizon we are bound to is limited. Conclusively, we have focused on the elements which we believe are of greatest interest. We are aware of the notion that the decision to include certain elements on one hand and to exclude others on the other is bound to the requirement that it can be justified. Inductively, it is to entail what underlining elements affect buyers' choice for one specific location of purchase and whether these findings can be utilised in order to shift buyers from one location to the other, i.e. from the traditional market to the online market. It is not for the thesis to investigate an entire science of behaviour, but to select certain elements to analyse and then demonstrate how the utilisation of these elements can be useful.

3.5   Research methods

The quantitative survey has dealt with the collection of general information, gathered in order to answer questions regarding the distribution of consumers between the two markets. Questions provided and answered include age, gender, school enrolled at, Internet usage frequency, Internet-based product order frequency, level of involvement, payment, and location of the consumer's last laptop purchase. The survey, which is in the form of a questionnaire, provided the respondents with closed questions only. The reason is to illustrate an overall view of the "laptop purchasing student". Again, it is not for the quantitative survey to entail the reasons behind the purchase but to give the reader a general perspective of how students, purchase laptops. The decision to use a questionnaire is based on the practical and operational advantages it provides. It fits among the most widely used researcher techniques and it offers the researcher to state precise written down questions to those whose opinions or experiences the researcher is interested to discover (Blaxter, Hughes & Tight, 2006). There are several different approaches to select among within the questionnaire technique, i.e. telephone, e-mail, post or face-to-face. Comparing the different alternatives, it has been decided that the most preferable is a face-to-face approach for this type of data collection. Some of the advantages of this type of collection is the possibility to answer eventual inquires that might arise, the accessibility the target place provides and the impeccable response rate (everyone provided with a questionnaire have agreed to fill it out, which in turn means total response). In total, 150 questionnaires were handed out and collected within three days. They were provided to students at the different faculties and in the common rooms, such as the cafeteria. When the practical side of the data collection had been completed it was inserted and categorised in figures and diagrams, found in appendices III through XI. The categorisation presents a good and clear overview for how to interpret the answers provided.

3.6   Preparing survey data for analysis

When the empirical findings have been gathered they will be prepared for the analysis. This process requires well-structured and comprehensive writing. Fowler (2002) states that in order to make sense of all the variables the classification of data collection must be processed in a concise and relevant manner. After having conducted the interviews, recorded and documented them in a Swedish version, a translation of each transcript was made and sent to an external party for validation. This was done in order to gain assurance of a reliable translation. With the approval from this external party the preparation for analysis began. In the preparation, each single transcript was summarised to ease the comprehension of the findings. Without summarising the transcripts, the readability would have been extensively exhausting for the reader. Having the empirical findings ready, connecting each and every corresponding statement to a particular theory was conducted. Additionally, before starting the analysing process a couple of theoretical steps were considered and discussed among the researchers in order to ensure that all researchers analyse concurringly. These are found below.

According to Fowler (2002) there are five separate phases for preparing the data;

- Deciding on a format (how the data will be organized in a file)

- Designing the code (the transformation from answers to numbers and vice versa)

- Coding

- Data entry (inserting data into computer readable form)

- Data cleaning (final check for accuracy, consistency and completeness)

The format refers to what software will be used for the data treatment and it is here important to be consistent with the choice of software in order for the files to be both compatible for measuring as well as for comparing the data. To design a code is to assert a set of rules that will be used when translating the empirical data into comparable figures (numbers). The reason is to design categorical answers that are analytically similar and to differentiate between the answers that are dissimilar. It is of grounded importance to realise what characteristics of the answers that are of significant value. If not considered, there is a risk of making erroneous separations *or* inaccurate correlations between answers. Coding also includes making sure that if there are more coders (researchers) than one, all participants should code in the same way. Data cleaning involves doing final checks when the data has been formatted and coded. It is important to make sure that the data file is complete and in a structured order, before starting the analysing process.

Fowler (2002) elaborates further by stressing that there are two major risks involved in the preparation of data.

- Transcriptional error

- Coding decision error

Transcriptional errors occur when there is a typo in the recording/insertion of the data. Coding decision errors occur when an equation written to be used, is faulty as it has applied the wrong rules or code values. It has been in our interest to ensure a high level of significance and reliability and this is why this guidance has been followed.

3.7 Systematic research approach

The figure below demonstrates the systematic approach of the thesis. We have decided to use a trapezoid (Davidsson, 2001). The trapezoid is to show how we chose to carry out the thesis.

Starting with the background we give the reader an insight for why the authors have chosen the subject area. This then make out the foundation of the problem, in this case – why consumer behaviour for laptop purchases is divided between traditional and e-commerce markets. With the problem outlined the authors state the purpose. The purpose of this thesis is to increase high-involvement purchases online through further development of e-commerce by incorporating important features of traditional commerce.

The practical work will now start with incorporating those theories we have chosen along with the empirical findings we have gathered. By the method and its tools we choose to use, we will analyze the problem in a comparative fashion. The results from this comparison provide the authors with enough information to come to a conclusion. The conclusion will then answer the purpose while the recommendations will provide a possible solution to the problem.

The trapezoid also entails something else, looking at the figure, one realises that the boxes differ in size following the shape of a trapezoid. Background is very wide, indicating that the background area is a wide one, which is then followed by a more specific problem. The

purpose is then further grinded as it aims at a specific situation. The method, frame of reference and analysis then operate within the purpose parameters. The conclusion broadens out to answer the equally sized purpose as the recommendations address the practical problem.
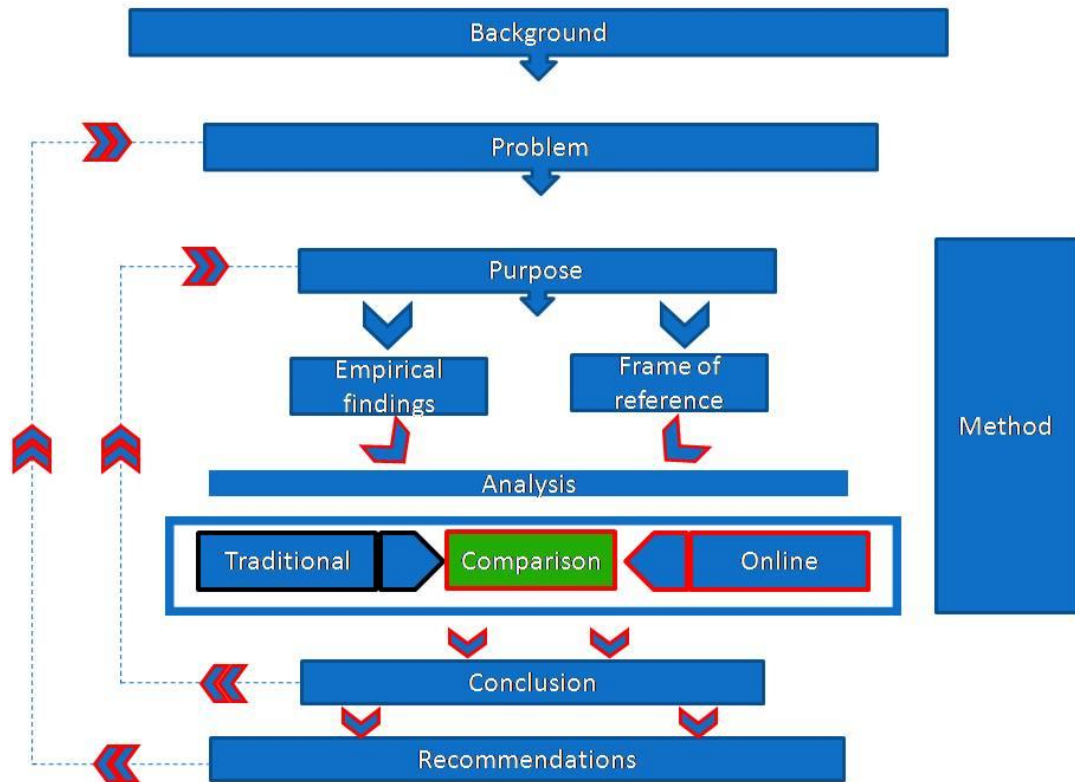
Figure 3.1 - Trapezoid (Davidsson, 2001) [Modified]

4 Empirical findings

The information gathered for the purpose of this thesis will be presented in this chapter. Solely, primary data sources will be used in form of a quantitative study and six in-depth interviews.

The empirical findings for this research have been collected in two different phases. In the first phase, a quantitative survey has been conducted in order to find numerical data that is significant to the research. In the second phase, a qualitative survey was carried out in order to gather in-depth understanding related to the subject and the research questions of the thesis.

4.1 The survey

As the research is aimed to focus on a specific consumer segment, i.e. experienced Internet-users and online buyers where students are largely appropriate and also rather accessible. The authors had to choose a suitable location where the survey was to take place; hence the survey was conducted at the Jönköping University in Jönköping, Sweden. Further, the research focuses on a specific consumer product, i.e. laptops. For these reasons the respondents were asked on beforehand if they were students and if they owned a laptop.

In total, 150 students were randomly chosen and asked to answer the questions in the survey. The quantitative survey contained nine questions designed to find numerical data on the consumers and their buying behaviour related to purchasing of laptops, other products and services on the Internet, but also about their general usage of the Internet (see appendices I through XI). The survey was divided into three parts; 1) *personal information,* 2) *Internet and online purchasing*, and 3) *choice of product and market.*

In the first part, "personal information", three questions were asked, i.e. about the gender and the age of the respondent, and what school the person was studying at (see table 4.1 for detailed information). Out of the 150 persons that were asked, 52 percent were women and 47 percent were men. One percent did not answer the question, most likely because the person failed to notice it, but the person might also have been unwilling to answer this question for some reason. However, the result presents a fairly even distribution between men and women.

Table 4.1 - Results regarding personal information

1. Gender distribution			
Male: 71 (47%)	**Female:** 78 (52%)	**Not available:** 1 (1%)	**Total:** 150 (100%)

2. Age distribution								
19y: 6	**20y:** 15	**21y:** 17	**22y:** 23	**23y:** 29	**24y:** 21	**25y:** 8	**26y:** 4	**27y:** 5
28y: 4	**29y:** 2	**30y:** 0	**31y:** 0	**32y:** 1	**33y:** 2	**34y:** 1	**Not available:** 12	**Total:** 150

3. School distribution					
JIBS: 68 (45%)	**JTH:** 32 (21%)	**HLK:** 31 (21%)	**HHJ:** 16 (11%)	**Other:** 3 (2%)	**Total:** 150 (100%)

Further, the distribution of age was reasonably wide, stretching from 19 to 34 years old students (except for none in the age of 30 and 31). However, 70 percent of the students were between 20 and 24 years old, and a majority of 29 students out of the 150 asked were 23 years old. Twelve students did not answer the question, probably because they failed to notice the question or felt unwilling to answer it.

In the third question the students were asked to state which school they were studying at. Since the survey was conducted at Jönköping University, five alternatives for an answer were given, i.e. JIBS (Jönköping International Business School), JTH (School of Engineering), HLK (School of Education and Communication), HHJ (School of Health Sciences), and Other. 45 percent of the respondents were students at JIBS while 21 percent studied at JTH and an equal amount at HLK. Further, eleven percent studied at HHJ and the remaining two percent at some other school.

In the second part, "Internet and online purchasing" (see table 4.2 for details), another three questions were asked, i.e. the following;

- How often do you use the Internet in average per week?

- During the last year, have you ordered/purchased goods and/or services on the Internet?

- How frequently do you order/purchase goods and/or services on the Internet?

In the first question five alternatives for an answer were given, i.e. *seven days per week*, *five to six days per week*, *three to four days per week*, *one to two days per week*, and *less than one day per week*. 85 percent of the responding students answered that they were using the Internet seven days per week on average. 12 percent of the respondents use the Internet five to six days per week, and the remaining three percent were evenly divided between three to four, one to two, and less than one day per week.

Table 4.2 - Results regarding the Internet and online purchasing

1. Internet usage per average week					
How often do you use the Internet in average per week?					
7 d/w: 127 (85%)	5-6 d/w: 18 (12%)	3-4 d/w: 2 (1%)	1-2 d/w: 1 (1%)	<1 d/w: 2 (1%)	Total: 150 (100%)
2. Online purchasing within the last year					
During the last year, have you ordered/purchased goods and/or services on the Internet?					
Yes: 140 (93%)		No: 10 (7%)		Total: 150 (100%)	
3. Frequency of online purchasing					
How frequently do you order/purchase goods and/or services on the Internet?					
Once /week: 13 (9%)	Once /month: 53 (36%)	Once/3 months: 47 (31%)	Once/6 months: 20 (13%)	<Once/6 months: 17 (11%)	Total: 150 (100%)

In the next question 93 percent replied that they had purchased or ordered a product or service during the last year. In the last question in this part of the survey five alternative answers was given, namely *once every week*, *once every month*, *once every three months*, *once every six months*, and *less frequently than every six months*. Most respondents, i.e. 36 percent, answered "once every month", and 31 percent answered "once every three months". 13 percent of the students responded "once every six months" and eleven percent "less frequently than every six months", while only nine percent answered "once every week".

In the third part, "choice of product and market", the last three questions were put (see table 4.3). Those were;

- Did you personally pay for your laptop?

- How involved where you in the purchase of your laptop, concerning brand, quality, price, components etc?

- Did you buy the laptop online or in a traditional (physical) store?

Three alternatives for an answer was given to the first question; *yes fully*, *yes, partly*, and *no*. 52 percent of the students stated that they had fully paid for their laptop, 19 percent had paid partly for it, and 29 percent did personally not pay anything for their laptop.

The next question involved four alternatives for an answer, i.e. *very low*, *low*, *high*, and *very high*. Most students, i.e. 42 percent, answered "very high", while 27 percent answered "high". Further, 16 percent of the respondents replied "low" and 15 percent "very low".

In the final question the respondents could answer either *online store* or *traditional store*. A majority of 65 percent of the students responded that they had bought their laptop in a "traditional store" while only 34 percent had bought it in an "online store". One percent probably failed to notice the question or was unwilling to answer it.

Table 4.3 - Results regarding the choice of product and market

1. Payment of laptop			
Did you personally pay for your laptop?			
Yes, fully: 78 (52%)	**Yes, partly:** 28 (19%)	**No:** 44 (29%)	**Total:** 150 (100%)

2. Involvement in the purchase				
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?				
Very low: 23 (15%)	**Low:** 24 (16%)	**High:** 41 (27%)	**Very high:** 62 (42%)	**Total:** 150 (100%)

3. Market place selection			
Did you buy the laptop online or in a traditional (physical) store?			
Online store: 50 (34%)	**Traditional store:** 98 (65%)	**Not available:** 2 (1%)	**Total:** 150 (100%)

4.2   The interviews

This section presents the qualitative empirical findings where the most important and relevant information is offered, i.e. for respective interviewee. The full transcripts from all the interviewees are available in the separate document titled; *"The traditional vs. the online market: Transcripts from the qualitative research"*.

4.2.1 Interview with Maria

Maria's answers from the survey and information regarding the interview with her are shown in table 4.4.

Table 4.4 - Maria's interview and survey information

Information regarding the interview	
Date: 2007-11-14, 11:00	Length: 56 minutes
Results from the survey	
Gender	**Female**
Age	**24**
Which school do you study at?	**JIBS**
How often do you use the Internet in average per week?	**7 days per week**
During the last year, have you ordered/purchased goods and/or services on the Internet?	**Yes**
How frequently do you order/purchase goods and/or services on the Internet?	**Once every month**
Did you personally pay for your laptop?	**Yes, partly**
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?	**High**
Did you buy the laptop online or in a traditional (physical) store?	**Traditional store**

Maria is quite the typical Internet-user, meaning that she is able to perform the tasks that most people can. Her main activities on the Internet involve sending e-mails, searching for information and keeping in touch with her friends on communities. She stated that one tends be more careful when it comes to online purchases, yet on the other hand less careful when it comes to information search. The reason why she is more careful when it comes to purchases on the Internet is due to the lack of experience and difficulty of evaluating new websites. Another aspect that makes her a bit cautious is the personal information, where she tends to think twice before putting up sensitive information such as name, telephone

number, address, pictures and so on. Overall, integrity is an issue that she considers important on the Internet.

Maria feels reasonably safe when making online purchases and has the impression that it is mostly cheaper online, partly founded on her own experiences but also on others' comments. In general, Maria buys mainly cheaper products on the Internet such as CD's, books and clothes (see definitions in section 1.5). When it comes to her laptop, she did not buy it online because the purchase had to go fast and she did not really think of buying the laptop online. She bought the laptop around three years ago and wanted to get some help and to see it in reality. Moreover, if she would need a laptop today she would possibly buy it online. The reason for this is mainly that one does not purchase that kind of products very frequently and she has changed some thoughts and impressions during this period. She also states that when it comes to some products, such as expensive ones, you might need more expert advices and personal contact. Another aspect that could be decisive is the ability to try out the product before purchasing it, e.g. Maria would not buy shoes on the Internet since she would like to try them on before buying them. In general, Maria believes that most products can be sold on the Internet, except those that are really expensive or that you need to have in front of you, for example shoes. Laptops, on the other hand, are quite suitable to be sold on the Internet. Maria states that she could buy shoes or clothes if it would be easier to send back products, or that it would be as easy as going to the traditional store.

The overall drawbacks of the online environment are according to Maria the inability to touch the product and inconvenience of returning the item when needed. She says that it is a hassle to send back products even though the same terms and conditions are applicable on the Internet. Another thing that Maria enjoys more in the traditional market is the actual feeling of making a purchase and having the product with you when you leave the store. She states that she trusts the online market fairly much, i.e. almost as large as the trust for the traditional market, where the difference in trust can be explained by the problematic process of evaluating and getting an idea of an unfamiliar webpage.

Maria's need for a laptop arose when she moved out of home and started studying. She felt a bit alone and thought that a laptop could help her keep in touch with friends and family. She got information on laptops from her brother and father but also from salespeople. Her approach was to visit various electronics stores in order to compare models and prices but she would choose a different approach today, i.e. use the Internet to acquire information about laptops and for comparative purposes. Maria wanted a quite simple and cheap laptop with nice design, where the individuals around her affected her to a great extent since she does not possess major knowledge about laptops due to this being her first laptop. She was mostly affected in the choice of brand by people around her. According to Maria, it was more of a coincidence than a conscious choice to buy the laptop in a traditional store. This is since she was with her family and needed the help that they could offer. A short period after the purchase, Maria got the impression that the laptop became slow which affected the level of satisfaction she previously had.

When it comes to the influential forces with regards to high- and low-involvement products, Maria shows quite the typical behaviour. In the purchase of her laptop, a high-involvement product, she was influenced to a great extent in aspects regarding the price and brand. She states also that if she would buy a new laptop today, the influence from others would be greater since she would buy a more expensive laptop and she would also

talk to friends about which brands that are available and suitable. In the purchase of books, low-involvement products, she was not at all influenced by the individuals around her. This is quite typical although these products are normally purchased more often and in higher amounts than high-involvement products. She also states that she uses communities and similar tools on the Internet, primarily keep in touch with people, and occasionally also seeking advices on some purchase.

Another important notion is that out of all Maria's online purchases are low-involvement products in majority. The only difference between the online and traditional market when she buys these products lies in the occasional need for advice when she encounters a web-page that she is not familiar with. When such situations arise, she tends to look twice and search for assuring advices or information, mostly with friends and acquaintances, in order to be able to trust the webpage. The trust aspect in this case is rather important to Maria, where she might evaluate the process of how she found the webpage or if she has any pre-vious experience of the webpage. She has not had any really bad experiences but instead in-convenient ones in the online environment, e.g. she has had to send back clothes at some occasions and another product was sent to the wrong address (she wanted to send it to her brother as a gift but it was delivery to her address instead).

When Maria bought her digital camera online, she spent a lot of time searching for infor-mation and evaluating various alternatives. Later, the camera broke down but she was un-sure about where to turn in order to get it repaired. She feels that it should have been much clearer where to turn, i.e. from the manufacturer or the online retailer of the digital camera.

The reason to why she chooses to buy most products in the traditional market is the actual feeling of making a purchase and having the product with you when you leave the store. On the other hand, Maria would buy more on the Internet if it is significantly cheaper and uncomplicated to make a purchase. Maria's opinion is that if the price is the same both on the Internet and in the traditional market, the Internet alternative would need to offer something more, e.g. more convenient return policy, 24-hour service and so on, in order to attract customers. Her view on purchases on the Internet is that is as secure as the ones in traditional market with the exception that she is forced to rely on her own abilities when making an online purchase while in a traditional store she can consult salespeople or simi-lar.

The bad experiences in the traditional market, which are plenty, are according to Maria eas-ier to recover from, e.g. a bad experience at H&M (Hennes & Mauritz) will not affect her future purchase intentions at H&M while a bad experience on the Internet will most probably affect her trust for that specific webpage. Worth mentioning is that this is relevant for low-involvement purchases primarily and that the situation may be different for high-involvement purchases. Maria believes that the feeling of having the product with you when you leave the store is more important when it comes to low-involvement products, since high-involvement products have a more important purpose. For example, when buy-ing a laptop there are many aspects related to the product which are important and one needs to consider. Maria's opinion illustrates that a high-involvement purchase is more about selecting the perfect alternative while a low-involvement purchase is more focused on the action itself and how that specific action makes you feel. To clarify, the actual feel-ing of making a purchase is more apparent in low-involvement purchases while the product attributes and specifications are closer at hand when it comes to high-involvement pur-chases.

Maria believes that the major reason why most laptops are bought in the traditional market is since people have a rooted habit of buying traditionally and that this is still the correct way to purchase things. According to her, it does not have much to do with beneficial conditions or prices on the Internet but predominantly on this ancient habit. She also says that once you have made an online purchase you are more likely to do it again, but that aspects around the actual purchase, such as conditions, bonus programmes, shipping costs, check-up calls and so on, are more crucial on the Internet. Maria thinks that the Internet is impersonal and especially when you lack some knowledge it is much easier going down to the traditional store and talk to someone. At the same time, the Internet is very useful when searching for information and comparing alternatives, although somewhat time-consuming. Maria tends to check other consumers' ratings for various alternatives, since she believes that the more complex the product is the more is it worth for her to search information and contact friends and acquaintances, until she feels that she can make a decision without feeling regret. She also spends more time talking to people close to her that she believes possess extensive knowledge about the product but she does not look for information in expert magazines or blogs.

Regarding services on the Internet, it is more comparable with the traditional market since services lack tangibility. Maria's only concern is the possibility for mistakes occurring that she is responsible for, e.g. specifying the right date, number or other vital information for the particular service. She also says that some services are more inconvenient buying in the traditional market than on the Internet, for example her belief is that booking bus tickets is easier on the Internet.

4.2.2 Interview with Sara

Sara's answers from the survey and information regarding the interview with her are shown in table 4.4.

Sara can be described as quite the average Internet user, meaning that she can perform the tasks necessary for her daily routines and when something more complex is needed, she tends to call or in other ways contact people that she believes can help her. She uses the Internet mostly for searching information, keeping in touch with people, educational purposes and booking train and bus tickets. Sara believes that she behaves quite similar on the Internet, when compared with the real world but that she tends to be more careful about her personal information and who might see this information.

Her experience with the Internet environment has this far been quite positive and has not involved any problems or issues, not even in purchase situations, which is why she feels safe. She has great trust for the Internet as a market, due to the fact that she has only had positive experiences but she is still a bit careful and influenced by her friends' scepticism and news on TV. She tends also to pass on her positive experiences to people around her.

Sara's impression of online purchases is that it is convenient, you order it and the package arrives in a few days. It is also a fact that Sara buys products on the Internet since she appreciates that she can sit at home and purchase whatever she needs. She buys mostly literature and occasionally basic technical products, e.g. external hard drive. She did not buy her laptop online since she felt that it was safer to buy it in a traditional store where she could get personal service. This was highly influenced by her lack of technical knowledge and the presence of a computer-interested cousin. She is quite confident in her own capabilities when it comes to ordinary purchases but when it comes to more complex purchases she

will need guidance and advices from various sources. Sara states that this exchange of information could occur both online, e.g. in communities, or face-to-face.

Table 4.5 - Sara's interview and survey information

Information regarding the interview	
Date: 2007-11-14, 15:30	Length: 50 minutes
Results from the survey	
Gender	**Female**
Age	**21**
Which school do you study at?	**JIBS**
How often do you use the Internet in average per week?	**7 days per week**
During the last year, have you ordered/purchased goods and/or services on the Internet?	**Yes**
How frequently do you order/purchase goods and/or services on the Internet?	**Once every 6 months**
Did you personally pay for your laptop?	**Yes, fully**
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?	**High**
Did you buy the laptop online or in a traditional (physical) store?	**Traditional store**

If a negative experience would occur on the Internet, Sara would not doubt the entire Internet but only the specific webpage. She states that a bad experience on the Internet does not hurt more than one in the traditional market and also that she cannot blame that specific webpage since she is not fully aware of the entire process behind a purchase. The main reason to Sara's hesitation or unwillingness on the online environment is her lack of knowledge for regarding products. She also states that books are really convenient buying online and that she possibly could buy a sofa and even a car online, given that the same safety is present as in the traditional environment. For Sara's personal matter; more knowledge and facts, better return policies, warranties and so on are needed in order to make it easier and safer for her to buy more online, e.g. the products stated above. Sara would also be more confident if she feels at home when she visits a webpage and if it looks professional. The intangibility of products sold on the Internet is not any major issue for Sara.

Albeit, the online environment can be slightly cheaper, the traditional market is appealing to Sara out of two interrelated reasons, namely the sensation of making a purchase and the fact that you bring the product with you when you leave the store. She believes that the online environment is organised and that she tends to search for products within certain

categories. In contrast, the traditional environment offers a more random and unstructured experience which enables her to easily make impulsive purchases. The off-putting aspect with the traditional environment is the presence of aggressive salespeople and their efforts to sell as much as possible. Sara states that opposed to this, she is able to perform each task in her own pace on the Internet and that she does not have to feel bad for wasting a salesperson's time. Worth mentioning is that a majority of Sara's purchases occur in the traditional market.

Sara's need for a laptop arose from her plans to study abroad and the fact that her laptop at that time was too big and bothersome to carry around. Since Sara did not possess the knowledge needed in order to find suitable laptops for her purpose she decided to contact the person she knew had the most knowledge about computers, namely her cousin. She found some laptops by searching online but did not really understand everything and could not decide between them. She called him so that he could explain more what the different specifications meant and how these could by useful to her. Her view on the Internet and when it comes to searching for information is that it is rather confusing and very extensive, where she believes that this can be a reason to why fewer people buy laptops online. The reason to why she did not buy the laptop online was, in addition to the previously stated reasons, that she lacked the knowledge in order to understand what the various components meant and how they could be useful to her. The popularity of Macintosh computers at the time made Sara a bit curious and since she had friends with such a computer, she tried them out in order to see if that would suit her needs. On the other hand, she did not check any magazines for reviews or recommendations, apart from the advertising sheets that the various electronics stores send out. She thinks that it can be vital to get hold of information from other users but that it also can be dangerous since one can question the trustworthiness. For Sara, the ultimate situation would be to have access to information, about laptops in this case, from experts that are not salespeople.

Her requirements for the laptop were that it would have to be fairly small and light, have long battery life and quite big memory. Mostly influential was probably her cousin, since she in retrospect thinks that much of what he said was useful to her and helped her in selecting a suitable laptop. Without him she would have been forced to acquire much knowledge by asking friends, acquaintances and other people around her or trying others' computers. When she finally decided which laptop to purchase she went to the store only to find out that it was out of stock, so she chose another laptop due to the time constraint in her plans to go abroad. She believes that this was an even better laptop than the one she originally had decided for so she was very satisfied with the purchase, even if she continued to search for offers after the purchase.

Sara has never before bought a laptop online and she thinks that it was a deliberate choice to purchase her last laptop in a traditional store and to exclude the online alternatives. Sara's motivation for this choice was that she wanted to get the laptop straightaway so that she could try it out and get familiar with it before she went abroad. She also stated that she could not fully trust the online alternatives since she was not sure that the delivery could take place before her trip. Sara would not have any huge problems with buying a laptop online today and says that it has to do with the price. She would also need the same security as in the traditional environment, good return policies, order confirmation and that everything is done correctly.

When it comes to high-involvement purchases, as a laptop, Sara is mostly influenced by those that she knows possess greater knowledge about the product than she does. When it comes to the laptop, she is more influenced when it comes to the technical specifications where she does not have that great knowledge on but when it comes to design she has strong opinions and taste. According to Sara, she was not that greatly influenced by people around her on the choice of brand.

When Sara purchases low-involvement products, e.g. books, she tends to not get influenced at all. She believes that she gets more influenced by other people when she is in need of additional information about the product.

4.2.3 Interview with Lenny

Lenny's answers from the survey and information regarding the interview with him are shown in table 4.6.

Table 4.6 - Lenny's interview and survey information

Information regarding the interview	
Date: 2007-11-14, 16:30	Length: 40 minutes
Results from the survey	
Gender	**Male**
Age	**22**
Which school do you study at?	**JIBS**
How often do you use the Internet in average per week?	**7 days per week**
During the last year, have you ordered/purchased goods and/or services on the Internet?	**Yes**
How frequently do you order/purchase goods and/or services on the Internet?	**Once every month**
Did you personally pay for your laptop?	**Yes, fully**
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?	**Very high**
Did you buy the laptop online or in a traditional (physical) store?	**Traditional store**

Lenny is familiar with using the Internet, where he makes use of it on a daily basis, looking for news, sport, product information, and company homepages. He does not blog, but declares that he has a membership at some sites. Further, he argues that he is more analytical on the Internet. For example, when getting information on a product from a friend, he easier accepts it than if he finds the information on the web. In that case he always double-

checks it with other sites that compare products, or with product reviews. He tells that he is more cautious on the Internet, especially when he shops from online stores. However, he admits that he often fails to notice the terms of agreement. Lenny also says that he feels very safe on the Internet (as safe as in the traditional market), even though media often tries to scare people. Though, he did think about the safety aspects some years ago when doing bank errands on the Internet, but not anymore. Today, he says, it just feels pointless to go to the bank to conduct these errands.

Lenny says that buying electronics, movies, and games on the Internet has become normal, and that an advantage is that these products often get released earlier on the Internet than in the traditional stores. However, he does not prefer to buy clothing on the Internet. He did not buy his laptop online for several reasons, but mainly because he was abroad at the time he bought it. He also stresses that the personal communication is important when it comes to expensive products, for example if something would go wrong, or the laptop would break. For these reasons, he also acknowledges that he probably would have bought the laptop in a traditional store even if he was in Sweden by the time he needed it.

Lenny argues that the reason for why he prefers to buy some products on the Internet, for example DVDs (see definitions in section 1.5), is because they are easier to replace if something goes wrong, with the delivery for example. But computers on the other hand might make you more reluctant as they may be important to you, and hence you would not want to send it away if anything went wrong. Further, Lenny says that the reason why he prefers to buy certain products in the traditional market is due to the fact that he is used to it, and that he wants to see what he gets. Lenny cannot remember that he has had any bad experiences from buying anything on the Internet, except once when he unexpectedly had to pay import taxes when buying a product from another country.

According to Lenny, bigger companies or companies that are well-known have an advantage on the Internet in contrast to those who try to break through or make themselves a name. People might not believe that they are serious or legitimate, he says. Another disadvantage, he argues, is that you cannot try out a product on the Internet; however he mentions the possibility to try it out in a store before ordering it from the Internet. Besides having the possibility to see the product and trying it out in the traditional store, Lenny argues that the personal communication with a salesperson is a big advantage. Especially if the product you buy breaks down or something else goes wrong, then you could more easily argue for you cause, instead of having to send e-mails he says. Lenny also says that, when buying something on the Internet, one might get worried about whether getting the product in time or not.

However, Lenny indicates trust in the Internet as a market with potential, given that one thinks through before acting. Lenny also believes it is easier to compare products on the Internet, and that it is a good source of information, given not only from companies, but also from consumer evaluations (even though he mentions the risk that the latter also can be written by the companies or based on their instructions). However, he is clear about that he sees no reasons to hesitate about shopping on the Internet, as long as he has not heard about anyone else's bad experience. He says that hearing about such things from a friend would affect him rather much, perhaps more than if he heard something bad about a traditional store.

If he would have a bad experience from a traditional store he would probably exclude it for some time. And if something bad would happen to him when purchasing from an Internet store, he would probably aim his disappointment towards the specific store or salesperson, not the Internet as a market. Lenny however points out that there is a risk that you might easier be tricked to buy something you really do not need in a traditional store, if the salesperson is skilled. He means that the Internet is more objective and that the risk for this is less extensive there. Lenny believes that music, movies, and multimedia in general are best suited for being sold on the Internet. Products that are not suited for the Internet are clothing, for example jeans, because one cannot know if it fits before trying it out, hence Lenny hesitates to buy these kind of products on the Internet. He also feels reluctant towards food and other groceries on the Internet. For him to be considering buying such products on the Internet it is most important that the service is excellent, for example regarding delivery accuracy, and that the prices are low.

Lenny has never bought a laptop before. His need for a laptop arose when he realised that it was necessary for his academic school work. To find information about laptops he visited physical stores where he asked salespeople about it, but he also asked friends and other acquaintances, even though he knew a lot about laptops on beforehand. In fact, Lenny says, he did not put much emphasis in the discussion with the salesperson as he felt that he almost knew more than him. But he adds that he believes that most people rely too much on the salesperson, and might be why most people purchase their laptops in traditional stores. He also says that he did not look for information in any computer magazines, but that he definitely would have done so if he would have been in Sweden at that time. He also adds that it is a good way to find out about the latest news, and that he did so when buying his home cinema.

Further, Lenny says that he trusts expert comments more than consumer reviews, because the latter are more subjective. But he also admits that journalists act that way as well, since they are aware of that they can influence a lot, and hence hold back information. When Lenny bought his computer he primarily had some minimum demands on performance, and secondly he wanted price to be low as he had a strict budget. He also says that he was not influenced by anyone in his surroundings when choosing a laptop. Though, he did react to certain offering, he would have bought it anyway because his need was high, and hence the final choice was the one that fitted best to his demands. He did also take actions the day after the purchase in order to assure himself that his choice was good. Lenny says that one automatically looks for price reductions, and that he compared his purchase to laptops sold in Sweden. On a scale from one to ten, he says that seven describes how pleased he is with his purchase. However, he is aware of that his computer is not the best one can find, but he also says that "a computer is never a good purchase", meaning that computers lose their value fast.

Lenny's choice to buy the laptop in a physical store was conscious, mainly due to his living standards at that point (a delivery would have had to be left outside his apartment if ordered on the Internet), but also because he was not sure about how ordering products abroad was done. As Lenny earlier mentioned, he would probably have bought his computer in a physical store, due to the importance of personal communication with the salesperson, even if he would have been in Sweden at the time of the purchase. However, if he would buy a computer today, he would probably not make any difference between the traditional market and the online market. The price and set of alternatives would be the decisive factors, he says.

Even though Lenny states that he was not affected by anyone in his surrounding when buying his laptop, he believes that one always gets affected, even though you might not recognise it. He says that his family probably would be concerned about the price he would pay, while his friends would consider performance more. Lenny tells that when he bought his TV and home cinema he was recommended by a friend, and that he prefers to acquire knowledge from others if he does not possess it himself. When Lenny was to choose a brand he says that a lot of people tried to affect him, but that his choice was not influenced. Further, he says that performance and service is more important, and that he believes the differences between brands are irrelevant. However, when buying his TV he did listen to a friend's recommendations since that individual had worked as a TV-salesman for almost eight years.

Lenny most often buys low-involvement products on the Internet, and when he does, he mostly chooses brand and type of product by his own affection, not being influenced by others. But he also says that he often purchases products on the Internet for other family members. Lenny further stresses that he always buys games and movies online, because it is cheaper. Further, he also indicates that special offerings on the Internet affect him more than he probably would like to, for example if delivery costs get deducted when buying for a certain price. He believes that it generally is easier to make impulsive purchases on the Internet compared to the traditional market due to; e.g. special offers or free shipping if the purchase reaches a certain price level. He further concludes by saying that personal communication is more important when it comes to high risk products, for example when something breaks during delivery or if he is not sure if the product will fit him or not.

Lenny specifies that for him to consider buying a laptop on the Internet he would prefer to be recommended about it from someone close to him. Further, he wants service to increase and terms of agreements to be clearly defined, without having to look for it. He also gives an example of a company which made him a VIP for being a good customer. Lenny says that these approaches are good ways to establish a fine contact with the seller. When discussing safety on the Internet, Lenny argues that it is a small issue since mostly bigger and well-known companies are reliable.

Lenny also tells that he uses chats and communities to discuss purchases with others; however he does not provide information himself, but obtains it. He mentions that there is a possibility for people who write consumer reviews being hired by companies to do so, but act as consumers.

Lenny believes that the process of purchasing something on the Internet involves reflecting more over one's decision, for example one might think twice about whether one wants the product or not. The reason, he says, might be the fact that one often has to pay for the product before getting it, in contradiction to the traditional market. While the process of buying something on the Internet is more emotional according to Lenny, the action of going down town in order to shop might be more social.

Lenny finally states that he has tried out products (jeans) in traditional stores and later bought them online, but that it probably is more common that one finds out about a product online and later buys it in a traditional store. The reason he say is that the products most often are released on the Internet before they get to the traditional market. He did this once when he bought a game station.

4.2.4 Interview with Jenny

Jenny's answers from the survey and information regarding the interview with her are shown in table 4.7.

Jenny is quite familiar with the Internet. What she usually does online is communicating, reading news and academic chores. Among products and services she buys over the Internet she replies clothes and train tickets. Jenny claims that she behaves differently on Internet than she does in reality, she is more careful with the information she provides about herself. When buying items over the Internet she always double-checks, reading through all the conditions and information. She feels moderately safe on the Internet and feels safe if she is on a previously known site.

When it comes to purchasing online she mentions the laptop purchase, which she was initially going to do online but after complications of various forms, decided not to (she could not get a hold of anyone when she tried to call and the opening hours were really bad). It was simply too difficult to acquire the information she needed to make the purchase.

Table 4.7 - Jenny's interview and survey information

Information regarding the interview	
Date: 2007-11-14, 17:30	Length: 33 minutes
Results from the survey	
Gender	Female
Age	22
Which school do you study at?	JIBS
How often do you use the Internet in average per week?	7 days per week
During the last year, have you ordered/purchased goods and/or services on the Internet?	Yes
How frequently do you order/purchase goods and/or services on the Internet?	Once every 6 months
Did you personally pay for your laptop?	Yes, fully
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?	High
Did you buy the laptop online or in a traditional (physical) store?	Traditional store

Jenny replies that it is mostly the price level of product that decides whether she purchases online or traditionally. Expensive products are bought in the traditional store. Though, she announces that she has bought expensive services such as charter trips online. The advan-

tage she finds in shopping traditionally is the fact that you can touch and feel the product. It is also easier to acquire information. She often searches for products online and then goes down to the store where she can feel it and then buy it if it fits. The service provided in the traditional market is often much better, but if it is bad she might leave the store and buy it online.

When it comes to trust, Jenny claims that she does not judge the entire Internet market on the basis of the flaws of a particular website. She might avoid a certain online store if friends oppose or expresses disappointment over it. She thinks that clothes but not cars nor houses are appropriate to sell over the Internet. What would get her to purchase online besides a better price, is the matter of convenience. If it is time consuming and costly to reach the traditional store she would choose to purchase online.

It was when Jenny found out that she had been accepted to the university that she realized that she would need a laptop. She claims it to be a coincidence that she bought it in the traditional store. The laptop was part of a special offer campaign at "ComputerCity". Her cousin, who is very competent within the area of electronics, offered his inputs on what to consider when buying a laptop. Some other friends were also consulted prior to her purchase. She also did some own research on different online stores, comparing prices and such. She does not consider herself to be an expert on laptops but replies that she had some requirements and preferences. While at the store she had a dialogue with a salesperson but she did not feel she was influenced by his opinions other than that they confirmed her choice. After the purchase she spoke to a friend to hear what she had to say about the purchase. If Jenny was to buy a laptop today she would probably buy it online, as she is more familiar with the procedure and purchasing process.

Jenny does not think that her surrounding influenced her much about the type of the laptop she was to buy, her cousin provided her with information about laptops but Jenny based her choice on what she wanted and preferred. Her uncle did however recommend her to avoid a particular brand and she cohered with his inputs.

Considering low-involvement products, Jenny replies that she does not think that her surrounding affects her purchasing. When asked about the feeling of shopping traditionally compared to virtually, she answers that it is the feeling of getting her hands on the product immediately after payment that is enjoyable. It the item is not of urgent matter, she might very well purchase it online.

When shopping online, Jenny does consider professional reviews and expert opinions to be very valuable; however for clothes it is quite irrelevant. Jenny has never had a bad experience in the online market in contrast to the traditional market where it has been the case a couple of times. If a friend of hers claims to have had a bad experience online, she would consider it valuable if she knows her friend is cautious. Jenny would re-visit a traditional store again if she was badly treated the first time on one condition – if she likes the store on all other aspects. The same applies to an online store. Finally, if she is to give any suggestions to how online stores could attract more consumers from the traditional market, she would advise them to be clearer, more informative about the product and more service-oriented.

4.2.5 Interview with Carl

Carl's answers from the survey and information regarding the interview with him are shown in table 4.8.

Carl is very familiar with using the Internet and he uses it for a variety of things including communication and information search. He is currently a member of different communities and does not consider himself to act differently on the Internet compared to how he acts in reality. Though, he is much more careful when it comes to typing in financial information such as credit card numbers and when he is about to download software. Carl answered in the first survey that he bought his laptop in a traditional store. When it was time for his interview two weeks later, he announced that he had just ordered (note; ordered not bought) a new laptop, this time he had made the purchase online. Consideration to this fact should be made when reading the findings.

When it comes to purchases online, Carl thinks that his approach and behaviour on the Internet depends on which website he visits. He does not purchase groceries or clothes online, accessories such as wallets or cufflinks works fine though.

Table 4.8 - Carl's interview and survey information

Information regarding the interview	
Date: 2007-11-15, 13:45	Length: 66 minutes
Results from the survey	
Gender	**Male**
Age	**24**
Which school do you study at?	**JIBS**
How often do you use the Internet in average per week?	**7 days per week**
During the last year, have you ordered/purchased goods and/or services on the Internet?	**Yes**
How frequently do you order/purchase goods and/or services on the Internet?	**Once every month**
Did you personally pay for your laptop?	**Yes, fully**
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?	**High**
Did you buy the laptop online or in a traditional (physical) store?	**Traditional store**

Carl did not buy his laptop online because it was a very long time ago and back then (three years ago) he was not too familiar with the Internet. Today he finds the Internet to be very

convenient as it provides ordering simplicity and home delivery, which is something that he appreciates. For less involved purchases, items he does not need to touch or get a feeling of; the online store provides a very good alternative to the traditional store. Further, it provides a very good overview when he wishes to compare different stores and online retailers. It enables him to search and compare simultaneously without having to move around and he further thinks, that it provides him with a more objective evaluation when he compares them in this immediate way.

However, Carl thinks that the traditional store provides something very valuable which is impossible to find on the online market. It is the feeling of entering a store, walking around touching the products which make the whole purchase into a fun project. There is a certain carefulness and passion in buying some products. Products such as shirts, jackets and other clothes are goods that he is highly involved in and passionate about. Carl feels that he must get a physical feeling of them before he can decide whether to buy them or not. Since it is impossible to try out a shirt online, the only way to do this is to walk down to the store. Besides, since he likes to buy shirts and other clothing, he prefers to make this kind of purchases traditionally. Another advantage of purchasing in the traditional store is that you can discuss the product and possibly get some input as well as bargain.

One disadvantage of purchasing products and services online is the risk involved. When providing financial information one has to be sure that the company is sincere and that the transaction is safe. Carl claims there is a difference between expensive and less expensive purchases. In expensive purchases he explains that he is more careful. On the other hand, he claims that he has his credit card information memorised by heart and therefore he might occasionally make unnecessary purchases of less expensive products. However, he maintains that he always evaluates the online store no matter what. If it indicates that it is a serious and sincere one, Carl sees no problem to why he would not buy from it.

Carl suggested that one way of attracting him to the online store would be to enhance the interactivity of the webpage. He came with the proposal that one could have 'Flash'-features, enabling the customer to twist and turn the product so that it can be viewed in detail and from every possible angle. Also, he thinks that the product information provided in online stores is usually insufficient and that many online stores fail to present themselves in a sincere way.

The confidence Carl dedicates to the Internet is substantial. Although, he does undertake the precautionary steps in order to evaluate the online store before purchasing something. Particular things such as ridiculous page layouts and bad presentations along with unfamiliar sites would get Carl to avoid purchasing from a webpage. On the other hand, if the site is familiar and if he is sure about its trustworthiness he can overlook the preposterousness of the layout.

Carl thinks that all electronic products are appropriate to be sold over the Internet. Products where the performance and quality are easy to estimate should be sold over the Internet. What would affect Carl's choice to purchase products besides knowing the performance and quality is the size and location of the product. If the size is considerable, it might not be safe to have it sent as it might be damaged on the way. If the product is at a very remote location, it could become a costly deal.

The price is very important when Carl is to decide to buy something online. If the online price cannot beat the traditional offer, he will hesitate about buying it, unless it is an important product for him.

When Carl put his order on the new laptop he is about to purchase online, he expressed that it was very important to actually feel it. This was because he had previously owned a Macintosh and now had ordered a PC. Unfamiliar with the new Microsoft Vista operating system it was crucial to actually drive down to the store and get acquaintance with the unfamiliar aspects.

One of the reasons why Carl buys his shirts from traditional stores is the relation he has built with the people working there. They know him personally, take care of him and make sure that he is satisfied. This caring experience builds up the reason for him to drive down and purchase traditionally. He could never experience this feeling online. Products that Carl buys in the traditional store are products that he enjoys buying whereas products that do not offer him this special feeling are products he just as well could buy online.

The reason Carl many times cancel an almost finished deal online, is the complicated purchase process many online stores have difficulties overcoming. When one has decided to buy an item there should be no surprises, unfamiliarity, no hesitations, nothing that makes one doubt if it is a good purchase or not. Unfortunately, this happens frequently.

To overcome these obstacles Carl would be happy to have his financial information stored at a website he often visits, in order to buy something without having to re-doing the whole purchasing process every time he wants to buy something – given that his financial data is confidential and cryptic.

Carl thinks that it is easier to exclude an online store than it is to do the same with a traditional store. The reason is that once you have driven down to the store, you do not want to leave empty-handed. Despite that the cashier happens to be rude or in case the service is bad one might still end up buying something, since it will be a while before you re-visit the store – if you ever do. With online stores it is different, one can leave and re-enter an online store without difficulty; it is just a matter of a mouse-click.

Carl realised that he needed a laptop when he arrived back from USA where he had borrowed a Macintosh laptop from a friend. He found the Macintosh to be very convenient. He got the information about the Macintosh primarily from trying it out in the US. He also searched information on it out on the Internet. Carl did not let reviews and expert opinions influence his choice as he believes that these sources of information to be too subjective in order to make an objective evaluation. The opinions of a substantial number of previous buyers would be valuable though, he concludes.

Carl considers himself to be a common user. Being able to; surf on the Internet, search information, store information, communicate and work are the things he does. The technical preferences he had for his new laptop included performance (which was to be high), a 2GB RAM (see definitions in section 1.5) and a neat overall design on the laptop. Carl emphasises that it is important that the laptop looks good, that it is slim and handy.

The person he consulted with when ordering his new laptop was a good friend of his who has great competence within the area of electronics. The laptop that he ordered was not part of any special offering campaign or such.

When choosing the brand for his newly ordered laptop he reflected upon what brands he liked and disliked. The ones he disliked were excluded from the alternatives.

After the purchase of his Macintosh, Carl found that people were very impressed by it. Back then (three years ago) it was very unique in Sweden and people asked and thought it looked very nice. This was very enjoyable but more important – confirming that he had done a good choice in purchasing it.

Carl considers the fact that he bought his Macintosh in the traditional store to be a coincidence. Though, back then he was not quite familiar with buying electronics online so perhaps it was – what he calls – a logical coincidence. Carl ordered his new laptop online because it costs as much (including shipment) online as it did out in the traditional store and because he was not overwhelmingly eager to get his hands on it right away, it felt quite convenient to make the purchase online. Carl also stresses in the middle of the interview that one of the most important things when conducting a purchase – whether traditional or online – is good service. Being able to talk to someone through a live-cam would most likely replace a portion of that personal service you might get out in the store.

On the question of how Carl's surrounding influenced him concerning the laptop purchase (in Carl's case the laptop is ordered but not paid for yet) he separated between two things: specifications and design; the choice of specifications was highly influenced by his surrounding, especially by his competent friend. The shape and design of the laptop, on the other hand, was something that he considered and decided upon all by himself. Some people even suggested that he should buy a Macintosh again but these people did so only because they had just bought Macintosh themselves and thought it was very exciting to own one. He had had his for three years by then.

Concerning the price level Carl chose between four different price categories ranging from SEK 5'000 to SEK 25'000. He ended up choosing a laptop around SEK 9'000.

When choosing the laptop, model specifications did not make a great difference but the brand did. Carl considered Sony and HP (Hewlett-Packard) to be good brands and so he chose a model from Sony. Carl found that the model met all his requirements concerning performance, design, price and slimness.

In comparison to his high-involvement Carl explains that his purchase behaviour for buying low-involvement products is different from those that are high. He could very well buy a book (which he agrees is a low-involvement purchase) on recommendation. For him to buy a laptop there must be more than a recommendation for him to buy one. Since a book involves less money than a laptop, the consideration is not as heavy as for buying a laptop. Carl could very well buy a book if recommended to, as long as whoever recommends it is aware of his (Carl's) preferences. A laptop is something Carl would buy if he needs it, he does not feel that the purchase decision can be born out of any recommendations where as a book could very well be bought on recommendation.

Conclusively, Carl thinks that the most important aspects online stores should concentrate on in order to attract more people from the traditional market is; increase trustworthiness, provide purchase convenience/simplicity, provide better service, present the company sincerely, increase the interactivity on the site and finally – offer better prices.

4.2.6 Interview with Kent

Kent's answers from the survey and information regarding the interview with him are shown in table 4.9.

Kent is very familiar with the Internet as he uses it on daily basis. He uses it for a variety of things, such as news and information search, communicating with others, and educational purposes. Kent states that he tries to communicate his real personality on the Internet, not acting differently. However, he is more careful in looking after his integrity when being online.

Table 4.9 - Kent's interview and survey information

Information regarding the interview	
Date: 2007-11-20, 17:15	Length: 41 minutes
Results from the survey	
Gender	**Male**
Age	**24**
Which school do you study at?	**JIBS**
How often do you use the Internet in average per week?	**7 days per week**
During the last year, have you ordered/purchased goods and/or services on the Internet?	**Yes**
How frequently do you order/purchase goods and/or services on the Internet?	**Once every 3 months**
Did you personally pay for your laptop?	**Yes, fully**
How involved were you in the purchase of your laptop, concerning brand, quality, price, components etc?	**Very high**
Did you buy the laptop online or in a traditional (physical) store?	**Traditional store**

Kent is generally positive towards purchasing merchandise on the Internet, and he mostly purchase non-physical products, such as tickets. The reason for purchasing it online, he says, is that he thinks it is meaningless to go to the store and buy it. However, he also purchases physical products, for example books, and once he also bought a computer. There were two main reasons for why he did not buy his latest laptop online, i.e. because he needed it fast, and the price was lower in the store than on the Internet. He argues that the advantages of the Internet disappeared as the price in the store was lower. His motivation for why he prefers to buy certain products in traditional stores is that it enables him to see, feel, and try out the product. He also describes that he feels elated about getting the prod-

uct sent home when bought on the Internet, while in a physical store he feel elated at the very moment he purchases a product.

When Kent describes the main disadvantages of Internet purchases he mentions that it is often complicated, meaning that it takes time. He also says that not being able to see the product physically is a disadvantage, and that the online stores often lack alternatives for payment, for example part payment. Further, he states that the main advantage of traditional stores is that you get the merchandise immediately. Kent also says that there are no reasons for him to hesitate about shopping on the Internet, and that he has great trust for the Internet as a market, just as most people of his generation, according to him.

Kent argues that price is the most important factor to base a purchase decision on, however in combination with service, such as delivery, trustworthiness, and for example service locations (repair shops). He means that all kinds of products and services appropriately can be sold on the Internet, but states that it probably is easiest to sell non-physical merchandise. Kent feels that he would hesitate to buy really expensive things on the Internet, but would still consider it if there was a practical solution to how he could try out the product on beforehand, and/or if he was sure about the homepage. However, he says that this was not as important when he bought his laptop, since computers generally look the same and he does not care much about the design.

Kent discovered his need for a new laptop one week before he bought it, when his hard drive broke down on his old laptop. He found information about laptops through various websites, and consulted friends that are competent within the area. However, he did not read any expert comments or consumer reviews. Kent's criterion was that the laptop should have a high average in performance, where the most important aspects were; speed, RAM and VRAM (for definitions see section 1.5). Kent first went to one store to buy a laptop, but he was not satisfied with the service mind of the salesperson, hence he went to another store where he got the service he wanted. Finally Kent had three alternatives to chose from, and he got advice, but stresses that he made his decision on his own. The laptop he bought was put in an advertising campaign with a very low price relative to its performance, and this is why Kent chose that specific laptop. Kent now feels satisfied with his choice and says that he did not take any actions in order to assure that he had made a good one. He felt that such an action was unnecessary since he already bought the laptop.

Kent has bought a laptop online once before, as mentioned earlier, but says that the main reason for why he bought the last one in a traditional store was that it was cheaper than those which he found on the Internet. The reason for why he bought the first one online was because he worked by then and did not have the time to go to any stores, but also because the one he found on the Internet was relatively cheap. Kent consciously chose to buy his latest laptop in a traditional store because he wanted it fast, and he wanted to be able to make part payments. But once again he stresses that it was cheaper than online, perhaps SEK 500 cheaper, and hence he found no reason not to buy it in the traditional store. Kent tells that he has a bad experience from buying a book on the Internet when the delivery was delayed, but that he most likely will purchase from that company again since he will need course literature. Further, he states that he probably has had bad experiences in the traditional market as well, but that he is rather cautious. Once again he also says that his generation probably is not afraid to shop on the Internet, and that he certainly is not, but that he considers it as something normal. He also says that he does not define the Internet as a separate market, but merely as a way to shop.

Kent was advised by the salesperson to choose the fastest laptop, but his choice was his own. He chose the laptop which had the best performance relative to its price, and even though he was advised by friends to buy certain brands he was not affected by this. Furthermore, he was also advised not to buy certain brands, and he took this into consideration.

When buying low-involvement products, such as books, Kent says that he does consider advices given by his friends, especially if the person knows much about books. Kent argues that he takes advice only if the person giving it knows about the product, regardless if it is a book or a laptop. Further, he says that he knows pretty much about computers, and since for example a computer's hard drive is more "hands-on" they consequently become more assessable. Books on the other hand, Kent argues, are more subtle and hence include more of a feeling. But he also expresses that all help given in the "jungle" of technology is of interest, and should therefore be given in two ways; i.e. technically, and descriptive in order to define what all properties actually mean.

Kent stresses that for Internet based stores to be able to increase competition it is important to offer a lower price than the traditional stores. Further, information on the websites should be good, simple, short, and vigorous, according to Kent. He says that, for example, technical specifications should be standardised, described and measured by a benchmark in a way that makes it easy to compare different products. Kent also says that it is important that one could shop easily and quickly on the Internet. He clarifies what he means by saying that "payments should be swift, it should not be complicated, one should not have to fill in too much information, and one should not be nagged with different advertising and offerings". He also says that it is important that the Internet store keeps in contact with the customer, updating the delivery status so that one could follow it up, and that it should be an option whether one would want to become a member or not, not a term of condition.

Finally, Kent declares that he believes it would be great if the websites could offer a service where a person interactively communicates with the customers instead of just e-mailing as it most often is done today.

5 Analysis

This chapter will link the empirical findings with relevant theories and concepts. Contradictions and implications with regards to the interviewees' statements as well as the results from the survey will be presented. In the end, a summarising section will entail the main findings and answers to the research questions.

5.1 Traditional consumer behaviour

All of the interviewees bought a laptop in the traditional market and by the quantitative research one can see that almost twice as many respondents bought a laptop in the traditional market than in the online market (see appendix XI). The interviewees also share a common preference for making most of their purchases in the traditional market. The stated reasons for this is; there is a rooted habit of buying traditionally (historically speaking), even today it is still the most common way to purchase products and service, and traditional purchases are more social. Another reason that the majority of the interviewees (Maria, Sara, Kent and Carl) mention is the evident presence of an enjoyable feeling or sensation in the traditional market which comes from the fact that consumers are able to; see, feel and try the product, and get it instantly. Furthermore, Carl states that another reason for preferring the traditional market is the ability to bargain and negotiate.

The six interviewees entailed quite differing reasons for buying a laptop traditionally. Maria and Sara lacked the knowledge needed regarding laptops and online purchases. Both interviewees feel that when you lack knowledge it is easier going down to the traditional store since there is an opportunity to get help by asking salespeople.

In the case with their laptops, they both felt that they did not possess enough technical knowledge in order to interpret the usability of various components or specifications. They state that they wanted to get help and therefore chose the traditional market, where Sara felt that this approach would be safer. Similarly, Maria feels that she has to rely too much on her own capabilities when making an online purchase. She states that this could, from her point of view, be a bit problematic when she lacks knowledge about a certain product.

Lenny was abroad when purchasing his laptop where the reason for buying traditionally was based on his lack of experience with online purchases in that specific country and also highly depending on his need for personal communication with salespeople. He also declares that if he would buy a laptop today in Sweden, he would buy it in a traditional store due to his preference for personal communication and customer service. Carl even states that customer service is a very important feature, both in the traditional and online environment.

All but one of the interviewees (Maria, Sara, Lenny, Jenny and Carl) state, in different ways, that personal communication with salespeople is important when making a high-involvement purchase since this can help you to; get answers to your questions and acquire advices that would be impossible or difficult to obtain online. Additionally, as stated above, it is easier to bargain and negotiate in the traditional market.

Jenny explained that she was about to purchase her laptop online but encountered some complications since she could not get hold of any salespersons that could give her some clarifications. Due to these complications, she went to a traditional store and bought a laptop there instead.

Kent bought his laptop traditionally since he found a satisfying laptop that was cheaper in the traditional store than online. Worth mentioning is that his need for getting a laptop instantly affected the choice of market where he did not spend a lot of time on searching for online alternatives. Evidently, the low price in the traditional store was a highly decisive factor in his situation.

Carl bought his first laptop traditionally and he did not really include any online alternatives since he did not have any experience with online purchases. When he bought his second laptop (three years later) he bought it online since he felt that it was more convenient to have it delivered instead of going to a store and bringing it home himself. During this three-year period he acquired a lot of experience and knowledge about online purchases which gave him confidence and eased his worries in the online purchase of his second laptop.

Every interviewee was in a unique situation when buying the laptop but still there are some similarities. For example, they all needed a laptop for predominantly educational reasons but depending on the type of knowledge they possess and what kind of person they are, they found ways to satisfy this quite universal need in very different manners. This is why this specific behaviour is so interesting from a commercial point of view. The similarities among the interviewees could be narrowed down to a precautionary behaviour when they lack knowledge or experience, i.e. a hesitation or perceived risk. Consumers can easily overcome the knowledge barrier by consulting people around them, searching information on the Internet and in magazines, reading reviews and so on. The experience barrier is on the other hand more complicated to overcome since it requires the consumer to actually make purchases. This is a major reason to why traditional purchases still occur more often than online purchases.

Sara and Lenny pointed out a disadvantage with the traditional market in the presence of aggressive salespeople and how these could affect or even trick consumers to purchase unnecessary products or services. Another view from Maria on bad experiences in the traditional market is that it is easier to recover from bad experiences in the traditional market than online. Also, a bad experience in a certain store would make Lenny avoid it for some time and Jenny to leave the store and buy online instead. Although, she could return to the store only if she likes it and is able to trust it, even though a bad experience has occurred.

5.1.1 Buyer decision process

The buyer decision process includes five different phases, i.e. need recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour. This is the course of action including different steps which consumers can go through (Kotler et al. 2005). In the following paragraphs each step will be examined and actions taken by the interviewees within the research will be analysed in the light of the theory.

5.1.1.1 Need recognition

When consumers experience a difference between the *actual state* and a *desired state* they want to be in, a desire turns into a need. This transformation is born out of the requirements and demands that a consumer is exposed to when entering a new situation in life. Further, the need can evolve from either an internal or external stimuli. The internal stimuli deals with consumers' normal needs such as hunger and thirst while the external stimuli is based on

factors in our environment that triggers a need, e.g. a smell of food triggering hunger (Kotler et al., 2005).

Among all interviewees it has been clear that the need for a laptop renders from an external stimuli, i.e. acceptance to an academic program. In the case of five interviewees (Maria, Sara, Lenny, Jenny and Carl) this has also resulted in moving away from home or studying abroad and realising that a computer was needed in order to keep up with all the daily information and interaction they are accustomed to. The fact that they moved away from home and started studying made the desired state more evident and thus transforming the desire into a need.

Two of the six interviewees (Kent and Carl) also mention that the need arose when their former laptop broke down and to continue their scholastic chores - without a laptop - was unthinkable. The reason to why Carl is named twice is since he entailed about two laptop purchases; the first laptop was needed since he moved away from home and the second laptop due to the first breaking down. Sara mentions that the laptop she currently assessed was too big and heavy and that such a laptop was unsatisfying as it would be too inconvenient to carry it around during her studies abroad. By further examining the interviewees' comments and statements, an essential reason in this case is the educational workload that these interviewees are exposed to in their daily academic chores. These issues have led to the consideration whether a laptop would help satisfy these needs. Conclusively, this has then led to the purchase intent of a laptop.

5.1.1.2   Information Search

When a need has been recognised the following phase forth taken is to satisfy this need. According to Kotler et al. (2005) looking for information is the following step, where there are four different sources that consumers can turn to. *Personal sources* are people that the consumers are familiar with, i.e. family and friends. In the case of all interviewees, family members or friends have been involved in their purchase process.

Three interviewees (Maria, Sara and Jenny) consulted with family members, while the remaining three consulted with friends and/or other acquaintances. Sara and Jenny entail that the reason why they consulted with their respective family members was because these members were more competent within the area of laptops. Kent and Carl consulted with friends and agree on the issue of competence, meaning that it was the superior competence that had them asking their friends.

Besides asking family members, Maria states that she visited various traditional stores to acquire information, but that today she would search for this information online instead, as she is more familiar with the Internet. Sara expresses that she found it very complicated to search for information online and therefore had to use other traditional ways to acquire information, i.e. asking family members. This major source of information is clearly valuable for the consumers that have been selected in this research, when making high-involvement purchases.

The *personal* sources are also a part of what goes under the name as social groups (Kotler et al., 2005). In addition and tied to what high-involvement purchases imply, it is interesting how this finding can be beneficial from a commercial point of view. It may prove to be advantageous if companies can find a way to influence the personal sources that consumers are keen to frequently consult with.

Commercial sources are the broad messages that companies send out in various ways (Kotler et al., 2005). Five interviewees (Maria, Sara, Lenny, Jenny and Kent) mention that they visited the traditional store and spoke to sales people in order to obtain information and/or they were exposed to various advertisements. Sara mentions that she would like to acquire information from experts but not salespeople as these can be very subjective and Carl agrees on the matter of subjectivity among sales people. Why sales people can be subjective is based on the opinion that in order to sell, information can be exaggerated, withheld or manipulated. The interviewees are hence reluctant towards certain elements in the traditional market. Looking at the online market, the absence of these subjective elements constitutes a contributing reason for searching information online.

Public sources are media, organisations and such from where consumers can extract information (Kotler et al., 2005). Three interviewees (Sara, Kent and Carl) mention that expert opinions and reviews were not read nor considered; neither did two of these (Sara and Kent) value consumer reviews. Only Carl thinks that consumer reviews are valuable (if substantial amount of disclosures) and that expert opinions are too subjective while Lenny, in complete contrast, prefers expert reviews thinking that consumer reviews are unreliable.

Experiential sources are linked to testing of the product or previous experiences (Kotler et al., 2005). All the respondents have mentioned that one of the benefits with a traditional purchase is the sensation of feeling, seeing, testing and getting an overall acquaintance with the product. In the case of Carl in particular, borrowing a friend's laptop for a while brought him to like that particular brand of laptop and later on, when it was time to purchase, he chose to buy an identical one.

The respondents have all stated that cheaper products for which less thought and effort is given during the purchase process (e.g. books, CDs, video games, train tickets, movies, accessories etc.) are often bought online. For these products, the interview objects have a low-involvement and find no particular need for acquaintance with the product or service. The products/services are either very easy to forecast the quality of or impossible to test, e.g. a train ticket.

In the purchase of a laptop the involvement is substantially higher, urging the consumer to gather not only numerical and descriptive data on laptops, but also obtain experiential information. The purpose of a laptop is the mobility it provides; the owners are concerned about the object and how it will; be carried around, interact, work, play and communicate through. For a very long time, the laptop will function as the channel of communication, appliance for work and the tool for information search. Hence, the owners are keen to actually acquaintance them with it. The sensation of testing, trying and physically seeing the laptop is one of the main advantages that the traditional market can offer. Among the interviewees this urge to test is not only a sign of high-involvement behaviour but also an identification of what features in the traditional market that the online market is up against and conceivably needs to find a substitute for.

5.1.1.3 Evaluation of alternatives

As stated by Kotler et al. (2005), the evaluation process is often unique for each consumer and essentially dependant on the consumer and the particular situation. The set of alternatives that are available for consumers is rather dependant on what type of preferences or desired benefits consumers seek to find in a certain product. Furthermore, there are two

aspects that consumers usually evaluate products on; *product attributes* and *brand beliefs* (Kotler et al., 2005).

Four interviewees (Maria, Lenny, Kent and Carl) stress that price is a very important factor when evaluating different laptops. Three interviewees (Maria, Sara and Carl) mention that design (e.g. being slim, nice looking, small, light, or handy) is another important factor. According to four of the interviewees (Sara, Lenny, Kent and Carl) performance was considered important. Kent and Carl mention that the RAM has to be very good and Kent even mentions that the Video RAM has to be good (for definitions see section 1.5). Other features that were mentioned are; long battery lifetime, speed and for it to be simple to use. These three factors, i.e. price, design and performance, are connected to the product specific attributes when it comes to the evaluation process. In general, the interviewees regard price as the most important and primary factor in the evaluation process. The design and performance factors on the other hand are to be seen as secondary influences in the evaluation process.

Lenny mentions that the choice of brand was irrelevant while Carl expresses that the brand was very important and that he excluded certain brands without even evaluating them. Jenny and Kent were recommended to avoid a certain brand and acted in accordance with the advices. These evaluations are connected to the second aspect in the evaluation process; brand beliefs. Due to these beliefs, some brands are preferred over other brands by consumers where perception and association of a brand plays a big role. The important notion in this case is that the interviewees tend to listen more on and act in accordance with negative comments from people about a certain brand. Positive remarks about a brand on the other hand tend to have a lesser effect since none of the interviewees acted upon these advices.

The two processes below (see figure 5.1 and 5.2) are based on the findings presented in this thesis. They are mainly applicable on students and laptops since these are the areas and objects of this research. The formation is entirely based on the findings of this research, hence has no theoretical foundation. Figure 5.1 below depicts how evaluation and exclusion is primarily done and figure 5.2 shows how the alternative evaluation and exclusion process is done. The common aspect for these two figures is the stage before the first step in each process, where consumers set the rules for the purchase depending on their recognised need and existing situation. This can imply that the product is expected to perform in a way that can satisfy the need (certain product attributes expressed) and also consumers may specify a price range that goes along with their current financial state.

The first step starts off with consumers making a subconscious exclusion with regards to brand beliefs. These beliefs could either come from experience with brands but more likely from comments and advices from family, friends or other people around the consumer. The reason why it is more likely that consumers base these brand beliefs on others' advices is solely since it is more difficult and costly to try out and thus experience various brands. The interviewees' brand beliefs seem to lie in the subconscious which implies that this is the first action undertaken in the evaluation and exclusion process.

The second step is the beginning of the conscious process where consumers would search in certain predetermined price ranges which are within their budget. The reason to why this step should be regarded as conscious is that consumers relate the selected price range to the price alternatives found in the traditional or online market. In other words, they con-

sciously search for alternatives with the price range they can afford in their minds. The alternatives that cannot satisfy this price preference are excluded. This is the primary conscious step since this basically involves only narrowing down the set of alternatives to a comparable and manageable amount.

The secondary conscious step on the other hand goes deeper since the aim is evidently to narrow down the set of alternatives to only one or possibly two alternatives. This step deals with evaluating the remaining alternatives by comparing the design and performance of each alternative. Some consumers prefer the design aspect over the performance aspect while others the opposite but the more important notion here is that the evaluation and exclusion often occur simultaneously.
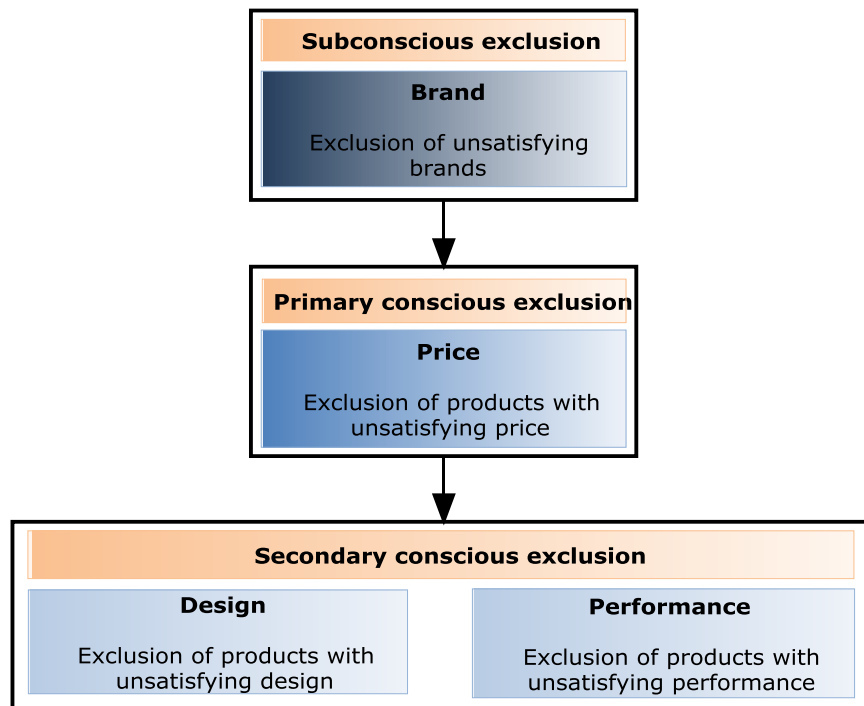

Figure 5.1 - Evaluation and exclusion process

The alternative evaluation and exclusion process differs slightly from the above more general process. The major difference is the absence of the subconscious aspect where consumers make conscious selections and actions (see figure 5.2).

The first step is the same as in the previously mentioned process with the exception that no alternatives have been evaluated or excluded before this step. Consumers search for alternatives within a preset price range that is linked to their economic situation. The alternatives that fall out of this range are excluded and the remaining alternatives are evaluated and excluded in accordance with the factors in the third step. This step is also quite similar to the third step in the above process (see figure 5.1) since they both go deeper into the evaluation and exclusion process. It covers the softer and intangible aspects of a product, in this case a laptop, where design, brand and performance are important factors that consumers base their evaluation and exclusion on. These factors are evident simultaneously and work interdependently where each consumer's approach in selecting the best alternative is unique.
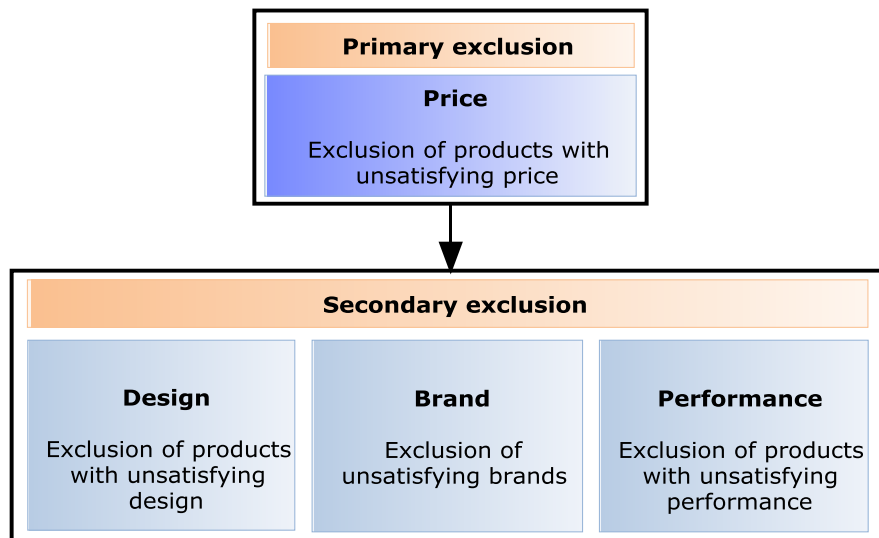
Figure 5.2 - Alternative evaluation and exclusion process

5.1.1.4   Purchase decision

The result of the purchase decision is dependent on the outcome of the evaluation of alternatives, and, according to theory, the consumer chooses to purchase the product that is most appealing in terms of product attributes, brand preferences or decision rule. Further, the final decision can be affected by attitudes of others and unexpected situational factors (Kotler et al., 2005).

The research shows that each interviewee clearly has its own individual decision rule where they rank different factors which they consider important. However, the interviewees do have some common denominators, and unexpected situational factors are also shown to be influencing some choices made by the interviewees.

Jenny and Kent mention that they fell for a special offer campaign, where Kent found that the price which was offered was so competitive that it was cheaper than on the Internet, which in turn was an important factor influencing his choice. The same interviewee considered performance as an important factor when evaluating his alternatives, but says that he purchased the laptop that had the lowest price relative to performance. Lenny states that he decided to buy the laptop that best fitted his preferences based on performance and service, in addition to price. Carl and Maria express that it was a low price and neat design that affected their final decision. Sara joins in on the preference of neat design, where Sara also mentions that a convenient and handy design as well as performance needed to be very good. Further, Kent and Sara mentioned that it was due to urgency and lack of time that they chose to buy where it was easiest and fastest to get a hold of the laptop.

Evidently price is a major factor which is considered by a majority of the interviewees. This is further supported by the fact that those interviewees who were exposed to unexpected situational factors, i.e. special offerings given by the retailers, chose this alternative. However, the other deciding factors which are mentioned fall under the category of product attributes, namely performance and design (also see figure 5.1). The statements given above obviously show that neither brand preferences nor attitudes of others affect the final purchase decision, even though these have influenced the evaluation of alternatives.

5.1.1.5 Post-purchase behaviour

Kotler et al. (2005) suggest post-purchase behaviour as a fifth possible step in the buyer decision process. This step includes any actions taken by the consumer in order to evaluate whether the purchase made was either good or bad. Consumers become satisfied with a purchase if their expectations are either matched or exceeded in terms of perceived performance of the product chosen. Satisfaction or dissatisfaction is then spread mainly through word-of-mouth.

The study unveils that Sara and Lenny continued looking for offers after conducting their purchase. Lenny specifies that he did so by comparing prices. Both Lenny and Sara came to the conclusion that their purchase was a good one and conclusively they were happy with their choice of laptop. Jenny on the other hand spoke to a friend in order to find out what he or she thought about the purchase. Carl obtained very positive reactions from his surrounding regarding his laptop and thought of this to be a sort of confirmation that he had made a good purchase. It is according to Kent completely unnecessary to evaluate whether the purchase was good or not, since it would not make any difference *after* the purchase had been done already. Maria did not mention any specific post-purchase behaviour but states that she was unhappy with her laptop as it became slow soon after the purchase.

The behaviour presented above shows that a majority of the interviewees carried out some kind of actions in order to evaluate their choices. Sara and Lenny compared their laptops to other offerings while Jenny and Carl in some way discussed it with people they knew. Out of these four interviewees, Sara, Lenny and Carl express satisfaction. On the other hand, Kent felt that this kind of behaviour would be unnecessary and Maria did not take any actions at all. Out of these two persons, Maria soon became unsatisfied with her laptop. It is complicated to find any connection between post-purchase behaviour and level of satisfaction, but important to notice is that some of the actions taken include dialogues with other people close to the consumers. This way it is shown that word-of-mouth do exist, and through this the circle is closed, meaning that new needs might be recognised by other potential consumers or potential consumers conducting information search might be influenced by others, etc.

5.1.2 Group influence

Consumers are according to Kotler et al. (2005) influenced by a number of social factors. Some of these are family, friends and social roles. In the results, it has been obvious that family members and friends have in different ways influenced the laptop purchase.

Kent and Carl mentioned that comments and recommendations from one or more friends play a big role in the purchase process. Furthermore, Maria, Sara and Jenny mentioned that one or more family members had valuable inputs that they took into consideration in the purchase process. Carl borrowed a friend's computer for a while to try it out and based his decision on this particular experience.

Five interviewees (Maria, Sara, Lenny, Kent and Carl) mention that it is due to lack of own competence, consultation with family or friends – that possess greater knowledge – were carried out. A laptop is a very conspicuous product since it is carried around and frequently visible. The influence on a laptop purchase has throughout the interviews shown to be very high. All respondents have searched for guidance from either family or friends. Based on influence, Jenny and Kent have literally stated that they completely excluded certain brands.

According to Bearden and Etzel (1982) the group influence is greatest for public luxuries – luxuries such as a laptop. The most commonly discussed features by the interviewees and also portrayed in figures 5.1 and 5.2 can be divided as follows. Performance can be viewed as the necessity-related feature because it depicts the usability and functioning of the product. Design and choice of brand on the other hand are more related to the luxury aspect of the product since these features bring a higher value to consumers. Performance can still be a feature that consumers value in luxury goods as well but a luxury product implies that there is something more wanted by consumers, e.g. neat design or superior brand.

Conclusively, buying a laptop is seen to be a high-involvement purchase. Sargeant and West (2001) akin to Kotler et al. (2005), agree that the group influence is most present for high-risk products. A similar notion is evident when comparing the statements of the interviewees. Comparing the interviewees' opinions for less important products and consequently low risk, the interviewees state that they are not involved to any greater extent in low-risk purchases. In the purchase of a laptop, the interviewees searched to find information, striving for experiential sources, seeking guidance from friends and family, evaluated different brands and price ranges. This constitutes a picture of high-involvement behaviour and the comprehension leads to the belief that accordingly high-involvement products are subject to great group influence from social groups, while low-involvement products are purchased under low or non group influence.

An additional influence on product (specifications, features) and brand is reference groups i.e. groups that consumers strive to attain acceptance and cohering from (Arens, 2004). If a friend is part of this reference group his or her opinion and recommendation might turn out to be valuable as the consumer wants a confirmation that the purchase will be "likable" by this friend. The results constitute a split opinion. Two of the interviewees (Lenny and Carl) actually mentioned that they were not affected at all during the choice of brand. All interviewees but Lenny have however been exposed to extensive group influence when it comes to product choice. The interviewees have expressed that technical specifications have been complicated to evaluate on their own and therefore the opinions of friends and family have been substantially valuable.

5.1.3 Involvement

According to Kotler et al. (2005) involvement can be categorised into four different behaviours depending on whether it concerns a high or low-involvement product. The two categories a consumer can fall under during a high-involvement purchase is either *complex buying behaviour* or *dissonance-reducing buying behaviour*. Both imply that people tend to increase their level of involvement when a purchase involves high risk, is expensive, very self-expressive and when the product is bought infrequently. Complex buying behaviour also adds that differences among brands vary a lot.

Looking back at the buying behaviour process it was concluded that price was a crucial factor considered by a majority of the interviewees. Taking this into consideration it is clear that a laptop in general must be perceived as an expensive product, and consequently involves a high risk. The latter notion is further reinforced by the fact that many times post-purchase actions are taken by the consumers in order to make sure that the choice they made was good, and hence lower any risks taken through that specific choice. Carl clarified that he is more involved in purchases of expensive products and that high-involvement purchases require a certain level of need in contrast to low-involvement purchases, which

can be bought impulsively or by sole recommendations. According to Arens (2004), for high-involvement products the central route to persuasion is more appropriate than the peripheral route, i.e. the focus of the communication with the consumer should be put on deeper product-related information.

The quantitative research shows that 69 percent of the respondents were highly or very highly involved in the purchase of a laptop (see appendix X), where also all of the interviewees regard it as a high-involvement product. All of them imply that for high-involvement products it is important to be able to see, feel and try the product, i.e. to physically acquaintance oneself with it. This is also evident as all of them either visited a store before the purchase of their laptops in order to see what products were offered, or as Carl did; borrowed his friend's computer and obtained experiential familiarity with it. Jenny, Kent and Carl explicitly expressed that, for such an expensive purchase a laptop convey, this experience is very important. Theory suggests that for complex buying behaviour a product must have great differences among brands and it is also stated that a purchase of a PC should be regarded as complex (Kotler et al., 2005). Earlier it was announced that at least four of the interviewees (Maria, Jenny, Kent and Carl) evaluated different brands before making their final choice. Sara did not comment specifically on this issue, while Lenny clearly stated that brand was irrelevant. Having this in mind it is shown that there are perceived differences among brands. This notion is further strengthened by the fact that all of the interviewees did visit stores to try out the different offerings, i.e. differences between laptops and various brands.

Maria stated that usually a high-involvement purchase is about finding a product that best fits one's needs, one tries to find the product that can express oneself the best. This then requires substantial time and effort - something that the interviewee is ready to invest. This investment is needed due to the fact pointed out by Kotler et al. (2005), i.e. a laptop should be regarded as a complex purchase. The complex behaviour shown by the interviewees in their respective laptop purchase and also by the evaluation and exclusion process (see figure 5.1) implies that price is the most decisive factor when it comes to narrowing down the alternatives to a manageable amount. Thereafter, design and performance (and perhaps brand preference) are valued by consumers in the selection of the perfect laptop, i.e. for their purposes. Two interviewees (Maria and Carl) even stated that they had to have neat design which yet again can be linked to the fact that a laptop is a conspicuous product.

Three interviewees (Maria, Sara and Carl) mentioned that the more complex a product is the more guidance they need and the more involved they need to get, in order to obtain sufficient and valuable information. Similarly, Sargeant and West (2001) and Kotler et al. (2005) state that the influential forces from family, friends and groups are highest for high-involvement products. This clarifies even more that consumers tend to be sensitive about information and advices regarding socially visible and complex products. Five out of the six interviewees (Maria, Sara, Jenny, Kent and Carl) were highly influenced in their respective laptop purchase by family, friends and to some extent by salespeople and others. Lenny on the other hand was not influenced at all in the laptop purchase since he thought that he was competent enough to make the purchase without recommendations or advices from other people. Furthermore, he states that when he does not feel competent enough, he values information and guidance from other people.

Self-expressive products demand a complex buying behaviour since there is evidently a vast amount of products that can satisfy a basic need but that would not be able to express

one's personality and beliefs. Consumers want to be totally certain that the selected alternative will satisfy all their needs, which is also expressed by both the theories and the findings presented in this thesis.

The last prerequisite that suggests a complex buying behaviour is that the product is purchased rarely, (Kotler et al., 2005). Carl tells that he has bought two laptops in total, one just recently and the other laptop three years ago. Three other interviewees (Maria, Lenny and Jenny) state that the laptop purchase they refer to during the interviews is their only one. This suggests that a laptop is a product which is rarely purchased.

The other two categories of low-involvement buying behaviour that Kotler et al. (2005) mention are *habitual buying behaviour* and *variety-seeking buying behaviour*. The former category suggests that consumers purchase a product on regular basis and that choice of brand is made by routine. Further, differences among brands are to be few and prices are low. The dictum given by the interviewees does not comply with any of the prerequisites needed for this type of buying behaviour. The latter of the two behavioural categories on the other hand implies that consumers do perceive immense brand differences, (Kotler et al., 2005). This corresponds to what is pronounced by the interviewees, but the differences according to the theory also put in the picture that the differences result in repeated brand switching (Kotler et al., 2005), which in turn does not match up with what is said before. Moreover, Kotler et al. (2005) also argue that for buying behaviour to be variety-seeking; involvement must be low and further that consumers often hold a belief about the product before purchasing it. In addition, the theory suggests that evaluation of the product is conducted simultaneously as it is consumed. The research on the other hand has clearly shown that the evaluation takes place before the purchase is carried out, thus making involvement high, even though consumers might hold specific beliefs about the product on beforehand.

5.2   Online consumer behaviour

All interviewees state that they are very familiar with the Internet and use it on a daily basis. Accordingly, the results from the survey show that 85 percent use the Internet seven days per week in average which indicates that a predominant amount of the respondents are very experienced with the Internet (see appendix VI). Typical online activities are; searching for information (news and product related information), academic duties, keeping in touch with people (communities, e-mail and other tools) and purchasing products or services. Maria points out the usability of the Internet especially when it comes to searching for information and evaluating and comparing alternatives. She also mentions that these activities can be time-consuming depending on how familiar a person is with the Internet and the different tools found there. For an inexperienced user of the Internet it will be quite complicated and overwhelming to acquire the right information due to the complexity and vast amount of websites that the Internet holds.

Sara feels that the Internet is quite organized, where she tends to search within specific product categories, when it comes to purchases. According to this interviewee, it is less likely to make impulsive purchases online due to her statement above. Two other interviewees (Lenny and Carl) both disagree with the notion that impulsive purchases are less likely online. Lenny feels that it is easier to make online purchases due to the presence of special offers such as free shipping if you buy for a certain amount, or if you buy enough items. Carl on the other hand thinks that impulsive purchases online occur easily since he knows his credit card information, bank account numbers and other financial information

by heart. This way he can complete the payment without leaving the computer or website and thus does not hesitate about the purchase.

Additional characteristic of the online market is the convenience aspect, i.e. you do not need to leave your home to purchase a product and can have the product delivered to the preferred address. Four of the interviewees (Maria, Sara, Kent and Carl) refer to this aspect and they also feel that it is especially convenient when it comes to some services such as train or bus tickets. The reason for this is that these tickets do not need to be on paper but quite often the ticket is in the form of a code. This means that they can simply write down this code or have it on their cell phone. Maria and Kent indicate that it is even inconvenient purchasing these services in the traditional market since it takes more time to go to the ticket office and purchasing a ticket there than simply entering the company's website and getting a ticket that way.

Another example of the convenience aspect is the case with Carl who purchased a laptop online at the time of the interviews being carried out. He explained that even though the laptop had the same price in both the traditional and online market, he did not have a burning need to get the laptop instantly. Therefore, he thought that it was more convenient to have it delivered instead of going to the store.

The fact that consumers cannot touch or feel a product when making online purchases is a negative aspect for Maria and Carl. This is applicable for certain products such as clothes, shoes and similar items. They believe that they need to try these products out before purchasing them and Maria even says that it is quite inconvenient to send back items when something is wrong or when it does not fit.

Sara states that the intangibility of products on the Internet is not a major issue for her. The more important aspect for her is that she has knowledge and access to information about the product, so when this is at hand she does not need to touch and feel the product. The same interviewee also states that the absence of aggressive salespeople on the Internet is valuable to her since she can conduct purchases in her own pace and she does not have to feel bad for wasting a salesperson's time which quite often could be the case when it comes to traditional purchases. Lenny agrees by saying that it is easier to avoid getting too influenced by online salespeople since the Internet is more objective. Maria states that the Internet is rather impersonal and that this could be somewhat disturbing in the sense that she has to rely on her own capabilities when she encounters an unfamiliar webpage or when she has to enter vital information (e.g. date, time, number or other information). Another quite major disadvantage with the online market, as stated by Carl, is that it is so easy for a consumer to leave a web store or website, while in the traditional market you might need to go through the whole store and continue being exposed to products and offerings. This could although be seen as an advantage for consumers since they can more freely move away from unsatisfying websites or online stores.

No one of the interviewees has encountered any bad experiences on the Internet when it comes to purchases. This goes along with the statistics presented by Turban et al. (2006a), where less than two percent of online consumers went through an unfavourable experience. Three interviewees (Maria, Lenny and Kent) elaborate on minor complications or inconveniences that occurred but none of these were related to product-specific reasons, but instead concerning late delivery, payment options and inconvenience of sending back items. Overall, four interviewees (Maria, Sara, Jenny and Carl) state that they do not judge

the entire Internet if a bad experience would occur but that it instead involves evaluating the specific website or web store in order to make sure that it is sincere and safe. Carl says that online purchases could be swifter and easier if his financial information was stored on a site that he frequently makes purchases from, but only if safety and confidentiality can be guaranteed. Sara also explains that a bad experience on the Internet is equal to a bad experience in the traditional market.

The six interviewees entail that the most commonly purchased products online are; literature, basic electronic products, CDs and DVDs (for definitions see section 1.5). All interviewees buy cheaper clothes, accessories, various tickets or other services. Kent explains that the feeling of making an online purchase is not as strong as the feeling of a traditional purchase but that it instead is prolonged since you are not able to get the product instantly but have to wait until it is delivered to you. An advantage with the Internet, as stated by Lenny, is that most products are released earlier online than in the traditional market. Maria indicates that when people make their first online purchase they are more likely to purchase again in the future. The similar notion is expressed by Turban et al. (2006a) where consumers are more likely to spend more money on the Internet when they are more experienced with online purchases.

Lenny and Carl state that especially when it comes to high-involvement products such as laptops, personal communication and customer service is very important. Overall according to Carl, products where quality and performance are easily forecasted are appropriate and practical to be sold and purchased on the Internet.

5.2.1 E-commerce consumer behaviour model

The model can be seen as broad whereas at the same time rather detailed, as the various variables of the model are applicable to many situations and purposes. The selected parts are relevant for the purpose of this thesis and also important when comparing the traditional market with the online market.

5.2.1.1   Environmental characteristics

Environmental characteristics consider five different elements, i.e. social, cultural/community, other (legal, institutional, government regulations), political and technological. In this research, only social variables are relevant, hence only these have been considered. The aim has been to compare those and make associations to group influences within the traditional consumer behaviour theory.

The social variables within the environmental characteristics of the e-commerce consumer behaviour model play an important role in online purchasing (Turban et al., 2006a). Groups have a great influence in traditional purchasing behaviour (Kotler et al., 2005), and so does the social variables in online purchasing (Turban et al. 2006a). This has also been proven throughout the research of this study. However, social variables in the online market also take into consideration the opportunity for consumers to communicate online (Turban, et al., 2006a).

Just as for buying behaviour in the traditional market friends do influence the credibility of and trust for the Internet, as well as specific websites according to the interviewees. Jenny express that disappointing comments on a website can very well have her avoid it, in unison with Lenny who states that negative comments considering a website are more influential than bad comments on a traditional store. A third interviewee, Sara, mentions that she

gets more precautionary towards the Internet if friends tell about bad experiences from it, even though she has great trust for it. Another interviewee, Maria, states that expensive products call for more advices and interaction with others.

When the interviewees bought their respective laptop in the traditional market they searched to find information partly from friends and family. Earlier it was also acknowledged that high-involvement products are subject to great group influence from different social groups, while low-involvement products are purchased under low or none group influence. However, looking specifically at the online market, the interviewees above utter certain distrust towards the Internet as a market or specific websites if they have heard of bad experiences about it. Hence, discussions with friends or recommendations given by them are also needed on this issue, often without regards to high- or low-involvement. The reasons for this are, as mentioned earlier in this chapter, barriers of experience and knowledge. In contrast and relative to the traditional market, the Internet is a new and unfamiliar marketplace which this group of consumers does not possess as much experience and knowledge about. For these reasons a more precautionary approach is undertaken when exploring the online market for shopping purposes.

Lenny, who is a member of some sites, further adds that if he would buy a laptop online, recommendations from someone would be very valuable for his purchase decision. Maria also tells that she attends communities, and in accordance with the other interviewees, she declares that, using the Internet on daily basis, one of her main activities is to communicate with others. Maria further expresses that communities and similar tools are good places to seek for advices on purchases. She also states that advices can be needed when encountered with an unfamiliar webpage. This information supports the theory saying that social influences through interaction are important and that the online market is a valuable arena allowing such activities to take place.

5.2.1.2 Market stimuli

The elements that are found in the vendor-controlled intervening variable called "market stimuli" comprise of *price, brand, variety, promotion, product quality, product availability* and *customisation* (Turban et al., 2006a).

According to all interviewees, a very important factor is the price. In addition all but Jenny express that prices online must beat the traditional offers in order for them to consider buying a product online. This means that the price is a particularly decisive factor. The interviewees agree that cheaper products online would probably make them purchase more on the Internet. Sara and Lenny literally state that they today would consider to buy a laptop online if it proved to be cheaper. As this market stimuli (variable) is in the online merchant's power to control, many adjustments can be done in order to satisfy the consumer demands expressed above. Considering price, the online market must always focus on offering lower and more competitive prices. It appears that this is one of the major factors according to the research made. Conclusively, the interviewee's statement entails that competitive pricing along with excellent delivery systems and a clear presentation of information, not only on product information, but also on terms of agreements, should be in the merchant's point of focus.

5.2.1.3 EC systems

EC systems are the facilities that are a part of the vendor (merchant)-controllable intervening variables within the e-commerce consumer behavioural model. They are constituted by

three main areas where merchants can control and influence the decision-making process. These are the elements within a consumer decision making process that the merchant can actually influence. The areas are *Logistics Support and Other, Technical Support* and *Customer Service*. Within each area are different features found. In Logistics merchants have the ability to control the *payment systems, delivery systems, Content* and *Security*. Within Technical Support the controllable facilities are *Web design* and *Intelligent agents for scratch comparisons*. For Customer Service the facilities are *Accessibility, FAQs, E-mail, Call centers* and *One-to-One* (Turban et al., 2006a).

5.2.1.3.1 Logistics Support & Other

Maria and Sara express that terms and conditions such as return policies must be clearly defined and functional in order to consider an online laptop purchase. Lenny mentions that, terms of agreement must be clear. Maria, further states that information such as shipping costs should be clear and well presented. These statements clearly relate to the facilities that the merchants can control. Return policies and shipping deal with the logistical system that the online merchants provide for their consumers. The content i.e. the information on how the system works and how the consumers should proceed in case of an issue ought to be; clear, simple and easy to follow.

Sara and Lenny express that the delivery must be swift and secure. Carl states that heavy products or products located at remote locations are bound to a certain risk of breakage during delivery, this impinge on the decision to purchase online. Lenny further state that worries whether the product will be delivered on-time affects the purchase decision. He conclusively demands an excellent delivery system. The delivery system is also a part the logistical system a merchant provides for its consumers. It has literally been expressed that delivery is a main factor when the interviewees described what they thought to be important in online purchasing. In order to find an alternative to the immediate transactions that takes place in the traditional market (paying for and receiving the product takes place simultaneously) online merchants need to be able to guarantee swift and secure deliveries.

5.2.1.3.2 Technical & Support

Three of the interviewees (Sara, Jenny and Carl) mention that the information on websites and the overall design of the site should be clearly presented and easy to understand. Kent expresses that excessive advertising is annoying. Lenny mentions that consumer evaluations on the particular website are valuable and also expresses the notion that it is easier to compare products online.

Under the category of technical support, the statements correspond to the merchant's power to improve and fabricate the web design of the site so that it complies with the inputs and comments of the interviewees; websites need to be clear and pedagogical. As Lenny mentions it is also important to incorporate functions that can enable the consumer to make scratch comparisons among products (comparing price and brand alternatives). Further, Carl clarifies that in order to attract him to the online store; the sites should incorporate more interactive features where one can twist and turn products, he also mentions that he could overlook the fact that the design and functionality of a website is very poor *if* the company is renowned and familiar from earlier. By designing interactive features, a step towards substituting the ability to see the product in reality, is taken.

5.2.1.3.3 Customer Service

All but Sara state that customer service needs to be improved in order to buy more online. Maria mentions 24h service while Lenny would like to see the possibility to become VIP member for sites frequently visited/purchased at. Maria and Kent fill in that follow-up service and post-purchase check-up calls are services that would appeal to them. Jenny considered buying online first, but after encountering bad service she avoided this alternative and turned to the traditional store. The statements above entail that online merchants can try to improve the service, by providing callcenters, around the clock service and post purchase services. This way, the online merchant can possibly outperform the traditional market on many levels. A traditional store cannot usually operate 24 hours, but an online store can. Thus consumers can be served on their own terms instead of the market's terms, for example; consumers do not need to pay attention to the opening hours of the physical store since the same service is provided online around the clock.

5.2.1.4 Web-based customer decision support system

The Web-based CDSS framework and its various tools can prove to be valuable when it comes to understanding why consumers prefer the traditional market over the online market in high-involvement purchases. The presence of the traditional market and its characteristics is inevitably difficult to compete with where one has to realise that some products or services are impractical and even impossible to be sold over the Internet. The mentioned interviewees in this thesis disclosed that they, on the Internet, tend to buy mostly low-involvement products such as literature, cheaper clothes, multimedia products, basic electronic products, bus-/train-tickets and so on.

Maria entailed that she bought a digital camera online and that she spent a lot of time searching for information regarding the digital camera. She also compared the alternatives on the Internet and evaluated them by using various sites and tools. This is also evident in the case with Lenny's purchase behaviour on the Internet as he tends to use chats, communities and other discussion tools in order to find information, although he does not provide information himself. According to Lenny, it is easier to find information about some product in the online environment and then buy the product in the traditional market than the other way around. He tends to reflect more before purchasing products online due to the fact that you often have to pay before the delivery of the product.

When it comes to Maria's digital camera, she felt that there was a need for clearer information from the seller and also instructions on where to turn if any complications would arise. Her need for clearer information is shared by Kent and Carl where they state that this type of input should be; simple, short, vigorous, and presented in a way that makes it easy to grasp and understand. When it comes to technical specifications, Kent expresses a desire to have access to standardised information and measured against a benchmark so that comparison between products would be easier. Also Carl appreciates this type of comparison since he uses web catalogues in order to evaluate alternatives and merchants before making an online purchase. According to Carl, it would also be quite helpful to be able to view the product from every angle and in close-up.

The CDSS facilities and the other facilities mentioned in the Web-based CDSS framework do enable consumers to perform some of the activities mentioned by the interviewees above, but there is also room for improvement, especially in the areas of product/merchant comparison and high-quality viewing of products. Also all interviewees use communities or similar websites in purpose to communicate with people and to acquire information regarding every-day matters. As stated earlier people tend to more frequently

disclose negative comments than positive comments, so the use of these sites will at least enable to share and acquire information and experience about the online environment.

5.2.2 Trust in e-commerce

The interviewees all tell that they either feel "safe" making online purchases or that they dedicate "confidence" to the Internet in general or simply "trust" the Internet as a market. This indicates that they have trust in *the Internet as a shopping channel* as depicted by the E-commerce trust model (see figure 2.6, p.12). The implication of this type of trust is shown by the blue aspects in the same figure, where Turban et al. (2006a) have identified three aspects that influence the consumer's general trust in the Internet as a market, namely; *reliability, understandability and security/payment*. Since all interviewees feel rather safe and are positive towards making mostly low-involvement purchases online it entails that they generally; see the Internet as reliable, understand the content presented and feel that payments can be performed with high security. Also, as shown by the quantitative research, 93 percent of the respondents have bought products or services online within in the last year (see appendix VII). Furthermore, nine percent of the respondents make online purchases once every week while slightly more than one third purchase once every month and just under a third do it every three months (see appendix VIII). These findings point out that trust in the Internet as a shopping channel is rather significant; i.e. for both the respondents of the survey and the interviewees.

Lenny clearly expressed that having to pay in advance levels purchase hesitation as to whether the product will arrive on time. This notion refers to how much this consumer trusts a certain merchant on the Internet, but also to some extent the supporting elements such as logistics, consumer protection and so on.

Further, five out of the six interviewees (Maria, Sara, Jenny, Kent and Carl) revealed that they are cautious when entering personal or financial information which is sensitive on the Internet. This fact points out that the interviewees lack some trust in the reliability aspect of the Internet as a shopping channel part, shown in the e-commerce trust model. Due to privacy issues these interviewees feel concerned whenever they enter this type of information although they have great trust for the Internet in general.

However, they are all more careful or analytical on the Internet, especially when it comes to making purchases online. Sara clearly mentions that her trust for the Internet is influenced by the inputs and opinions of her friends. This statement is connected to the lilac aspects in the e-commerce trust model and more specifically to the box labelled '*peer's success stories and referrals*'. According to Turban et al. (2006a), these stories and referrals indirectly influence the consumer's trust in business and regulatory environments that are present on the Internet.

The study undertaken has not been aimed to analyse the trust of any specific Internet merchants, but Lenny and Jenny do argue that they feel safe and do trust familiar sites or sites of bigger and well-known companies. Maria also mentions that it is important to be able to trust an unfamiliar webpage – this can of course also be interpreted as an unfamiliar Internet merchant. The main problem today is not to educate people on which tools the Internet offers and how they could use them, since people have increased their familiarity with the Internet and the online environment. The aspect of trusting specific Internet merchants has become ever more important and this is where most resources and efforts should be put. Today, online users and consumers have a clearer need for evaluating and trusting cer-

tain websites or online merchants, as is also stated by all of the interviewees and shown by their carefulness in the online market.

Four interviewees (Maria, Sara, Jenny and Carl) also expressed that they do not judge the entire Internet market based on the flaws of one single Internet store – this gives further reason to believe that trust in Internet merchants is dependent on each single merchant's own approach and treatment of its customers. In the e-commerce trust model (see figure 2.6, p.12), reference can be directed towards the orange boxes; *seller, competency and benevolence* which affects trust in Internet merchants. The implication for Internet merchants is that they need to guarantee consumers sincerity and enable trustworthiness in order to increase consumers' confidence about the online market and more specifically the beliefs about certain merchants. This can prove to be very valuable for a specific merchant in the long term since it could result in a powerful brand name and positive beliefs or comments regarding that merchant. Lenny mentions that negative comments from a friend considering a particular website have greater impact than negative comments regarding a particular traditional store. Jenny mentions that she might avoid a certain website if a friend expresses disappointment over that particular site. This is quite evident throughout both the theoretical framework and the empirical findings. Kotler et al. (2005) states that negative word-of-mouth is expressed approximately four times more than positive word-of-mouth, furthermore negative word-of-mouth is far more effective in terms of consumers that act upon the given information.

5.3   Summary of the analysis

The preceding parts of this chapter have linked the theoretical framework with the empirical findings in efforts to present connections and contradictions for the reader. This has been done rather detailed and extensively which supports why a summary of the main findings and implications could be needed. The following reasoning and analysis is more general in nature and will be linked to the research questions that were defined for this specific study.

The study has primarily focused on consumer behaviour in high-involvement purchases but some efforts have also been directed towards exploring the consumers' behaviour in respect to low-involvement purchases. The latter choice is due to the importance to view a certain aspect from various angles in order to detect both major and minor factors of importance.

The results demonstrate that there are in some cases, a number of dissimilarities in the purchase behaviour. Trying to generalise and bring these particular variations together is thus strenuous. It is also important to point out that one consumer is unlike another and that the same consumer can behave quite differently from purchase to purchase depending on the complexity of the product.

In order to be able to give recommendations on how to attract current traditional buyers to the online market the study has shown that a variety of factors can be considered, these compose of not only behavioural and social aspects but also elements such as web-based tools and systems. The starting point of this investigation was to identify the portion of consumers that purchased a certain high-involvement product (i.e. a laptop) in respective market. The next step was to find out how consumers behave when making this type of purchase and also why they behave as they do. The latter uncovered the behavioural as-

pects required to understand their purchase process but also the implications of what they perceived of the online market and its discrepancies.

The quantitative survey underlying this research has shown that almost two thirds, i.e. 65 percent out of the 150 respondents bought their laptop in the traditional market (see appendix XI). This indicates that a majority of the consumers have preferences for the traditional market when purchasing high-involvement products, such as laptops. To clarify the significance of this distribution one needs to consider the characteristics of the respondents and their familiarity with the online market. 85 percent of the respondents state that they use the Internet seven days per week in average and 93 percent have within the last year purchased products or services online (see appendix VI and VII). More than one third of the respondents (36%) state that they purchase products or services online at least once every month and slightly less than a third (31%) state that they do it every three months (see appendix VIII). The respondents' disclosure shows that they possess a vast amount of experience when it comes to the Internet and online purchases.

The empirical findings shown in chapter 4 reveal the behaviour that the interviewees were characterised by. Thereafter, the same findings were linked to the theories as well as analysed. In order to spare the reader from excessive repeats, only a short summary of the interviewees' behaviour is presented below.

The qualitative research of this study has shown that consumers especially prefer to conduct high-involvement purchases in the traditional market. But interesting too is that there is a tendency towards purchasing more low-involvement products on the Internet in relation to high-involvement products. However, it is also found that most purchases (both low- and high-involvement) are in fact made in the traditional market. By interviewing six persons who all bought a laptop in the traditional market, valuable and in-depth information about their behaviour and preferences has been extracted and analysed.

All of the interviewees went through the five steps of the buyer decision process, as illustrated by Kotler et al. (2005). The reason for the interviewees' substantial effort in the purchase of a laptop is that the product is complex and conspicuous. First of all, there are large differences among laptops with respect to price and brand. Furthermore, technical functions and specifications play an important role for the performance and capability of the laptop. In addition, design is also considered to have rather big significance since the product is socially visible. The most effort by the interviewees was directed towards the *information search* and *evaluation of alternatives* stages. Another quite interesting finding is that all of the interviewees that were exposed to unexpected situational factors also got affected by these factors and acted accordingly.

Kotler et al. (2005) and Sargeant and West (2001) both regard group influence to be highest for public luxuries and laptops should be classified as belonging to this type. The interviewees got extensively influenced by people around them when it came to the choice of product and brand. The most influence was within the area in which they lacked knowledge, experience or both. All in all, the interviewees' buying behaviour can be categorized as complex due to the nature of the product.

Having defined the buying behaviour of consumers in their high-involvement purchases, and concluded that the distribution of high-involvement purchases in fact do take place in the traditional market to a significantly greater extent, the following logical step is to shed light over the question why it is so? The interviewees have stated a multitude of reasons to

why they in the end prefer the traditional market over the online market. The most common and significant of these revelations touch upon the following features.

In the traditional market;

- customer service and personal communication is more apparent,
- tangibility of products is provided,
- instant transactions are possible,
- sensation of a purchase is much stronger,
- the habit of making purchases is more rooted.

Also important to take into consideration, and to add to this, is the given negative aspects of the online market;

- perception of impersonality
- complexity of information search
- lack of tangibility of products
- difficulty of evaluating online merchants
- presence of hesitation

The interviewees have clearly pointed out the value of being able to communicate with salespeople on a personal level as well as obtain information and bargain. This indicates the idea that customer service in the traditional market is attracting many buyers. The online market on the other hand is generally looked upon as an objective and impersonal world and thus perceived as less service-oriented in this particular sense. In some cases, this leads to a certain complexity in searching for information since, on the Internet, information is vast. Inexperienced Internet consumers find it hard figure out where to look. Therefore the absence of salespeople in the online market levels the challenge when trying to promote this particular market.

In addition, the tangibility of products in the traditional market makes it possible for the consumer to gain hands on experience and learn about the product by trying it out. Looking at high-involvement products this has shown to be extra important. Again, the traditional market holds a competitive advantage against the online market as consumers lack the possibility to touch, feel and try out product before purchasing it. This also goes hand in hand with the sensation of being able to leave the store *with* the product in hand. This feeling is absent in an online purchase as one has to wait for the product to be delivered. Many times online merchants also require payments in advance, while in the traditional market consumers emphasise the advantage of transactions taking place instantly, i.e. the product is exchanged for money at the same time and place.

Consumers also have a rooted habit of conducting most of their purchases in the traditional market. The underlying reason for this is the difficulty consumer experience in evaluating online merchants, and since it often ends up in avoiding this market, the opportunity to build any trust is lost. Consequently, as there is often a presence of hesitation towards purchasing high risk products online, consumers will leave if something turns out to be difficult on or wrong with the site.

On the other hand, the interviewees have stated that they are daily users of the Internet using the web for a variety of reasons. Among this variety are low-involvement purchases. As the quantitative survey demonstrates that 76% of the respondents have purchased something online within a period of three months (see appendix VIII), experience and knowledge of online purchasing is present among students. However, in the interviews it was expressed that high-involvement products were preferably purchased traditionally. Observing the facts, it is evident that a tendency towards purchasing low-involvement products online is at hand while simultaneously consumers are reluctant towards purchasing high-involvement products online.

Expressed advantages of the online market have emerged during the research. The interviewees have for example stressed the convenience of shopping online, especially when it comes to services, e.g. train or bus tickets. Convenience in this context refers to the possibility to make the entire purchase through the Internet - an alternative suitable for low-involvement purchase - as expressed in the interviews. This convenience further reduces the rushing and hassle often associated with shopping in the traditional market. Finally, there is also a correlation between convenience and the absence of salespeople. For example, when shopping in the traditional market, consumers tend to become influenced by salespeople to such an extent that it is perceived as if a high pressure is put on them, and/or they feel obligated to purchase a product which they perhaps do not want or need. In this case, the absence of salespeople in the online market makes it more convenient to conduct purchases there.

Another highly regarded advantage of the online market is the often lower prices. The qualitative research has entailed that price is one of the most important issues when evaluating products, especially when it comes to those of which a high-involvement is necessary. Further, when searching for information on these kinds of products, the interviewees with knowledge and experience for searching online expressed that the Internet is a very good alternative source. The ability to make instant comparison among products, brands, prices, and web-stores places the Internet in a favourable position. The intelligent search engines and tools are another feasible feature that puts online searching ahead of traditional – in reference to convenience. The idea that an online store is operating around the clock and can be entered and exited exceedingly faster than in any traditional store, it provides a great convenience for the customer. Finally, it is also mentioned that an advantage of the Internet is the fact that many products reach the online market before they are available in the traditional market.

6 Conclusion

This chapter provides the insights and major implications of the study along with the recommendations the research aimed at providing.

6.1 Confronting the traditional market

The traditional market, regarding high-involvement products, possesses the ability to provide its consumers with the possibility to redeem the evident experiential need for testing and trying out the product prior to the purchase decision. The online market, in its inability to offer this opportunity is bound to find other ways to attract consumers. Concurrently, online merchants need to come up with solutions to either provide substitutes in the absences of this experiential factor *or* to offer deals persuasive enough for the consumers to disregard the experiential need. The study entails that elements of importance include price competitiveness, delivery systems, return policies, customer service and product presentations. In a high-involvement context, these are the features that consumers regard as vital when online purchasing is mentioned.

The sensation of a traditional purchase is unlike an online purchase. It differentiates itself in the perspective of the social interaction in which consumers find a pleasure to shop. The idea is built on the desire to turn the entire purchase process into a pleasurable project. For online merchants this implies that in order to attract consumers, the social context has to be considered. If there are tools that can enhance the social interactions online, they ought to be considered.

In relation to the above, one of the sensations following the traditional purchase is the advantage and joy of that products are instantly received at payment – there is no delay in the transaction. Since it is regarded as a pleasurable project to buy certain products traditionally and since the fun deliberately involves the buyer, this immediate transaction is a part of the features to be regarded.

The study further reveals that there is a rooted habit in purchasing traditionally. Among the ones that still purchase their high-involvement products in the traditional store, it is evident that this habit is absent in regard to the online market. The consumers find no reason to avoid using the Internet in the preceding steps to the purchase. Rather it is in the actual transactional step where the laptop is to be purchased, that hesitation is most evident. In order to eradicate this hesitation, trust must be built.

Further, it has been shown that the perceived complexity of searching product information and evaluating alternatives in the online environment is exposed to a split opinion. The split is a result between the experienced searcher and less experienced searcher. The interviewees that stated that they were very capable of searching information online also stated that online searching is very reliable and convenient. The ones that were less experienced with searching online expressed a distress over the absence of salespeople who would be able to help them. One of the basic foundations that the online store is based on is the undependability of the human factor. Electronic purchase-applications and dependable logistical systems have been designed to *substitute* a part of the chores held by salespeople. Conclusively, less experienced online searchers need to adopt and learn how to facilitate the applications and software provided for searching online. The matter concerns the area of customer service and is elaborated on in section 6.2.

The difficulty which consumers find in evaluating merchants online is another reason for why they hesitate to purchase high-involvement products on the Internet. By the absence of the physical environment, people and interactions; the consumer is left with little information to base his or her opinion regarding the trustworthiness of a particular online merchant.

6.2 Closure

In the focus of providing insightful and significant information on the matters of missing *or* unsatisfactory features in the online market, the discoveries will give suggestion to online merchants on what specific features should, according to the study, be considered when there is a desire to attract more high-involvement purchasing to the online store.

The recommendations below surround the issues that have been discovered.

In order to redistribute high-involvement purchasing from the traditional market to the online market, merchants should;

- Improve product presentations/descriptions
- Strive to substitute the inability to provide experiential information
- Incorporate/improve personal communication
- Provide easy and pedagogical tools for product comparisons
- Offer various payment alternatives
- Sustain and improve excellent logistical and security systems

Product presentation concerns how products are displayed. The product image should be as detailed as possible, incorporating an application enabling the consumer to twist and turn the product. The description of specifications should be concise, structured and vigorous so that the information is easy to absorb. These efforts support the idea of trying to substitute the experiential source that is lost once you get online. It is by practical reasoning impossible to entirely substitute the source, but by closing in on it, online merchants can, in combination with for example price competiveness, encourage buyers to purchase online.

Personal communication deals with all the interaction that, in this context, appears on the Internet. It concerns chats, forums, customer services, e-mail etc. It could be consumers discussing reviews, experts providing guidance or merchants informing about a variety of issues including products, conditions, payments etc. In terms of the merchant, the personal communication is provided by the customer service. The study has shown that personal communication is a very important factor as obstacles and complications arises.

As stated above in section 6.1, the interviewees that mentioned that they were very capable of searching information online also stated that online searching is very reliable and convenient. The ones that were less experienced with searching online expressed a distress over the absence of salespeople. It is here relevant to consider the role of personal communication.

In order to improve personal communication and its role online merchants should consider increasing the interactivity in for example chats, e-mail and forums, where they can come to help and educate less experienced consumers on *how* to use the search applications that the merchants provide. By doing so, familiarisation with online purchasing will take

on, and as the consumers learn how to purchase, hesitation to purchase can come to decrease and subsequently trust to increase. The recommendation above is a step *further* in customer service – by educating and instructing inexperienced buyers on how to search and purchase online, an incorporation and thus redistribution of buyers from the traditional market to the online market can come to realisation. It is a matter of course that online merchants continue the striving for a sustainable and faultless customer service. It is the basic service consumers need to be able to reach if unexpected obstacles arise or if help is needed due to inexperience. It is not suggested that this service is altered, rather it should be accompanied by the additional services mentioned above, i.e. aiming to educate and familiarise first-time or inexperienced online buyers.

To support the idea that information should be easy to absorb, online merchants should provide comparison tools that are easy and pedagogical. It is these tools that will partly substitute the support which a salesperson traditionally provides. Considering payment, different alternatives should be offered so that each consumer can choose the payment that fits him or her best.

Since ordering/payment and delivery do not occur simultaneously, the prolonged transaction in the online market is an issue that must be handled carefully. Since a high-involvement purchase is often associated with expensive products, consumers are reluctant to pay for something they do not receive instantly. Question whether the product will arrive on time, and in what condition it may be delivered, concerns and worries the consumers to a point where hesitation arises. In order to avoid this, continuous and sustainable logistical systems should be considered. Logistical systems also concerns matters of product returns. Further, in order to minimise situations like sending a product to the wrong buyer or sending a product *different* from the one the buyer actually ordered, the logistical system must prove itself to be reliable. The study has shown that the likelihood to lose trust for an online store is more common than loosing trust for a traditional store, thereby stressing the importance of that the logistical system is important to sustain at a good level.

The underlining reason for avoiding the online store under high-involvement purchases lies within the reasoning that hesitation and mistrust are present. It is by improvements in the areas mentioned above that the hesitation can be diminished and by sustaining these improvements that trust can be built.

7 Discussion

This chapter will engage in a broader discussion of topics related to the thesis. Moreover, limitations and further research will be elaborated upon.

To finalise this thesis an extensive amount of raw data has been collected, of which a major part is of a qualitative nature. This data has been systematically collected, categorized, processed and analysed in ways which has minimised the likelihood of making any misinterpretations or other failures in the treatment of it. However, this great amount of data has forced the authors to focus even more on extracting the information that has been of particular interest and value to the purpose of this thesis. Consequently, there is a possibility that the authors might have disregarded information which could be valuable for other purposes. This, however, strengthens the forte and depth of the results from the study, as well as it passes on data which can be useful for further research.

Throughout the thesis the focus has been on laptops, which are regarded as high-involvement products, and that are purchased by students in the traditional market. The main goal was to be able to understand how this group of consumers behave when conducting such purchases in order to figure out how this knowledge can be useful to online merchants, and in the lengthening facilitate the redistribution of consumers' purchases from the traditional market to the online market. However, the student segment only represents a fraction of the total number of consumers in the market. Further, this segment is strongly characterised by many factors making it difficult to generalise the findings of the study and apply them to the whole consumer segment. First, most students have shown to be in the ages between twenty and twenty-four years old. This age group is probably many times more familiar to high-involvement products such as laptops, but also to the Internet as they are closer "related" to the Internet generation than many other people in older age groups. Their familiarity to the Internet is further strengthened due to their need of always stay updated in certain matters, e.g. news and academic chores, and to be able to communicate and share data and information with others in a convenient way. Another reason that makes students unique, and generalisation difficult, is the fact that students mostly live under strict financial conditions, often due to a low income, as their time for work is scarce in contrast to people in the labour force. Also, students many times live alone, away from their parents, which in turn force them to finance their living costs on their own, putting even more pressure on their economy. However, students are to some extent required to conduct certain specific purchases to be able to cope with their academic duties, and this often includes buying a laptop. Hence, the laptop becomes a very specific need which a lot of other people lack.

Having said this, one must not ignore the actual strengths of the findings from this research. Students can be seen as pioneers when compared to other segments of consumers in the market. The argumentation for this is that the student segment, which consists of a relatively young population, has by own efforts explored the online market. By doing so they have gained experience as well as knowledge, however they still have a tendency to hesitate about conducting high-involvement purchases on the Internet. So what does this tell us? Even though experience and knowledge is possessed, hesitation will be existent. Hence, consumers within other segments, supposedly of older age groups and further distanced from the Internet generation, with even more rooted habits of conducting pur-

chases in the traditional market and less experience and knowledge from the online market might have an even greater reluctance towards shopping on the Internet.

7.1 Limitations

The time horizon which the thesis has lied within has put some restrains on the research. In order to avoid informational meagreness interviewees were selected on a couple of pre-requirements found in section 3.3. We have limited the research to students since studying the entire consumer market is impossible within the time horizon and according to the explanations in section 3.1. Further, limitation of product category has been done in order to concentrate the study on one singular product – laptop. This way a deeper and more comprehensive study is possible.

7.2 Further research

With regards to what has been stated above in chapter 7, it would be interesting to dig even deeper into the same purpose of re-distributing high-involvement purchases from the traditional market to the online market. The aim would be to find out which marketing tactics/strategies that would be most effective in making this redistribution possible. Also, important to find out is;

- are the current tactics/strategies applicable
- does the online market require new marketing efforts

Furthermore, another important area of investigation would be to focus on products other than laptops, e.g. clothes. These products can be seen as sensitive and the fact that they are socially visible makes the online purchase process complex in an entirely different way. The scope could be to study consumers' behaviour when purchasing these products and if possible give recommendations to how these products could be sold online.

Another interesting approach would be to focus on other consumer segments, i.e. different from students. Such a study would help to find differences and similarities between various segments and to further support online merchants by providing them with even more specific recommendations depending on what consumer segment(s) they prefer to target.

Also consumer segmentation would be interesting to dig deeper into in order to find out which type of consumer that is more likely to make online purchases or which consumers buy more frequently online. The segmentation of consumers could be done according to VALS or alike in order to find out how each type of consumer behaves online. This would give implications on how consumers within each segment behave and thus enable online merchants to target the most attractive segment in a suitable way.

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Appendices

Appendix I Quantitative questionnaire (English)

PERSONAL INFORMATION

1. GENDER:	☐ Male	☐ Female
2. AGE:	Please state your age:_____	
3. WHICH SCHOOL DO YOU STUDY AT?	☐ JIBS ☐ HLK ☐ Other:_____	☐ JTH ☐ HHJ

INTERNET AND ONLINE PURCHASING

4. HOW OFTEN DO YOU USE THE INTERNET IN AVERAGE PER WEEK?	☐ 7 days per week ☐ 3-4 days per week ☐ Less than 1 day per week	☐ 5-6 days per week ☐ 1-2 days per week
5. DURING THE LAST YEAR, HAVE YOU ORDERED/PURCHASED GOODS AND/OR SERVICE ON THE INTERNET?	☐ Yes	☐ No
6. HOW FREQUENTLY DO YOU ORDER/PURCHASE GOODS AND/OR SERVICES ON THE INTERNET?	☐ Once every week ☐ Once every 3 months ☐ Less frequently than 6 months	☐ Once every month ☐ Once every 6 months

CHOICE OF PRODUCT AND MARKET

7. DID YOU PERSONALLY PAY FOR YOUR LAPTOP?	☐ Yes, fully ☐ No	☐ Yes, partly
8. HOW INVOLVED WHERE YOU IN THE PURCHASE OF YOUR LAPTOP, CONCERNING BRAND, QUALITY, PRICE, COMPONENTS ETC?	☐ Very low ☐ Low ☐ High ☐ Very high	
9. DID YOU BUY THE LAPTOP ONLINE OR IN A TRADITIONAL (PHYSICAL) STORE?	☐ Online store	☐ Traditional store

GET A GIFT CERTIFICATE AT CLARA'S!

If you are interested in participating in a more extensive interview (lasts approx. 1 hour), please enclose your contact details below. *Your participation is rewarded with a giftcard at Claras Coffee Bar!*

NAME:

E-MAIL:

THANK YOU VERY MUCH FOR YOUR TIME AND SHARING, IT IS APPRECIATED!

Appendix II Quantitative questionnaire (Swedish)

PERSONLIG INFORMATION

1. KÖN:	☐ Man	☐ Kvinna
2. ÅLDER:	Vänligen ange din ålder:_____	
3. VILKEN SKOLA STUDERAR DU PÅ?	☐ IHH ☐ HLK ☐ Annan:_____	☐ JTH ☐ HHJ

INTERNET OCH ONLINE KÖP

4. HUR OFTA ANVÄNDER DU INTERNET I GENOMSNITT PER VECKA?	☐ 7 dagar i veckan ☐ 3-4 dagar i veckan ☐ Mindre än 1 dag i veckan	☐ 5-6 dagar i veckan ☐ 1-2 dagar i veckan
5. HAR DU BESTÄLLT/KÖPT VAROR OCH/ELLER TJÄNSTER PÅ INTERNET DET SENASTE ÅRET?	☐ Ja	☐ Nej
6. HUR OFTA KÖPER/BESTÄLLER DU VAROR/TJÄNSTER PÅ INTERNET?	☐ En gång per vecka ☐ En gång per kvartal ☐ Mer sällan än en gång per halvår	☐ En gång per månad ☐ En gång per halvår

VAL AV PRODUKT OCH MARKNAD

| 7. HAR DU PERSONLIGEN BETALAT FÖR DIN BÄRBARA DATOR?	☐ Ja, helt ☐ Nej	☐ Ja, delvis
8. HUR INVOLVERAD VAR DU I KÖPET AV DIN BÄRBAR DATOR, AVSEENDE MÄRKE, KVALITET, PRIS, FUNKTIONER ETC?	☐ Väldigt lite ☐ Lite ☐ Mycket ☐ Väldigt mycket	
9. KÖPTE DU DATORN ONLINE ELLER I EN TRADITIONELL (FYSISK) BUTIK?	☐ Online butik	☐ Traditionell butik

FÅ ETT PRESENTKORT PÅ CLARAS!

Om du är intresserad av att delta i en djupare intervju (tar ca. 1 timme), vänligen lämna dina kontaktuppgifter nedan. *Ditt deltagande belönas med ett presentkort på Claras Coffee Bar!*
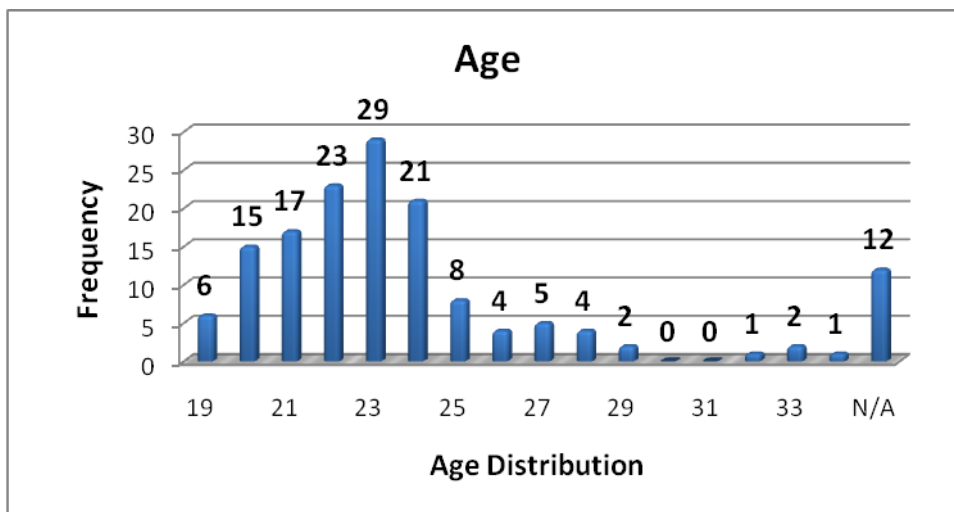
NAMN:

E-MAIL:

TACK SÅ MYCKET FÖR DIN TID OCH DITT DELTAGANDE, DET ÄR UPPSKATTAT!
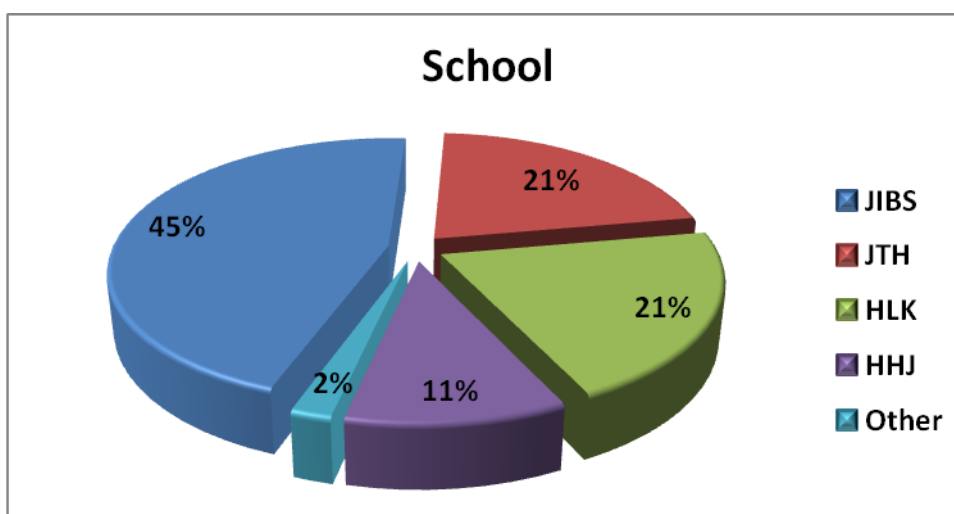
Appendix III Gender distribution
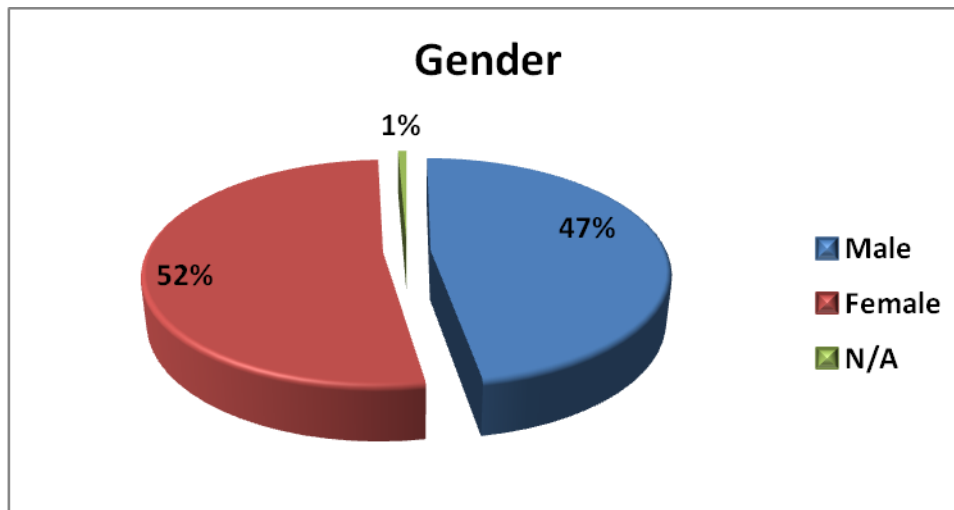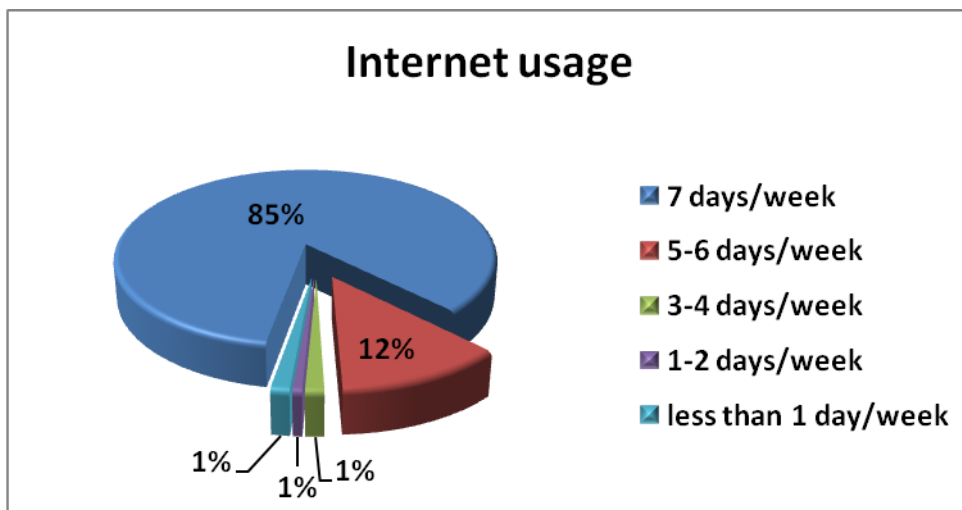

Appendix IV Age distribution
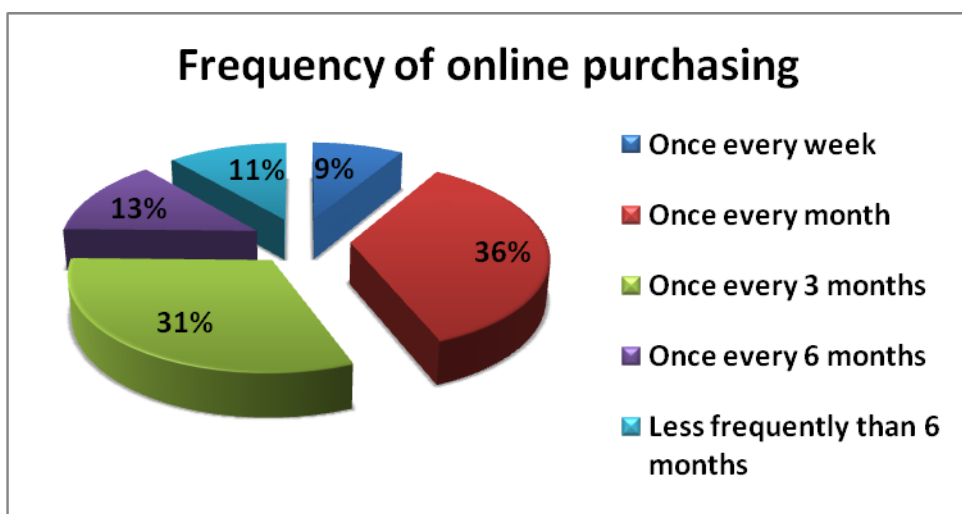

Appendix V School distribution

Appendix VI Internet usage per average week

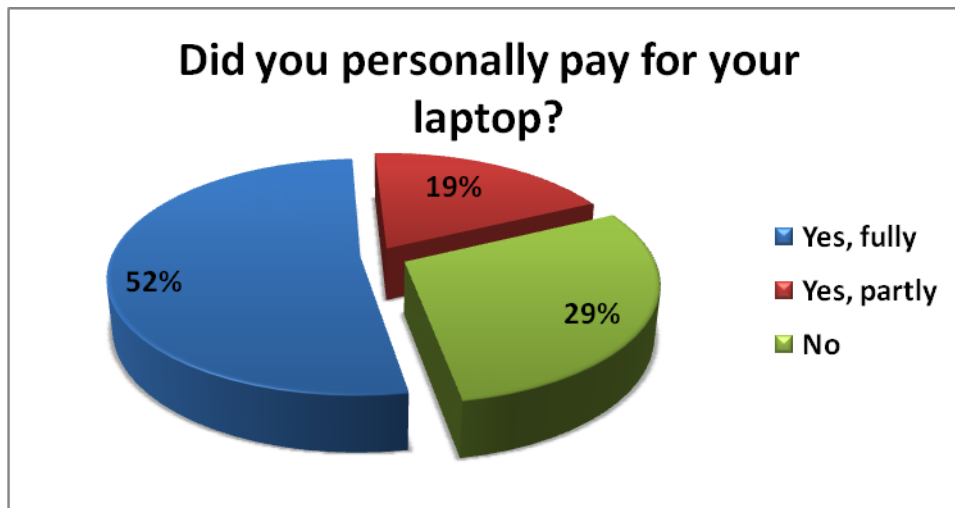Appendix VII Online purchasing within the last year

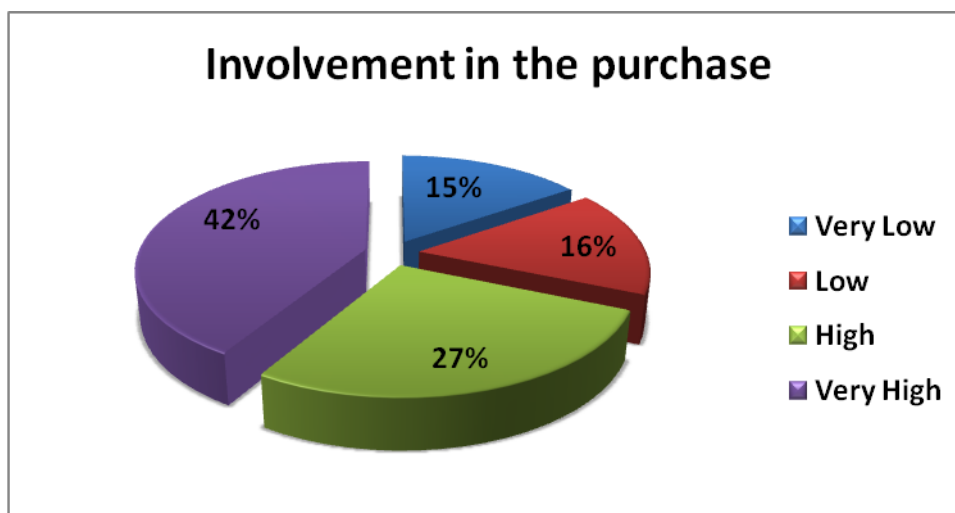
Appendix VIII Frequency of online purchasing

Appendix IX Payment of laptop

Appendix X Involvement in the purchase

Appendix XI Market place selection