MOVING TOWARDS E-COMMERCE: EXPLORING THE IMPLICATIONS INVOLVED IN MOVING A COMPANIES OFFLINE OPERATIONS TO AN ONLINE CONTEXT

Aodh ó Searcaigh

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This dissertation is submitted in partial fulfilment of the requirements for Degree of MSc in Marketing Practice, Letterkenny Institute of Technology.

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Abstract

In order to remain competitive many companies are exploring online sales as a means of generating sales, expanding reach and reducing costs. This research explores how companies with a previous off line operation moves towards e-commerce and the implications involved in such a translation. A review of relevant literature examines topical areas including e-commerce development within businesses, moving towards e-commerce, online branding and trust in online shopping.

An exploratory research design was used for this study with the aid of a mixed mode data is collection process. The first stage of this research involved the researcher using a judgement sampling technique from six depth interviews with companies who have incorporated e-commerce into their business strategy over the last five years. The second stage involved holding two focus groups or eight shoppers per group who shop online and are familiar with the companies interviewed previously.

The findings of indicate many challenges for companies and areas that require careful consideration throughout the move towards e-commerce including objectives, service offering, customer experience and the attainment of credibility which is identified as the key to attaining a successful online strategy. A framework has been developed from the research findings which incorporates these points in detail under other topic areas.

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Chapter One

INTRODUCTION

1.1 Introduction

'Online retailing is one of the major technological innovations in the information age. Adoption of online retailing refers to companies which establish electronic product/service transactions through the internet, providing direct-to-customer channels which involve material, information and cash exchanges between the participants.' (To & Ngai, 2006)

Rao *et al* (2003) suggest the move towards e-commerce consists of the following four stage process:

1. Presence;
2. Portals;
3. Transactions integration, and
4. Enterprise integration

Investment in e-commerce is essential for its success the management and deployment of the process outlined above is key to the success of e-commerce deployment within any organisation. Companies who move towards e-commerce often find the process challenging bringing in their off line operations to an online context, this research looks at how companies can make this transition yet maintain their USP from both a company's perspective and in the eyes of customers.

1.2 Research Objectives

The aim of this research is to investigate the process companies with a previous off-line operation move their operations online yet maintain their USP and core values throughout the process. The researcher aims to develop a model for companies to follow when making the transition to the adoption of e-commerce from the research findings. This model will focus on companies who have previously made the transition and on online shoppers.

The following has been identified as the primary research question this research sets out to achieve: *Exploring the process involved in bringing retail companies off-line operations online, yet maintaining their USP*

In order to achieve this, the following primary research objectives have been identified:

- To develop an insight into the various approaches companies encounter when moving their off line operations to an online context
- Develop a model for retail companies to follow when planning on bringing their current operations to an online context

The research sub-objectives are:

- Examine the process the "selected" companies go through when moving their off line operations online.

- Evaluate the effect on a brands image through moving their off line activities to an online context.

- Evaluate trust in online shopping for established stores with a off line shop front

- To uncover underlying issues a company faces when moving towards e-commerce

1.3 Value of the Study

The area of moving towards e-commerce for businesses that have been operating solely from a bricks and mortar store front is of particular interest to the researcher from time spent working within the industry and assisting a store move it's offline operations online, yet maintaining the company's core unique selling propositions (USP) and brand values throughout the transition.

In the current economic difficulties, retailers are facing many challenges in the markets they serve. According to Retail excellence Ireland there was a drop of 6.89% in retail industry sales from September 2010 to July 2011 (Retail Times, 2011). This illustrates the difficulties companies face with declining sales in these difficult trading environments.

Retails are finding it difficult to compete against one another in an offline context due to government legislation such as the upward only rent legislation, the cost of doing business for companies such as light, heat, public liability insurance, VAT and rates. These costs are significant and are often dictated by the size of the premises they trade from.

Taking these points into consideration, retailers are faced with two options, them being, downsize or target new markets and expanding operation. Those companies who attempt to target new markets may often look at exploring the customer reach of the company for example, selling online. This opens up the opportunity to sell their products/service to a potential global audience and increases sales and awareness of the company.

The growth in online shopping cannot be ignored as it is becoming the most popular way for people to gather information, purchase items and Research Company's product offering. Research conducted in the UK has found that the estimated number of customers served by the UK catalogue retail industry will stand at 50 percent of the entire UK population by 2013 (IMRG, 2010)

With this in consideration many stores are establishing an online presence for themselves focused on building its sales reach whether or not their online presence consists of an e-commerce function. This allows companies serve a potential global market and in the current economic environment, it reduces their dependence on their traditional customer base.

Company management can decide they will move their online operations to an online context; however it may not be as simple a translation as one seems. Companies face many challenges such as how they will position themselves to a larger customer base, how will they

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translate their company USP and core values to an online context and what branding decisions will they adopt to maximise coverage in the selected online markets to be targeted.

These questions raise many issues around how companies will approach these various areas and how they shall attempt to overcome them. From research conducted to date, no framework has been developed that guide companies through the various approaches to moving their offline operations to an online context, with specific attention to management of their USP. This research investigates this area and a proposed model has been developed.

Chapter Two

LITERATURE REVIEW

2.1 Introduction

According to To and Ngai (2006), Online retailing is one of the major technological innovations in this information age. Generally speaking, adoption of online retailing refers to companies which establish electronic product/service transactions through the internet, providing direct-to-consumer channels which involve material, information and cash exchanges between the participants.

The researcher has identified four primary areas of research in this literature review. The four areas selected are based on the researcher gaining a full understanding of the context of the subject area and are in line with answering the research objectives.

The first area researched is e-commerce development within businesses. This assists the researcher gain an understanding of the development of e-commerce and assists in understanding the evolution of e-commerce.

The second area studied looks at the movement towards e-commerce. This subject area is essential for the researcher to understand all published literature around this process as this is a key area is addressing both primary research questions.

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Online branding is thoroughly researched within this literature review in order to assist the researcher gain an insight into literature regarding positioning processes companies undertake, the rational for such decisions and understanding the importance of this from a company's perspective.

The final area researched within this literature review is the area of trust in online shopping. This area is will aid the researcher gain an insight into previously published literature into issues around trust in online shopping. This will assist the researcher in developing a framework in e-commerce deployment as outlined in the second primary objectives.

2.2 E-commerce development within businesses

Ellinger *et al*., (2003) believes that internet presence provides firms with opportunities to enhance business offerings in a cost effective and practical manner. It can help companies increase profitability, reach new markets, improve customer experience, distribute products faster and communicate more effectively with supply chain partners. Yang *et al*., (2003) explains that the primary task of a website is to attract a steady stream of interested users to visit a firm's online presence.

An established brand of a well known company, the URL or web address, is itself a competitive advantage, a tool to attract users to the firm's online presence according to Apte & Gangala (2007). They continue to state that regardless of how customer's acquisition is accomplished, it is imperative that the first rule of business in e-commerce is to bring current and potential customers to the website and make them feel gratification of online shopping.

According to Simeon (1999), the most essential feature of a website is the presentation of information about products, services, people, events or ideas. Alomaim *et al.*, (2003) suggest that though companies think that customer experience is of importance, some of online companies are paying less consideration towards it. McCrea (2005) believes that companies should focus mainly on designing user friendly websites. The simpler the website is the more enjoyable it would be from a visitor's experience. He also suggests that companies should use clear language, and also have the proper navigation bars to direct customers to necessary information. This would appear to support Yang *et al.*, (2003) who believe that a positive experience on a website builds a strong confidence in the customer about a website.

According to Christ Vogg (2001) the following areas were identified as key to a company's online success. They are as follows:

➢ What is expected: Site responsiveness, effectives and fulfilment and delivery
➢ What differentiates: Trust, configuration and customisation, and information and statuses
➢ What excites: Proactive service and value added service

2.3 Moving towards e-commerce

Santos (2003) illustrates the growth in e-services is becoming an important determinant not only in relation to success or failure in e-commerce but also in terms of providing consumers with an online experience that surpasses a mere flow of information . Furthermore purchasing online represents a complete change in buying habits and lifestyle.

Kolsaker and Payne (2002) outline that organisations are being challenged to embrace not only new technology, but a shift in the balance of power between retailers/consumers in favour of the latter. This is due primarily to information becoming increasingly available and transparent and also to increasing consumer involvement in activities previously solely within the domain of the organisation. This would support Hu *et al*., (2008) theory that it is impossible to examine the natural attributes of products in a virtual setting, and online consumers may seek unprejudiced accommodating information in purchasing more technically complicated or less familiar products. In this respect, online product reviews have become a major information source for consumers regarding product quality.

The importance of moving towards e-commerce is emphasised by Rowley (2009) who's research of All top UK retailers found that all have acted on the need to establish an online brand presence, but some have wider objectives, which are delivered through the transactional nature of their web site, and through other features.

Timmers (1999) uses Michael Porter's five forces model to argue that e-commerce creates almost perfect competition as barriers to entry are reduced, transaction costs lowered, customers are able to obtain better access to information, customer driven pricing is possible and all with the minimum of legislation and regulation. In addition, low entry costs leading to an early return on investment whilst safeguarding such investment was seen as a major attraction of e-commerce. Daniel and Myers (2000) found that the overall reason for the adoption of e-commerce by SMEs was to enhance customer relationships either through improving customer services, developing the brand, seeking out new customers or to allow for communication with customers.

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Van Beveren and Thomson (2002) point out that the most cited reasons for e-commerce adoption tend to be those based upon the company's size and their perceived importance of e-commerce to their business purpose. While Daniel and Myers (2000) found that as a company grows in size it becomes more difficult to communicate with customers and this leads to the adoption of e-commerce. However according to To and Ngai (2006) the following barriers to e-commerce include relative advantage, competitive pressure, channel conflict and technical resource competence. Doherty *et al*. (1999) suggested that the interest adoption might not be a viable strategy for all retailers, as the likelihood of an organisation succeeding in their investment decision would be dependent upon the retailer's specific internal and environmental inhibitors and facilitators

The increasing important role of the internet is highlighted by Ranaweera *et al*. (2008) who illustrate how the internet has enhanced the way customers relate to one another, how they search for information and how they purchase goods and services.

Challenges can come to light that will affect companies performance online and in instances affect their offline operations. Mooney (2001) has found that poor customer service from a clicks and mortar retailer will lead to seventy percent of online buyers to spending less time at the merchant's bricks and mortar store.

The customer should be considered throughout this process and as noted by Cowart and Goldsmith (2007) it was found that online shoppers were quality conscious, brand conscious, fashion conscious, hedonistic shoppers, impulsive and brand loyal customers.

Salmeron and Hertado (2006) has suggest that strategic objectives of fashion retailers in their development of e-commerce provision are: increase revenue, facilitation of purchase from consumers, and amplification of brand recognition.

It would appear however that e-commerce is here to stay; according to Weterenden (2007) that internet has a long term effect on high streets. It was stated that it would seem inevitable that in the long term, the size and composition of the high street will be significantly impacted as online shopping becomes a far more mainstream activity. This is supported by Doherty and Chadwick (2010) who stated that it is very clear that online retailer's market share, and influences, will continue to rise.

Delivering online customer experience requires special attention for the firms, which are expanding with the Internet presence according to Apte & Gangala (2007).

Constantinides (2004) believes that sites which clearly addresses the client needs and meets the customer's expectations are considered to be one of the most successful website delivering good customer service. Websites should be considered as an important marketing tool, which helps to build customer relationships. The website experience can be defined as the customer's total impression about the online company. Hossain & Hossain (2007)

Constantinides (2004) defines the online shopping experience as a process of four stages describing the successive steps of an online transaction. Considering that an online customer is not simply a shopper but also an information technology user one can argue that the online experience is a more complicated issue than the physical shopping experience.

Geissler (2001) theory highlights seven aspects that can promote online service in terms of customer experience, them being, Creating awareness, Steady message, User's needs, Update the website, Customer information, Involve the designers, and Relationships

Cox & Dale (2002) identified the following key quality finders in assisting companies achieving great customer experience online:

- Ease of use

- Customer confidence

- Online resources

- Relationship services

From an online experience perspective, Constantdides (2004) examined how e-marketers can "influence the outcome of virtual interaction and buying processes by shaping the customer's virtual experience". This is echoed by Merrilees and Fry (2002), who focus on "e-navigability" and the Davis (1989) classic "ease of use" perspective.

2.4 Online Branding

According to Rowley (2004), online branding has become an important part of e-business during the past ten years, as the Internet has become a major method of communicating business presence and selling. According to Christodoulides and de Chernatony, (2002), " a brand is a cluster of rational and emotional values that enable stakeholders to recognise a promise about a unique and welcome experience".

Developing online objectives have been illustrated by Dayla *et al.* (2000) who states the importance of online branding objectives to a company. It continued to state online branding objectives are essentially a promise being made to the customer through an online channel. While businesses have varying goals online, a key influence on their success (also

Discussed within the other three pillars it will depend on the level of satisfaction and trust customers feel towards the internet presence (Lee, 2002; Law and Bai, 2008).

Harridge-March (2006) notes that well-known brands are more likely to succeed online as consumers' risk potential is reduced from "knowing" the brand and its reputation offline. This is supported by Rowley (2004) who states Consumers may go for the brand they know rather than spend time searching through the various possibilities, using brand as a form of shorthand. The ability to go back to one site and deal with a brand they know and trust may also encourage loyalty in consumers.

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Harvin (2000) suggests that offline brand equity is likely to be transferrable to the online environment. Similarly, Horppou (2008) demonstrate how experiences offline affect consumers' perceptions of services offered online.

Rowley (2004) stated in the absence of a pre-existing brand, there is evidence to support that building an online brand from scratch can be very difficult, which was a major factor in the failure of the early dotcoms. Silva & Alwi (2007) found a lack of empirical research in this subject has led to the ongoing debate on whether it is strategically realistic to translate corporate brand values from an offline to an online context. It is as yet not clear as to how a corporate brand thrives in both a brick and a clicks environment. This pressing managerial problem raises questions in terms of academic understanding of consumer perception of an online corporate brand in comparison to an offline corporate brand.

Silva & Alwi (2007) have outlined five factors representing an online brand attributes and are labelled as:

1. Ease of use, which reflects the effectiveness of the site's navigation and sufficient information being offered.
2. Security, which reflects privacy when making transactions and security features provided by the site.
3. Customer care, which reflects reaction to customer problems and enquiries at the site
4. Personalisation, which reflects the efforts of the company to build customer relationships in its online context by tailoring its site to customers' needs. This would include, for example, recommending items of interest to the customers and providing

relevant information according to the areas of interest shown by the customer at the site.

5. Reliability, which is about the accuracy and on-time delivery of the product to the customer

Customer care or service is about the staff of the company being caring, responsive, helpful, and willing to respond to customer inquiries promptly (Wolfinbarger and Gilly, 2003). This would appear to illustrate to the researcher that customer care may have a significant direct effect on a company's online brand image.

This online experience will result in value judgements about company credibility, reliability, accessibility, resources, and industrial expertise, which, in turn, may impact upon perceptions of place (Hatch and Schultz, 2003). This phenomenon is described by Christodoulides *et al*. (2006) as the need for a "bricks and mortar brand" that can enhance perceptions of brand value. It would appear from this that a company's online brand value is positively related to the overall brand.

A unique brand name has an important role to play as a keyword in the search process. Unique brands that are well known and are not generic terms can be very effective as key words used with search engines. Even more important is the link between domain name and brand. Consistency between domain name and brand name can reinforce familiarity with the brand, and strengthen the message links between channels. Rowley (2004)

2.5 Trust in online shopping

Lee and Turban (2001) state that lack of trust is frequently stated for reasons customers not shopping online. The e-service quality represents the trust cue that conveys the trustworthiness of the site and the system to customers (Corritore et al., 2003).

Trust is important in an e-commerce context because it mitigates perceptions of uncertainty, decreases perceived risk and positively affects purchase intentions (Chang and Chen, 2008; Pavlou and Gefen, 2004; Pavlou and Fygenson, 2006). In an e-commerce setting, certain cues such as company reputation information or an offline parent brand (Horppu *et al*., 2008) may help consumers to base their trust in an online retailer.

Trust is typically "built" gradually through ongoing social interactions (Luhmann, 1979). The lack of social contact with store employees is still one of the main factors holding back consumers to purchase online (Lowry *et al*., 2010). However, this does not mean that social presence cannot be achieved in online interactions. In a web interface, social interactions go beyond normal relationships in which a medium facilitates a sense of understanding, connection, involvement, and interaction among participants in stimulating online shoppers' internal affective and cognitive states (Kumar and Benbasat, 2002). Transmitting a sense of social presence by either direct or indirect personal, sociable, and sensitive human contact via the web interface can trigger consumers' trust beliefs which in turn positively influence their purchase intentions (Gefen and Straub, 2004).

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When consumers initially trust their online vendors and have a perception that adopting online shopping is beneficial to shopping performance and effectiveness, they will eventually come to believe that online shopping is useful (Gefen et al., 2003).

According to Mukherjee and Nath (2007), a customer who trusts an online retailer shall give positive recommendations to others. Hence, positive relationship is found to exist between trust, commitment and word of mouth. A trusting customer will always consider buying from the website. Hence, trust and commitment have significant positive influence on the purchase intentions of the customer. Higher trust and commitment also promote continued interaction between the online retailer and the buyer. Chircu *et al.* (2000) also found that trust has a direct positive and significant effect on customers' online behavioural intention, thus fostering initial and repeat purchase, continued interaction and encouraging word-of-mouth recommendation (Rutter, 2000).

According to Suki and Suki (2007), Purchasing over the internet brings with it a greater degree of uncertainty than shopping in traditional, physical establishments. This may be supported by Varhagen *et al*. (2006) who find demonstration that trusting beliefs positively influence online consumers' purchase intentions.

A further insight by Kim and Stoel (2004) illustrates the importance of transactional cost factors (e.g. Credit card security, delivery time, privacy assurance, and money back guarantees) over website design features. This was somewhat challenged by Monsumé *et al*. (2004), found the key three factors in formation of a attitude towards a website are its usefulness, ease of use and enjoyment.

Ribbink *et al.* (2004), agrees that ease of use, website design, customisation, responsiveness and assurance are the key elements of gaining trust in online shopping. This would appear to support Kim and Stoel (2004) and Monsumé (2004) theories and assist address the issue identified by Lee and Turban (2001).

According to Reicheld & Seffer (2000) the web is conducted at a distance and uncertainties are magnified, the matter of trust is far more important than attributes of lowest cost and broad selection.

Nam *et al*. (2006) pointed out there is a problem that customers have generally shown increasing concerns over privacy due to an increase in questionable and illegal activities in the internet, such as the continuous risk of junk mail, identify theft, and fraud. Pavlou *et al,*. (2007) information privacy concerns are defined as a buyer's beliefs about a seller's inability and unwillingness to protect her personal information from improper use, disclosure to third parties, and secondary use without the buyer's consent. Pollacb (2007) gave out the model below about the connection of data privacy, credibility and trust. From this model, depending on improving data privacy and credibility will lead to the building of web trust, and then trust belief perceived provide strong influence to purchase behaviour.

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Privacy and trust-building on the Internet (Irene Pillacb, 2007)

In the online business environment trust is viewed as an effective way of managing customer privacy concerns (Hossain & Hossian, 2007). However Lloyd (2006), states buyers will be less concerned with their information privacy if they transact with sellers they trust.

The trust issue can be overcome according to Gorden (2000) who found one website updated usually so that always offer the newest information can attract more customers to this cosmetic web, and transfer the feeling of there is some people work for the website every day.

2.6 Conclusion

In conclusion as outlined by Santos (2003) e-service is moving beyond an informational flow and towards providing customers with an online experience. To and Nagi (2006) have identified barriers to e-commerce such as relative advantage, competitive pressure, channel conflict and technical resource competence.

The theory presented by Rowley (2004) that it can be difficult for brands with no offline presence to grow is an interesting piece of theory and would question. In order to succeed

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online companies must have a connection with its target and as illustrated by Lee (2002) and Law and Bai (2008) the key to success will depend on the level of satisfaction and trust customers feel towards an internet presence.

Customer trust in online shopping as illustrated by Nam *et al*. (2006) and privacy concerns as discussed by Hossain & Hossian, (2007) are issues that are of significant importance. Overcoming the trust issue may result in a prosperous as discussed by Mukherjee and Nath (2007). Website design can play an integral role in customer perception as illustrated by McCrea (2005).

<div align="center">**Chapter Three**</div>

<div align="center">**METHODOLOGY**</div>

3.1 Research Philosophy

An interpretive research philosophy has been adopted for this study. Creswell (2003) states that this research philosophy holds that individuals seek an understanding of the work in which they live and work, and so by exploiting qualitative research methods.

They researcher seeks to fully understand the process in which the companies undertake and the challenges they faced when moving their operations to an online context. This is also supported by the view of customers who shop in the relevant stores from both an on and off line context. This coincides with the problem identification research which is research undertaken to identify problems that are not yet apparent (Malhotra, 2009). This will assist the researcher gain a comprehensive understanding of the issue being researched.

Malhotra (2009) states that the primary objective of exploratory research is to provide insights into, and an understanding of, the problem confronting the researcher, he continues to state that exploratory research is used in cases when the researcher must define the problem more precisely, identify relevant course of action, or to gain additional insights before an approach is developed. This supports this research philosophy as it assists the researcher fully understand the issues being probed and determine a model as outlined in the research objectives.

3.2 Research Design

Considering the research objectives outlined, it would be difficult for the researcher to follow both the companies and the customers through the stages and processes deemed imperative to this research. An exploratory research design approach was selected based on it allowing the researcher follow a qualitative method of data gathering in this research.

3.2.1 Data Collection Methods

An exploratory research philosophy will be adopted for this study. A mixed modes approach will be adopted for this piece of research. The data gathering process consisted of two stages, the first being conducting six depth interviews with companies and the second stage consisted of holding two focus groups with online shoppers who are familiar with the companies selected both from an on and off line context. This mixed modes approach has been selected based on previous research conducted by Kendall *et al.* (2007) where industry was researched first followed by the recipients of the service delivered.

The research has been conducted over two sections with the first being depth interviews with six companies that have moved towards e-commerce within the last five years. Malhotra (2009) defines an interview as an unstructured, direct, personal interview with just one respondent who is questioned by a highly skilled interviewer to uncover underlying motivations, beliefs, attitudes and feelings on a topic. These depth interviews took place at each of their premises in Ireland or over the telephone for those who could not schedule a face-to-face meeting.

The second method of data collection selected was two focus groups with customers and online shoppers with eight participants per focus group. These customers were familiar with the stores probed in the depth interviews previously. Robson (2011) states a focus group is an open-ended group discussion which the researcher guides, typically extending over at least an hour.

Observations were not considered important to for the depth interviews due to the consideration that the company representatives interviewed had a depth of knowledge about their company and topic in which they were being probed in. Observations were considered for the focus group however a section of participants outlined they did not wish to be video recorded, however all agreed participants that a audio recording may be used to capture the discussion of both focus groups.

A focus group of business owners/online managers was also considered for this research however it was found that it would be difficult to schedule a date where all executives could participate in the research. A case study approach was also considered for the second section of this research however it was found it may not support the development of a model that would reflect the Irish retail industry as a whole.

3.2.2 Measurement Techniques

The depth interviews were conducted as the first stage of the research. The purpose of the depth interviews was to gain a comprehensive insight into the process companies went

through when moving their operations online, the challenges they faced, how they were overcome and uncover the learning process they encountered. A theme sheet (See Appendix B) was used to facilitate these interviews, the data was probed from the interviewee through a series of questions and probes where deemed appropriate to prompt the respondent. The theme sheet consisted of twenty four questions, with each question aimed at achieving the research objectives outlined.

A pilot interview was held on June 5th 2012 at 1pm. This pilot interview was scheduled as a means of identifying any issues with the theme sheet questions, language used and order. Issues did arise through this interview around the area of sequencing and prompts, adjustments were made to this theme sheet also before the primary research was conducted.

The interviews began informally with a discussion between both the researcher and the interviewee discussing the research, the objectives and the desired outcomes of the research. These assisted the interviewee gain an insight into the research and aided them to generate ideas that may trigger discussion throughout the interview. The interviews were conducted between June 7th and July 4th 2012. The average duration for the interviews was forty three minutes.

The second stage of the primary research conducted was the two focus groups with customers familiar with the stores previously interviewed and were familiar with the stores from both an off and online context. The focus groups consisted of eight participants per group and were held on the 9th and 11th of July 2012. Each focus group lasted for one hour in duration.

The focus groups were guided by the facilitator using a theme sheet of questions and prompts where appropriate (See Appendix C). Due to the complexity of gathering participants, no pilot test was conducted on a group, however the theme sheet was checked by two candidates selected to participate that could not attend on the dates selected. Issues arose around the area of understanding of questions; these were altered before conducting the focus groups.

Both focus groups were recorded through the use of a Dictaphone, which allowed the researcher greater flexibility in maintaining concentration on probing respondents.

3.2.3 Sampling Techniques

The population selected for the first part of this research, the depth interviews, was defined as Irish companies that have moved their operations from an off line context to incorporate e-commerce within the last five years. Malhotra (2009) states non-probability sampling techniques is a sampling technique that does not chance selection procedures, rather they rely on the personal judgement of the researcher. A non-probability sampling technique was deemed appropriate for this research through the use of judgement sampling. This method was selected based on the absence of a sampling frame and the researcher contacted various companies through both email and telephone to identify their interest in the research, to identify if they moved towards e-commerce within the specified time frame and to identify their willingness to participate in the research. The researcher used website designer companies as a guide to identifying companies. A list of ten company's potential companies was drawn up and six of the ten agreed to participate. Of the six companies selected, all service the business to customer business model as their primary market. All the companies selected are within the retail industry.

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There was no sampling frame available to identify potential candidatures of focus groups due to company's unwillingness to subject their customers to the research. Therefore non-probability sampling was selected for this data collection process. The population defined for this element of the research was customers, based within Ireland, who are familiar from one or more of the companies previously interviewed from both an on and off line context and have at purchased a product/service from the company's website within the last two years.

A snowball sampling technique was used to obtain participants of the focus groups. An initial group of respondents were identified based on judgement of the researcher and the remaining participants were obtained through word of mouth and referrals. The primary objective of using this technique was to obtain potential participants that held the characteristics defined valid for this research. This was used due to the number of people that fitted the characteristics required being low within the population. According to Atkinson & Flint (2012), Snowball sampling may be defined as a technique for gathering research subjects through the identification of an initial subject who is used to provide the names of other actors. These actors may themselves open possibilities for an expanding web of contact and inquiry.

3.3 Presentation of Findings

The findings from both aspects of this mixed modes research which includes a series of depth interviews and two focus groups has been documented, summarised and analysed in terms of the themes explored throughout the data gathering sessions and other issues that came to light throughout.

The researcher applied Kvale's six steps of analysis (1996) as a framework, this allowed for the interview text to be organised, screened and condensed. This process allowed the researcher gain a comprehensive insight from the primary research obtained. Kvale's six steps of analysis (1996) was deemed appropriate for this research by the researcher as it is suitable for qualitative research and it allows flexibility in the overlap of subjects. Examples of research where this framework was selected previously include Campbell, Bennett and Stephens (2009).

The findings are presented using a narrative structure style. They are presented under a series of heading that was brought to the researcher's attention throughout the primary and secondary research. Common trends in the data collection are outlined, points of differentiation are highlighted and issues that may be deemed appropriate for this research are discussed throughout the findings under each topic of the findings outlined.

Chapter Four

FINDINGS AND ANALYSIS

4.1 Introduction

It was found through the mixed modes approach to this research that objectives, service offering and customer experience are vital to creation of a credible website. Credibility and trust are the ultimate outcome of a successful website and it was found that through creation of a service offering and/or a customer experience a USP should exist. This section has been broken down under key areas identified in the research from both analysing the common trends from the focus groups, depth interviews and reviewing previous literature around the area being researched.

4.2 Objectives

Objectives of an organisation were identified in this research as a key factor in company's creation of a selling proposition. Objectives of an organisation affect both the customers and company. It was identified that the company vision, online objectives and off line objectives are key areas of consideration for companies from the research undertaken. When moving to an online context companies face many challenges that affect the company in many ways and changes may be required in the vision and/or objectives or the company to assist the change in the development in the supply chain of the organisation.

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4.2.1 Company Vision

Kolsaker and Payne (2002) outline that organisations are being challenged to embrace not only new technology, but a shift in the balance of power between retailers/consumers in favour of the latter. It was found in the research that five companies of the six interviewed stated that moving towards e-commerce was somewhat a step into the unknown for them and there was an element of fear. It was also noted all six companies identified the process as a challenge. All six companies stated that the company moved towards embracing e-commerce due to customer demands and the changing business environment.

Doherty *et al*. (1999) suggested that the internet adoption might not be a viable strategy for all retailers, as the likelihood of an organisation succeeding in their investment decision would be dependent upon the retailer's specific internal and environmental inhibitors and facilitators. It was found throughout the depth interviews that that all six companies interview felt that not having an online presence would place the company at a disadvantage in term of competition. During discussion throughout the focus groups it was also identified that customers are frequently searching the web for information in order to guide them through their purchase decision and the conclusion can be drawn that not holding an online presence would place the company at a disadvantage. This would appear to argue the theory of Doherty *et al*. (1999). It was found that the investment made in e-commerce by companies is significant and all companies interviewed stated it was a vital financial investment for their company specifically.

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4.2.2 Online Objectives

Ellinger *et al*., (2003) believes that internet presence provides firms with opportunities to enhance business offerings in a cost effective and practical manner. It can help companies increase profitability, reach new markets, improve customer experience, distribute products faster and communicate more effectively with supply chain partners. All six companies interviewed stated when moving towards e-commerce the main objective were to expand market reach. Three companies stated the move to online was supported by the potential increase in sales and two companies also stated customer experience was a driving factor in moving towards e-commerce. This would appear to support the Ellinger *et al*., (2003) beliefs.

An established brand of a well known company, the URL or web address, is itself a competitive advantage, a tool to attract users to the firm's online presence according to Apte & Gangala (2007). It was found from the depth interviews that three companies found it challenging to gain access to a URL that fitted with the company's overall branding. A further two companies identified that URL selection was a problematic process due to geographic boundaries. This was a particular problem for Irish companies wanting to sell to the UK market.

Furthermore it was identified through the focus groups with online shoppers that they felt company URLs play an integral role in the customer's process of identifying companies they are not familiar with. This would appear as an important challenge for companies and the selection of the URL is an important decision as it may have a direct coloration regarding the SEO friendliness of the company's website and in turn be a contributor to traffic towards the website.

Timmers (1999) uses Michael Porter's five forces model to argue that e-commerce creates almost perfect competition as barriers to entry are reduced, transaction costs lowered, customers are able to obtain better access to information, customer driven pricing is possible and all with the minimum of legislation and regulation. It was found that companies would challenge this as four of the companies interviewed stated that moving online was a significant monetary investment along with the resources allocated to website. It was also found throughout the interviews that legislation around online fraud was a cause for concern for many retailers and no formal legislation exists in this area to protect companies from such illegal activity.

Four companies illustrated that moving towards e-commerce has forced the company to review aspects of its pricing policy, in terms of both its off and online operations. Three companies stated that the move towards e-commerce resulted in the company altering its product offering and repositioning of it to maximise online sales potential. A further three companies stated that they review brands carried, and sell based on brand names through the website. Two companies stated this was a different approach to it offline store merchandising which was not brand focused.

Developing online objectives have been illustrated by Dayla *et al.* (2000) who states the importance of online branding objectives to a company. It continued to state online branding objectives are essentially a promise being made to the customer through an online channel. It was found that four of the companies interviewed held no formal online objectives. All companies however did know what they wanted the website to portray to the customer.

4.2.3 Off-Line Objectives

To and Nagi (2006) have identified barriers to e-commerce such as relative advantage, competitive pressure, channel conflict and technical resource competence. It was found that four of the companies interviewed found that competitive pressure as the barrier to e-commerce for businesses. All the companies stated that moving towards e-commerce placed their respective companies with many issues to face including positioning strategies.

It was found that each company has different objectives from both their on and offline operations. Four companies stated their online objectives were based on customer exposure to their product/service offering. Three companies stated through the depth interviews that their objectives differed on customer service while two also stated their objectives also differed on product lines sold. This would appear to illustrate that companies allow customisation in their approach to online in terms of their overall mission.

The theory presented by Rowley (2004) that it can be difficult for brands with no offline presence to grow is an interesting piece of theory and would question. It was found through discussion in the focus groups conducted that this can be overcome and companies that trade solely online were used as examples during both focus groups. It should also be noted that four companies interviewed referred to online brand companies with no off line presence at least once as examples of companies they must compete against. This would appear to challenge Rowley (2004) theory, however the process such online branded companies went through were not examined in this research.

4.3 Service offering

It was found in this research that the service offering of the company is important to a company's move towards e-commerce. It was identified by through the depth interviews that the most common trend to describe a typical online shopper as quality conscious, brand lead and price sensitive. It was also found that four of the six companies interviewed stated that their typical shopper from an offline context differed in customer requirements significantly from that of their online shopper. This would appear to present a challenge for companies into managing both its on and offline operations and their integration and management of its USP.

Considering the issues discussed above it places companies with a dilemma into how they approach offering their customer a service to an online segment of the market. It was found that website capabilities, that being, what the website can do, positioning strategy and product offering were considered as the key variables in creation of a service offering for a website from an online context in terms of creating a selling proposition for the company.

4.3.1 Website capabilities

As identified by Vogg (2001) the three areas that determine a customer's perception of a website are what the website delivers, what makes it different from that of competitors and what excited the customer. It was identified in the depth interviews by each company that website delivery along with gaining trust is crucial in deploying a e-commerce strategy. It was also identified that these aspects were considered important for companies when considering moving their USP online. In terms of customers it was identified throughout the focus groups that customers expect a website to match delivery expectations and excite the

customer. It would appear if these aspects are addressed fully then that a website would gain the trust of the consumer.

It was identified that five companies illustrated the capabilities of the website are important factors in the e-commerce strategy being deployed by them. It was brought to the researchers attention throughout the focus groups that the capabilities of a website are factors that affect the decision making process of potential customers.

4.3.2 Positioning strategy

Harvin (2000) suggests that offline brand equity is likely to be transferrable to the online environment. This has been supported throughout the data gathering process of this research. It was found that both focus groups found a company can successfully move its brand attributes to an online context that does not affect the customers brand perception. Furthermore it was identified that companies who play particular attend to their product information, website design and design appeal would appear to perform better is transferring their brand to an online context.

Throughout the depth interview process it was found that all six companies stated it was extremely challenging bringing their off line brand to an online context with three companies stating they felt they themselves were not fully satisfied with their companies transfer in terms of branding, however they did state it was never brought to their attention by customers. This would appear to contradict Harvin (2000) statement as companies find this area challenging however as found through the focus groups this issue is not identified as an area of concern from a customer's perspective. Important capabilities of a website

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highlighted are social media integration, e-commerce, "contact us" and ability to present the company's product offering comprehensively to the customer.

It was identified through the depth interviews that companies positioned their on and off line operations differently to meet the needs and requirements of their online customers. It was found through the focus groups that customers somewhat expect the same from a company from both their on and offline operations in terms or product offering, pricing and selling propositions. This would appear to be different that what actually occurs as it was found that companies do position themselves differently from an online context.

It was found from the companies selected all six believed that age and social class was a key difference from that of their online and offline shoppers. It was found that all six companies all stated that their typical online shopper was aged under fifty five years of age, with four companies stated their typical online shopper was in the thirty to forty five, employed with a young family and a moderate to high disposable income. When probed further it was found this was in comparison to companies off line operations where four companies stated that the fifty five plus market segment is a key segment. This would appear to illustrate that coloration in age and internet shopping exists. It would also present a significant challenge for outlets in their positioning strategy with the difference in age, lifestyle and income of both a company's off and online customers.

4.3.3 Product offering

According to Cowart and Goldsmith (2007) it was found that online shoppers were quality conscious, brand conscious, fashion conscious, hedonistic shoppers, impulsive and brand loyal customers. This would seem to be strongly supported throughout both primary research

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findings. Five companies interviewed stated that they found many of their online shoppers are brand and quality conscious, this would be in a comparison to their typical offline shopper who would be more store loyal and dependent on staff knowledge to guide them through the shopping process. It was also found throughout the focus groups that customers tend to shop online for products that hold strong brand affiliation and are seeking quality products. This area presents companies with a challenge of selection of product lines to meet the various differences in customers' needs and wants from that of their offline customers.

Harridge-March (2006) notes that well-known brands are more likely to succeed online as consumers' risk potential is reduced from "knowing" the brand and its reputation offline. This would appear to be supported by both primary mixed modes data collection deployed in this study. It was found in the interviews that despite the challenges faced by companies in moving towards e-commerce, four of the companies stated that the primary function of its online website was to support it's off line operations. This would appear to illustrate that the brand is assisted through the offline operations to succeed online. It was also identified that the throughout the focus groups customers appear to engage with brands they know from an offline context other than visiting websites where they are not familiar with. This would appear to support Rowley (2004) who states Consumers may go for the brand they know rather than spend time searching through the various possibilities, using brand as a form of shorthand. Companies when choosing branded product lines face a challenge in gaining access to popular brands, that customers will be familiar with and as found in this research will be willing to engage with and purchase.

4.4 Customer experience

The increasing important role of the internet is highlighted by Ranaweera *et al*. (2008) who illustrate how the internet has enhanced the way customers relate to one another, how they search for information and how they purchase goods and services. It was found throughout the focus groups that customers search online for information before making a purchase decision; furthermore it was found customers are using social media as a method of gaining and sharing information. SEO is seen as a key driver into how people search online and keywords are identified as vital for a website to generate traffic. It would appear the selection of key words are crucial to driving traffic to a website and the use of social media may assist aid the reach of a company's product offering.

One of five factors stated by Silva & Alwi (2007) representing an online brand attributes is personalisation. It was found throughout the depth interviews that each company considered this to be important from a customer's perspective; however it was identified that three of the companies do not allow for any personalisation from an e-commerce perspective other than the check out process. The cost of this addition was illustrated by the companies who do not participate in personalisation as the defining factor in the decision not to deploy this and also knowledge was also highlighted.

It was identified through both focus groups that personalisation is important from a customer's perspective and it adds credibly to a website. It was also found that customers feel a website that allows for personalisation adds to the customer experience positively and in turn makes the customer more likely to purchase from this website again. This area of personalisation it would appear is underutilised by companies as a means of developing relationships with customers and in turn increasing sales potential.

4.4.1 Website functionality

McCrea (2005) believes that companies should focus mainly on designing user friendly websites. Throughout the primary mixed methods approach to this research, theory was discussed in detail by both companies in the depth interviews and customers through the focus groups regarding the functionality of websites.

Cox & Dale (2002) identified Ease of use as a key quality finder in assisting companies achieving great customer experience online. This is supported by Silva & Alwi (2007) who stated this assists the company illustrate its brand attributes from an online context.

It was found in the focus groups that the following areas were identified as key requirements of websites functionality from a customer's perspective:

- Navigation
- Visual Appeal
- Linking
- Page Load time
- Image management
- E-commerce process
- Login process

Furthermore it was found websites where one or more of the functions above are not to adequate standards, it reduces the customer's chances of making a transaction with the company. It was identified that the visual appeal played a key into formation of an attitude regarding the website. The image management process was highlighted as another key aspect from a customer's perspective.

It was found that companies identified the visual appearance and the e-commerce most important functions within a website with five of the six companies stating the importance of this for the companies' online presence. A further three companies commented that the page load time and two companies highlighted the importance of the image management process.

It would appear that despite fundamental importance in the functionality of a website there are areas highlighted from a customer's perspective as important that a significant percentage of companies do not prioritise such as the image management process on the website. There also appeared to be a difference in rationale behind companies prioritising or the e-commerce process and that of the customer. Three companies illustrated the importance of the e-commerce function to be easy for the customer to use while the focus groups concluded that that e-commerce process should be both easy to use and also considered trustworthy.

4.4.2 Information provided

According to Simeon (1999), the most essential feature of a website is the presentation of information about products, services, people, events or ideas. It was strongly communicated in both focus groups that information presented on websites are key to customers decision making process to determine if they will transact with the company online. Furthermore it was found that customers would be less likely to purchase of a website where distribution information was not in full detail. It was also illustrated throughout the focus groups that websites where product descriptions are not provided do negatively affect the likeliness of the customer purchasing from that company.

It was found throughout the depth interviews that four companies interviewed are conscious of information provided on websites effect the likelihood of buyer behaviour. However two companies did acknowledge that they do not regularly update descriptions of products and do not regularly ensure products listed for sale on the website are in stock.

A further insight by Kim and Stoel (2004) illustrates the importance of transactional cost factors (e.g. Credit card security, delivery time, privacy assurance, and money back guarantees) over website design features. This would seem to support findings of the focus groups. It was found throughout the focus groups that customers find the availability of information particularly around delivery details and return policies as important content within a website. Many acknowledged that they sometimes never actually read this content however its presence adds to the over credibility of the website. Issues around credit card security were also discussed in detail throughout the focus groups with many illustrating the importance of their credit card security and also the knowledge that the information provided will not be placed in the hands of others.

These factors illustrated by Kim and Stoel (2004) were also discussed through the depth interviews and it was found that companies focused mainly on credit card security and delivery time as the two most important factors they felt from a customer's perspective. All six companies acknowledged that credit card security was a serious issue and two companies stated that legislation needed to be introduced in this area to protect companies.

Monsumé *et al*. (2004) found that the three factors in the formation of an attitude towards a website are its usefulness, ease of use and enjoyment. This was supported throughout the focus groups through customers highlighting the websites features, appearance and ease of navigation along with the visual appearance of the website as key to their formation of an attitude, however other transactional factors such as informational details, product offering and pricing policy were also highlighted as key in their decision making process.

4.4.3 Customer service

Mooney (2001) has found that poor customer service from a clicks and mortar retailer will lead to seventy percent of online buyers to spending less time at the merchant's bricks and mortar store. This research would appear to support this finding as both focus groups stated that they would be less likely to visit a store if a online request for information for instance was not answered. This issue is a significant issue for companies as it was found also in this research that two companies do acknowledge that despite their best efforts, customer queries from an online context are often left days unanswered. Reasons for this given by both companies were lack of resources within the company.

The lack of social contact with store employees is still one of the main factors holding back consumers to purchase online (Lowry *et al*., 2010). This issue was brought to the attention of the researcher in focus groups and was discussed in length. It was found that customer's rather social human based exchanges during the purchase process however the second focus group illustrated that this was changing rapidly through technological advances such as the live chat function on websites where customers can ask the company live a question and

replied to instantly. It was also predicted that this area would be the next stage of advancement in the move towards e-commerce by businesses and in turn assist companies generating a competitive advantage.

4.5 Credibility

Customer trust in online shopping as illustrated by Nam *et al*. (2006) and privacy concerns as discussed by Hossain & Hossian, (2007) are issues that are of significant importance to the creation of attaining trust online. Both stakeholders probed within the parameters of this research made reference to trust as an underlying factor and the most difficult aspect for each to overcome.

Customers stated in both focus groups that website credibility is essential for them to consider purchasing products or services from. All six companies stated that gaining customer trust and attaining credibility from an online context to new potential customers was the most significant factor they felt on customers not purchasing from their online store.

Silva & Alwi (2007) outlined security and reliability is two of the five factors representing an online brand attributes. Both these factors are fundamental to a website to gain credibility that the websites capabilities are adequate.

As illustrated by Hatch & Schkutz (2003) A online experience will result in value judgements about company credibility, reliability, accessibility, resources, and industrial expertise, which, in turn, may impact upon perceptions of company. It was found in the focus groups that customer service was fundamental in the creation of credibility and trust from an online

perspective. Information provided by a website was also highlighted as a key variable in creation of credibility.

According to Mukherjee and Nath (2007), a customer who trusts an online retailer shall give positive recommendations to others. It was found in both focus groups that customers that are recipients of a positive online experience from aw website are likely to recommend the website to friends with social media stated as the main method of this communication. Customers who are familiar with a company from an online context are the most likely to recommend the website to other users through online endorsements. It was also noted in one focus group that a majority of participants are concerned with some enforcements in particular endorsements placed on a company's own websites. It was noted that such endorsements may damage the credibility of the company and in turn reduce the probability of the consumer purchasing from the website.

4.6 Transition to e-commerce

Daniel and Myers (2000) found that the overall reason for the adoption of e-commerce by SMEs was to enhance customer relationships either through improving customer services, developing the brand, seeking out new customers or to allow for discourse with customers. This is supported throughout the research and interviews conducted with all six companies stating that they feel that moving towards e-commerce has enhanced their customer relationship processes and opening up the business to new potential markets.

Lee and Turban (2001) state that lack of trust is frequently stated for reasons customers not shopping online. This would be considered a key finding in the research as both companies and customers both highlighted this point. It was found throughout the focus groups that customers tend to shop online with companies that have gained a reputation of service delivery. It was also highlighted that online reviews play an important role in a customer's decision making process. This point was also discussed by two companies throughout the depth interviews.

<center>**Chapter Five**</center>

<center>**CONCLUSION AND RECCOMENDATIONS**</center>

5.1 Conclusions

It has been found throughout this research that significant issues approach companies when making a translation in the supply chain to incorporate e-commerce into the companies business model. The first objective of this research set out to uncover approaches companies encountered when making this translation and it was found that positioning in terms of product offering, customers and appeal were key contributing factors in this process in deploying a successful e-commerce strategy and creation of a USP.

A transition to online selling it has been found possesses many challenges for organisations around the area of website design, capabilities and functionality from a customer's perspective. A website should be easy to use, appealing and be in line with the companies online objectives it was found throughout this research. Furthermore it is essential that attention is given to who the website is being positioned to in terms of visual appeal. Driving traffic to a website is also an area of difficulty in deploying a e-commerce strategy and careful attention to website URL and consideration that website content should be search engine friendly should be considered. The capabilities of the website, including the information provided are essential in the process of the customer forming an attitude towards the website.

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Creation of an online brand is essential for a company and through this it aides the positioning in the minds of the consumer to formation of an attitude regarding the company in question. The online branding of the company is important and may affect the companies off line branding in terms of customer perception.

The product offering of an online in terms of the product lines and brands sold may be different from that of the company's visual storefront however to maximise online sales potential it is essential to be brand focused to meet the expectations of customers. Pricing should also reflect online competition and be in given careful consideration in consideration of distribution and shipping costs.

Attaining credibility and trust is the ultimate achievement in the development of an e-commerce strategy and generation of a USP for a company. Companies with a previous off line operation do hold a greater element of credibility and trust in the eyes of customers however the website, its content, information and visual appeal can alter this, it is clear that customers identify companies that have a visual store front tend to spend less time in maintaining their websites in comparison to companies who solely trade online. Gaining credibility can take months, even years, however it has be lost in seconds.

This research has answered the first primary research objective and all the research sub objectives. The information obtained from this research is now used as a means of generating a deliverable in terms of an e-commerce framework for companies to consider when moving towards e-commerce. This will be discussed in the recommendation section below.

5.2 Recommendations

A framework for companies to follow for the transition to e-commerce has been developed as the recommendations of this research (See Appendix D). The framework follows a four stage process with the first two stages holding three dependent factors in the development. It is vital that each stage is given due consideration. Through following the framework a company should be able to move it's off line operations to an online context, hold a USP and be in a position to successfully gain credibility in the eyes of the customer.

The four stages involved in this process are:

1. Objectives

2. Service offering

3. Customer experience

4. Credibility

These stages all lead to creation of a selling proposition through deploying e-commerce to a company. Each of the first three stages do hold key sub dependable that should be considered under each.

In making a decision on the objectives a company should consider its overall company vision, its online objectives and its offline objectives. Through consideration to this it will assist the company in creating a viable outlook for the company in terms of both online and off line. It will also assist the company determine what they seek to achieve from the process and in turn aid the decision makers in the process to be undertaken to achieve these objectives.

In developing a service offering for a company from an online context the company should consider the website capabilities, positioning strategy and product lines selected. The website capabilities determine what the website can do, for instance does it allow a "my basket", "my account" or "my favourites". The size of the website should also be considered along with the speed of loading.

The positioning strategy of a website should take consideration into the online objectives of the company. The positioning of the website is integral to determining its desired target audience and in creation of the service offering. The product lines selected are crucial in dictating the success of the website and careful consideration should be given to this area.

The third stage of the process looks at developing the customer experience within the website. The previous two stages all play important roles in the development of this. Under this stage a company should consider its website functionality, information provided and customer service. The website functionality should be sound to meet the expectations of customers from what was outlined previously through the service offering and objectives of the strategy.

Providing adequate information is vital to meeting customer needs and particular attention should be given to delivery information, product descriptions, FAQs and privacy policies. The lack of adequate information effects the customers negatively in the decision making process and in turn may result in lost sales.

Customer service is an important area in ensuring a customer relationship is managed suitably. A company should ensure all queries are responded to and answered in full to ensure this relationship is maintained.

Through consideration to the above three stages then only can a website attain credibility in the eyes of the customer and in turn a creation of a selling proposition from the previous three stages. Credibility or trust is essential in generating online sales for a company and once achieved should never be put into a position where a websites credibility is questioned or tarnished in any way.

Through this a website has fully embraced e-commerce and this framework is the deliverable of the second primary objective of this research and aids bridge the gap in that existed for such a framework to aid companies in this area.

5.3 Research reflections

Initially this presented challenges around the area of gaining access to companies who moved towards e-commerce within the timescale outlined. This was overcome through communication with website designers who assisted in this process. Issues also arose around gaining access to customers of the companies interviewed as the companies did not wish to provide a customer for the research. This was overcome through communication and networking and essentially snowball sampling was used to attain focus group participants.

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If the researcher had been allocated more time it would be proposed that the framework would be peer reviewed across industry experts to validate the findings of the research. the researcher found a lack of literature around many areas exists and there is a gap for further research in this area.

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Appendix A

Consent Form

Dissertation title:

Moving Towards E-commerce – Exploring the implications involved in moving a companies'

off-line operations to an online context

Investigator: Aodh O'Searcaigh

The aim of this research is to examine the implications involved in moving a company to an

on-line setting.

Participants for interviews are selected by the researcher's judgement.

The identity of subjects will remain anonymous and all data gathered will be stored securely

and accessed only by the principal researcher and supervisor.

Declaration: I_____, acknowledge that:

- I am over the age of 18

- Interviews may be recorded

- I have been informed about the research and have an opportunity to ask questions

- I consent to partake in this study

- My participation is voluntary

- I can withdraw at anytime

- I consent the publication of the results

Appendix B

Depth Interviews – theme sheet

1. What is your companies view on online retailing in the current economic climate?

   - Growth, survival, technological advances, competitive advantage

2. In terms of customer base, what is your company's rationale in moving towards e-commerce?

   - Easier access to customers, markets, expand reach

3. Why did the company move to e-commerce?

   - Increase revenue, brand recognition, facilitation of purchase for customers

4. When did your company first move to online selling?

5. What would your company consider its unique selling propositions to be off line and why?

6. When making the transition online what unique selling propositions did your company identify as important and included in your online strategy for the organisation?

7. Why were these unique selling propositions selected over others?

8. Did your company hold a previous online presence before launching its e-commerce website?

    - Eg Informational website, link building, online company listings etc

9. What effect did moving online have on the company's overall mission? Why?

10. In the design process of the website did you encounter any difficulties in how the website would meet the online objectives of your company? If so, how was this overcome?

11. What challenges have your company encountered since moving online?

    - Relative advantage, competitive pressures, channel conflict, technical resource competencies

12. Does your company see moving online as a necessity or an investment?

13. In terms of managing a customer service relationship with e-commerce customers, how did your company manage this process compared to a bricks and mortar store front?

14. How would you describe a typical customer of your e-commerce website and why?

    - Quality conscious, brand conscious, fashion conscious, brand loyalty, impulsive, hedonistic shoppers?

15. How would you describe a typical shopper of your store?

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16. What is the key difference (if any) you feel that exists between your bricks and mortar customers compared to your clicks and mortar customers?

17. What do you feel the future holds for e-commerce?

   - Growth, developments, customer expectations, effect on high street

18. When branding your online store did you encounter any obstacles you had to overcome? How were these issues overcome?

   - Naming of website URL V's off line store, similar names

19. How important do you feel your online branding is and why?

   - Trust, recognition, affiliation, perception

20. What do you feel makes your website stand out from competition and why? How was this achieved by your company?

21. How did your company approach the "trust" element in developing your online strategy?

   - Check out process, security, website design

22. Is customer behaviour monitored on your company's website? If so, how and is it followed up upon?

   - Google analytics, cookies

23. In overcoming the trust element in online shopping what are the key points you feel are crucial in formation of an attitude towards a website, and it turn influence the customers decision making process?

24. Overall how effective do you feel e-commerce was for your company and why?

    - Would you do anything differently if you had to do it again, why or why not

Appendix C

Theme Sheet for focus groups

1. When visiting an online store what are the main features you would consider
   important from a customer's perspective? And Why?
   (Ease of use, layout, product information, check out process, security, graphics, text
   fonts, site architecture)

2. If you were familiar with the company from an off line context (i.e. visited a store
   previously) would it make you more likely to trust that store from an online context?
   Why?

3. From visiting a store would you expect the same unique selling points to feature on
   their online store? Why?

4. How do you feel off line stores who are moving online can create a shopping
   ambiance online? Why?

5. Can you name any stores where you feel both it's on and off line shopping experience
   is complement one another well? Why?

6. Would you visit a company's website to browse their product offering before visiting
   the store? Why?

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7. Why do you shop online?

   (Greater information, Range of products available, price, ease of access, 24/7 access, anonymous)

8. How important do you consider fraud to be when shopping online and what do you do to minimise the chance of you being a victim?

9. When going through the check out process of a website, does a website that does not accept certain types of payment methods often result in you not completing a transaction? Why?

10. Considering the rise in companies that have no visual store front, ie Boohoo.com, what do you feel gives such stores a competitive advantage over stores with both an on and offline presence and how?

    (Price, variety, convenience, 24/7 marketplace etc)

11. What are the key arguments you would consider for companies moving towards e-commerce and why?

12. What are the key arguments would you consider against companies moving towards e-commerce and why?

13. Where do you feel companies that move towards e-commerce often get lost in cyberspace and why?

    (Market size, lack of updating to website, No consideration to SEO, URL, Website content, Lack of knowledge, inability to compete with large amount of competitors etc)

14. How useful do you feel social media is for companies to share information, products, competitions online as a means of driving traffic to their website or store front? Why?

15. How comfortable are you with websites tracking your behaviour on their websites?

16. Overall what do you feel is the future of e-commerce for small businesses moving online and why?

Insert Framework

Appendix E

List of companies who participated in the research

- McElhinneys Department Store, Ballybofey, Co Donegal

- Anthony Ryans Ltd, Galway

- Mourne Antiques, Letterkenny, Co Donegal

- Johnstown Garden Centre, Nass, Co Kildare

- Evergreen Health Stores, Galway

- Mad About House, Dungloe, Co Donegal

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Appendix F

Abbreviations

FAQs – Frequently asked questions

URL – Uniform resource locator

USP – Unique selling proposition

SEO – Search engine optimisation

SMEs – Small to medium sized enterprises

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Appendix D - Moving towards e-commerce: A framework of e-commerce deployment for businesses

Company Vision	→	Online objectives	→	Off line objectives	→	Objectives
Website capabilities	→	Positioning strategy	→	Product lines selected	→	Service offering
Website functionality	→	Information provided	→	Customer service	→	Customer experience

Credibility

Transition to E-commerce through creation of a selling proposition