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Building trust in e-commerce

Case company: Lankava Oy

Thesis

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Thesis abstract

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The purpose of this paper is to study and define term e-trust and research theoretical frameworks which then could be implemented on the case study company's new website.

Trust is important for everyday businesses, but when that business moves to internet trust becomes essential for both buyer and the seller. Buyer relies on information provided by the seller and makes purchase decision based on it and expects to receive desired product on time and trusts that their personal information is not misused. Seller then relies on the buyer to deliver payment on time and not to do unnecessary returns which could cause losses. Trust in online environment is topic that has divided scholars in many ways, whether the term even exists, and how can it be implemented.

Case company's website is currently unavailable for public as it is still being developed which created difficulties in the research. However, several notions based on the research were made to increase website's credibility and other minor issues were stated for example contact information page upgrades, which gives faces to the people working behind the website.

Keywords: e-commerce, trust, e-trust, e-business, online credibility

SEINÄJOEN AMMATTIKORKEAKOULU

Opinnäytetyön tiivistelmä

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Tämän työn tarkoituksena on tutkia erilaisia määritelmiä e-luottamuksesta ja antaa parannusehdotuksia kohdeyrityksen uusille verkkosivulle.

Luottamus on tärkeä osa jokapäiväistä kaupankäyntiä, kun siirrytään verkkoon, tulee luottamuksesta erittäin tärkeä osa liiketoimintaa niin ostajalle kuin myyjälle. Ostajan täytyy luottaa, että toimitettava tavara on oikein ja, että hänen henkilötietojansa ei käytetä väärin. Myyjän taas täytyy luottaa siihen, että maksu suoritetaan ajallaan eikä ostaja tee turhia palautuksia, josta koituisi tappioita. Luottamus verkossa on kiistelty puheenaihe, josta ei ole selviä teoreettisia rakenteita joiden pohjalta luottamusta voidaan rakentaa, koska jo itse termin e-luottamus määritelmä poikkeaa monien tutkijoiden teoksissa. Monet tutkijat myös kieltävät koko termin olemassaolon. Tässä työssä perustana on, että e-luottamus on olemassa ja tutkitaan, miten tätä voidaan hyödyntää positiivisten ostopäätösten saamiseksi.

Kohdeyrityksen verkkosivut ovat tällä hetkellä vielä salasanan takana, koska niitä kehitetään edelleen, tästä johtuen esim. vierailijadataa ei voitu käyttää verkkosivun evaluoinnissa. Siitä huolimatta useita eri teoriaosuudessa esiin nousseita asioita on esitelty ja niille on ehdotettu parannuksia. Kuten esimerkiksi monipuolisempi yhteystieto sivu, joka tuo kasvot yrityksen takana toimiville henkilöille.

Asiasanat: verkkokauppa, luottamus, e-luottamus

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Terms and Abbreviations

EDI	Electronic data interexchange
B2C	Business-To-Consumer
B2B	Business-To-Business
C2C	Consumer-To-Consumer
CSR	Customer relationship management

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1 Introduction

Retail stores have been challenged by online stores for their customers and forced traditional retailers to open their own websites and online stores. The vast supply of information and opportunities offered by the internet also raise safety concerns among consumers. How can you create a website that is trustworthy in the eyes of your customers? Sellers also rely on trust that their customers who make the purchase make payments accordingly and do not abuse return policies. Trust has its own term online, e-trust which has been a topic that has caused loads of controversy among scholars whether it even exists. This paper goes through some of the theories and theoretical frameworks done by various scholars on the topic of e-trust, first by defining e-commerce and aspects related to doing business online as well as basic concepts for trust. How traditional trust differs from e-trust, what are the characteristics they both share and how can this knowledge be implemented on a website? Which framework models could be used to increase website credibility and trust? Based on the research enhancing suggestions will be given to the case company Lankava's new website that will be open to the public later this year.

This topic is interesting as it has not been studied that much and beneficial for the case company as they are just launching a new website and online store where they can implement these recommend chances easily if they feel like it is necessary. This topic has also caused controversies among scholars as there is no agreement whether trust online (e-trust) even is possible as some who have studied the topic have stated that online environment does not offer all the physical requirement that psychological definition of trust would require. Also by studying this topic I have started paying more attention to details on all the website's I have visited since starting to write my thesis and have found some general guidelines that many companies use as a baseline on how to build a functional, accessible and credible website in few simple methods.

1.1 Purpose of the study

The purpose of the study is to determine how e-commerce websites can be built to appear more trustworthy to consumers and study materials generated around the topic by scholars around the world. Developing an idea how different traditional trust and trust in online environment are by distinguishing differences and similarities in each and as a final goal to give suggestions to improve trust and functionality in the case company's new online store that will open after the summer.

1.2 Research methods and structure

Qualitative researched method was chosen as it fits the purpose of this study. Qualitative research encompasses many different research methods as in this paper aspects like "why" and "how" of human decision-making need to be studied to gain deeper psychological understanding how trust online can be build. Most commonly used analysis method in this thesis is observer impression as I evaluate different studies done by various scholars and try to form a conclusion on how to effectively build a framework for e-trust.

Research includes interviews with the case company which focuses on their efforts in trust building through their website as well as importance of e-commerce to their business.

The study is broken down to two parts, theoretical part and empirical part. Theoretical part consists of learning about previous studies of the matter, frameworks and models which are critically evaluated and then some aspects of them are compressed with other researches and fin. Empirical part focuses on interviews with the case company and improvements suggestions for their website.

Final part of the paper is conclusion of both theoretical and empirical part of the paper.

1.3 Objectives

The study gives case company an enhancement plan to improve trust among its clientele online. It also covers the following questions:

- What is trust?
- What is e-trust and how to build it?
- Which factors contribute in improved consumer trust?
- How do these factors affect shopping cart abandonment?
- How e-commerce sites handle private information?

1.4 Case company: Lankava Oy

Lankava Oy is a family business located in Kauhava, Finland where it was founded in 1925. They started their operations by weaving variety of fabrics and through the years evolved into a domestic business leader in its' own field providing customers their expertise in yarns and other handicraft accessories. Lankava has plenty of re-sellers around Finland but they also run a webstore on their homepage where customers can order products from them directly.

2 Electronic Commerce

2.1 Definition

Electronic commerce (E-commerce) is sharing business information, maintaining business relationships, and conducting business transactions by means of telecommunications networks. (Zwass, 1996) In this thesis focus point is e-commerce that is conducted over the internet, web and/or mobile applications which have digitally enabled commercial transactions between organizations and/or individuals. For the most part, these commercial transactions involve the exchange of money or other value in return for goods and services. Exchange of value is key for understanding the scope of e-commerce as without any exchange in value no commerce occurs. (Laundon, K.C, 2014)

There are no comparable services in the physical world compared to the things that e-commerce platforms can offer. Social media sites like Facebook or all the services provided by Google run gigantic businesses based completely on digital architecture. Google's parent company Alphabet has a vast portfolio of different products and services that it is currently offering for free to its' customers while it collects profits from the data trail left behind by users and by selling ads on their search engine for companies that want to be found.

E-commerce much like many other new innovations have changed the way business is done, and much like most other technological revolutions there was a big explosion in entrepreneurial efforts followed by consolidation. In 2017 e-commerce is entering a new period, when pre-2005 efforts were based on website's and services provided through them to users sitting by their personal computers. In 2017, it's more focused on user generated content, social media platforms and mobile platforms that are run on smartphones and tablets which people operate as they go around their daily lives. Without online presence, building a successful business in 2017 is harder than ever before. (Laundon, K.C, 2014)

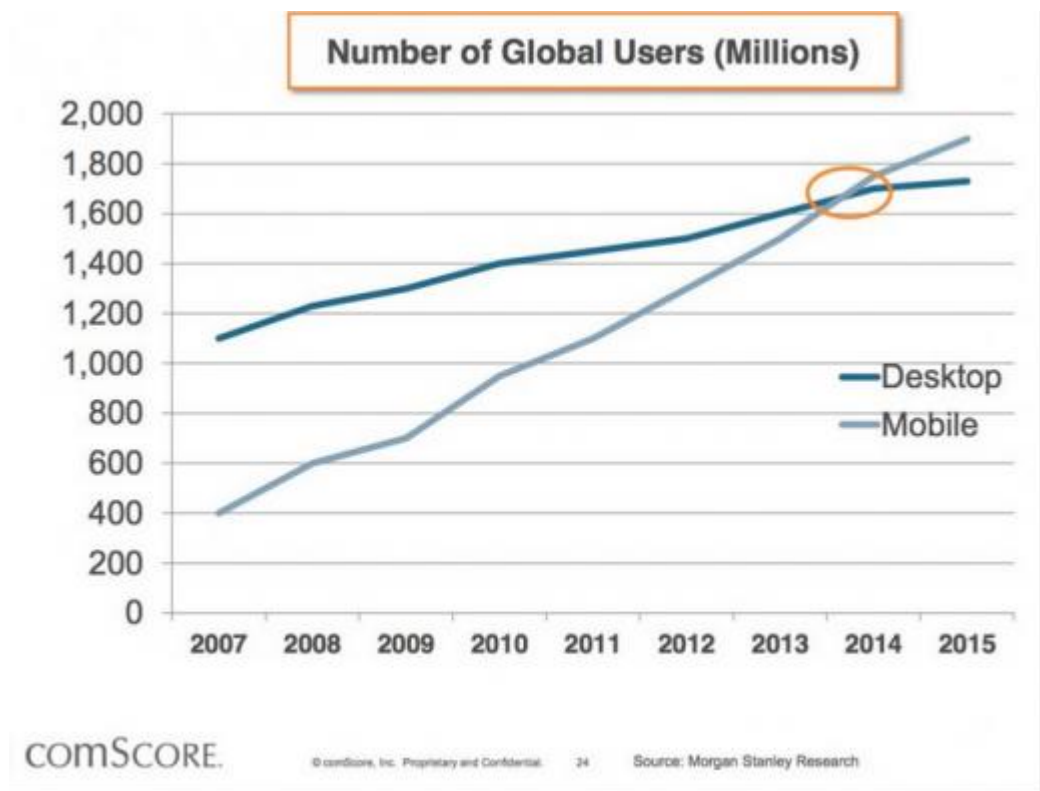
2.2 E-commerce business model

Business models are typically categorized based on the nature of transactions or relationships between partners who are conducting business meaning who is buying/selling goods or services to/from whom. According to Laudon (2014) the major types of e-commerce are the following;

- Business-to-Consumer (B2C) is business where relationship is formed between business and final consumer, like in traditional retail.
- Business-To-Business (B2B) e-commerce covers all electronic transactions of goods and/or services done between companies.
- Consumer-to-Business (C2B) is common in art world and crowdsourcing projects, for example, stock photo websites where photographers can publish pictures they have taken for companies to purchase.
- Consumer-to-Consumer (C2C) is e-commerce where all the transactions are done between consumers in environments that are typically controlled by a third party such as eBay
- Business-to-Administration (B2A) covers electronic transactions between companies and public administration such as legal documents
- Consumer-to-Administration (C2A) includes all electric transactions between individuals and public administration such as distance learning or filing for tax re turns online

2.3 Mobile e-commerce

Mobile e-commerce is the fastest growing field of e-commerce as smartphone sales accounted for 17% of total retail sales in 2015 and the sales have grown 53% yearly. (Forrester, 2016) Over 1.5 million applications are available in Apple's and Google's app stores which have created completely new platform for online transactions and marketing. Mobile e-commerce has become very powerful due to variety of reasons. people check their mobile devices minimum of 40 times a day, most users have the device in their reach 24/7 and for many their mobile phone is the first thing they open in the morning and last thing they see before going to bed. Other thing that make especially smartphones such a powerful tool for businesses is location based marketing, which gives users advertisements based on their location which is one of the reasons why mobile marketing will be 84% of all marketing done online in 2017. (Laundon 2014)



Picture 1. Number of global mobile Users

2.4 E-commerce in numbers

E-commerce and online shopping in general have experienced fast growth over the past 10 years. In 2011 research conducted by J.P. Morgan they estimated that 170 million purchased goods or services online which accumulated to revenues over US\$180 billion in 2010. In the same research, J.P. Morgan estimated that the number of online shoppers would increase to 189 million and revenues up to US\$255 billion by 2013. These numbers show that e-commerce has become a serious contender in retail world and shopping. (Close, 2012) New way of doing e-commerce “social e-commerce” which is based on social media platforms estimated to reach US\$8 billion by the end of 2014 while Facebook has reached over billion active users. Roughly every third person in the world is now online. (Laundon, K.C, 2014) For the first time since the early 20th century oil and gas has been replaced by data as the most valuable asset in the world’s economy. (Economist, 2017)

3 Trust in e-commerce

Trust is important for most traditional businesses and vital for e-commerce (e-trust), where basic foundations for trust building such as face-to-face contact and body language are absent and the lack of control in virtual environments create sense of insecurity and perception that it cannot be trusted. (Ruikar, Kirti, 2008)

Trust as a concept has been defined in many ways, which lead to problems in measuring it.

- Relation between an agent (the trustor) and another agent or object (The trustee). The relation is supposed to be grounded on the trustor's beliefs about the trustee's capabilities and about the context in which the relation occurs. (Gambetta, 1998)
- Whatever matters to human beings, trust is the atmosphere in which it thrives (Bok, 1978)

Trust can be present between two humans, between a human and an artificial agent (AA) and between two artificial agents. Which leads to a question whether trust is a correct term to use when interaction is performed exclusively on AA's?

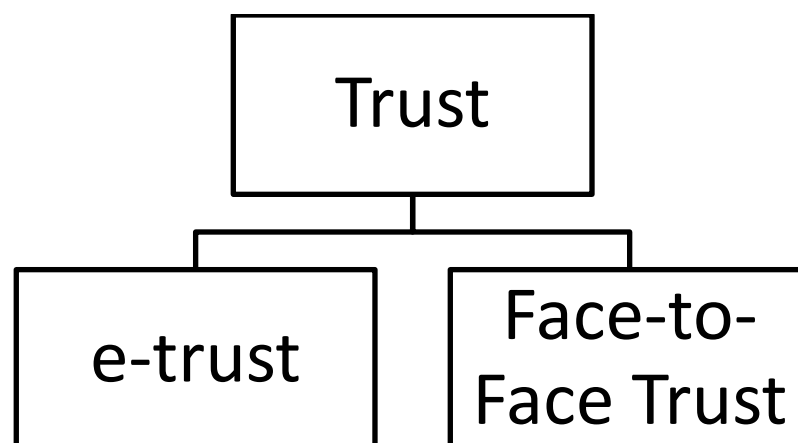


Figure 1. Trust includes e-trust and face-to-face trust (Grodzinky, et al. 2011)

The diagram above indicates, that Face-to-Face trust (F2F-trust) and e-trust share traits and some attributes are trust specific. Both digital and physical environments often contain social norms and references from other users that can modify the trust affiliation. (Grodzinky, et al. 2011)

3.1 Principles of trust

Table 1. Principles of trust (Grodzink, et al. 2011)

Trust is a relation between a (the trustor) and b (the trustee)	Only a and b can be human or artificial. A relation can involve both
Trust is a decision by a to delegate to b some aspect of importance to a in achieving a goal	We rely on the notion that an artificial entity a includes decisions, implemented for example by if/then/else statements, and we assume that a 's decisions are designed and implemented with the assumption that there is a high probability that b will behave as expected
Trust involves risk; the less information the trustor a has about the trustee b the higher the risk and more trust is required	True for artificial and human entities. In artificial we expect that risk and trust are quantified or categorized explicitly. In humans, this proportionality is not expected to be measured with mathematical precision. Lack of information could depend on the fact that trustee's behavior is not fully predictable.
Trustor a has the expectation of gain by trusting the trustee b	AA's expectation of gain may refer to designer of said AA's goal, or it may refer to an explicit expression in the source code that identifies gain, or both
The trustee b may or may not be aware that trustor a trusts b	Circumstances may prevent from b knowing whether a trusts b
Positive outcomes when a trusts b encourage a to continue trusting b	If a is AA, cycle of trust → positive outcome → increased trust could be in the design of the AA

3.2 e-Trust

E-trust appears in environments where direct and physical contacts do not happen, where moral and social pressures can be perceived differently, and where interactions are arbitrated by digital devices. (Mesquita, 2011, p.27). Initial trust happens when a visitor does not have first-hand information and decides to rely on their propensity to trust others or institutional cues (Susanto & Chang, 2014) Referential trust is one of the main forms of trust that develop in digital environment where communication processes are effortlessly performed. (Mesquita, 2011, p.28) Recent focus point of e-trust literature has been trust building in consumer relational interactions and emphasizing the influence of trust as a building material for long term relationships, like commitment and loyalty. (Garbarino & Johnson, 1999) Arguments have been made regarding existence of e-trust as trust requires three conditions that cannot be fulfilled in online environments.

1. Direct interaction between agents
2. Shared norms and ethical values
3. Identification of the parties involved

Emergence of Web 2.0, where user generated and interactive content have made direct interaction between parties possible, general rules and laws have been formed for online retailers and identification can be done in various ways (through social media platforms e.g. Facebook, email or online banking). Discussion about e-trust has identified one large issue, because e-trust does not have direct physical interaction, trust must rest on some other ground, such as user's attitude. (Mesquita, 2011, p. 27) Study done by Järvenpää, Tractinsky and Vitale (2000) shows that trust in a website positively affects the willingness to purchase from online store, they made the following proposition: "Consumer trust in an e-tailer positively influences a consumer's future intentions toward the e-tailer"

3.3 Website credibility

New customer enters e-commerce site is relatively close to the experience when customer would walk in to a classic storefront, they look around and decide whether they trust the merchant enough to purchase something. It is important to remember that the websites are designed by people to do business with people. Design, functionality and ease of navigation of the site are essential as they give websites professional appearance. (Shopify, 2017) Website should show that it has a real organization behind it, which can be done by listing a physical address, adding photos of your office or by adding membership status with local chamber of commerce. Customers should have easy access to company's contact information and by making contact page fully developed with pictures of key members and even bios it increases site's personality and credibility.

Website should have frequently updated content for two reasons, first it shows that people behind the site are working on it constantly and secondly, more frequent content updates create more hits on Google searches. (Google SEO Guide, 2010) If possible, avoid having promotional content such as pop-up ads on your site, which redirects customers to different websites. Also easily noticeable errors are errors in typography and broken links hurt website's creditability. (Fogg, B.J)

After all, credibility comes from providing throughout service to customers, offering high quality products and the capacity to keep your word. If the product is bad, customers will not return to that online store again as there are plenty of choices available just by doing quick search on any of the more popular search engines. Some businesses rely on badges and trustee stamps on their sites that promote the credibility of their site is approved by some agency which offers these services. Others focus on creating quality content, allowing user experience and word-of-mouth improve their customer's loyalty and using received feedback as a guidance to fixing problems that may have appeared among their customer base.

3.4 Security & Privacy

Website security is foundation for trust building on the internet. Every time customer enters a marketplace there are risks involved, most commonly not getting what you paid for or as a merchant of the market, not getting paid for what you sold. In e-commerce, there are six key dimensions for security: Integrity, nonrepudiation, authenticity, confidentiality, privacy and availability. (Laundon, 2014)

Integrity refers to the capability to ensure displayed information on the website or sent over the internet has not been manipulated in any way by a third, unauthorized, party.

Nonrepudiation allows both parties involved in a transaction to certify that other party will not deny (Repudiate) their transaction.

Authenticity refers to ability to identify the person or entity with whom you are dealing on the transaction.

Confidentiality means the ability to ensure data is only available to the people authorized to view it, often confused with privacy, which is the ability to control the said information about yourself.

Availability refers to the ability of a website to continue its operation as expected by customers.

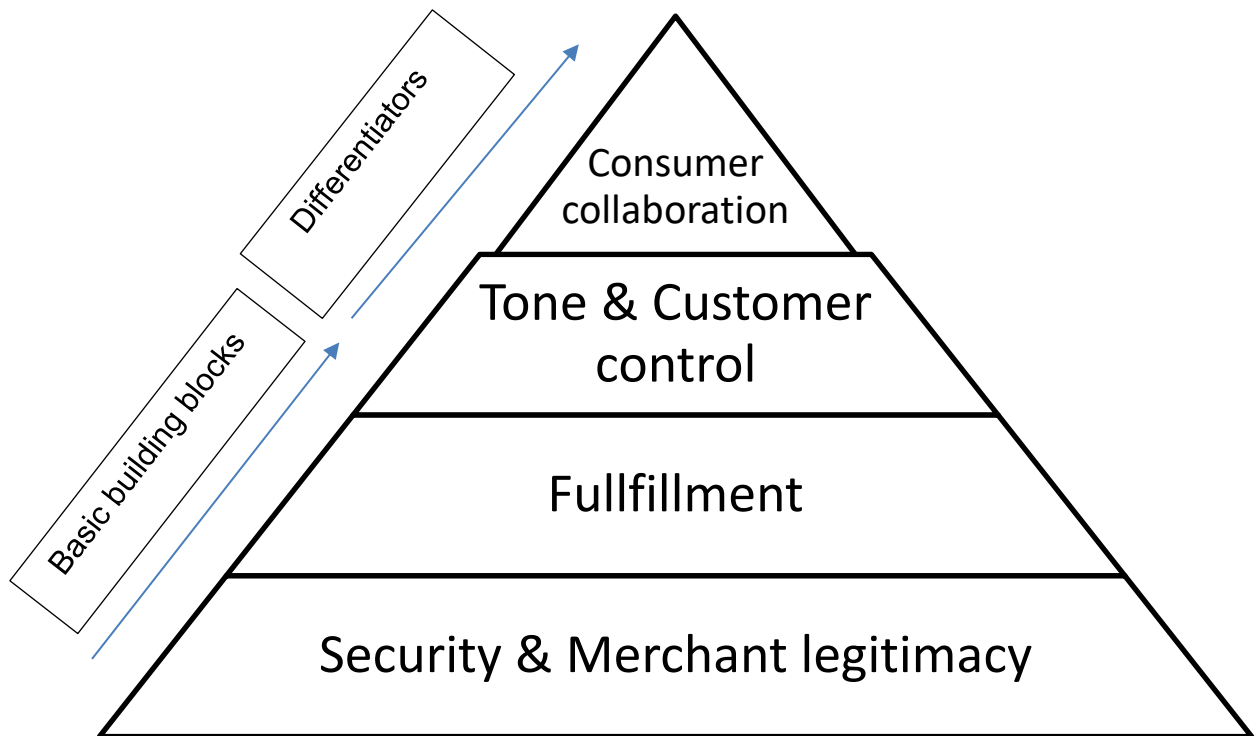


Figure 2. Trust pyramid (Petrovic et al. 2003, 90)

Use of the most reliable security measures, which is also forwarded to consumers in a language they can understand creates an atmosphere where consumer can rely on the site to do their part in securing transactions.

3.5 Shopping cart abandonment

Electronic shopping carts (e-carts) are used in various online stores as a way for consumer to save products and continues shopping without having to complete order first. But why are consumers placing products in e-carts just to abandon them? Shopping cart abandonment refers to this phenomenon where consumer places item(s) on their e-cart without making any purchases during that session. (Kukar-Kinney & Close, 2010 p.240) Study by Forrester Research (2005) shows that 88% of customers in online stores have abandoned their shopping cart and roughly one in four e-carts are abandoned without purchase (Tarasofsky, 2008)

There are numerous inhibitors that affect purchase processes online (Kukar-Kinney, Close, 2010):

Social influences

- Online shopping unavailable
- Peer influence to shop together in physical store
- Lack of boredom

Lack of availability

- Product sold out
- No internet accesses
- No shipping to wanted location

Price

- Waiting for product to be on sale
- Price too high
- Shipping and/or handling costs too high

Check-Out

- The total cost evaluated too high
- No preferable payment method
- Limited funds in required payment account

Time

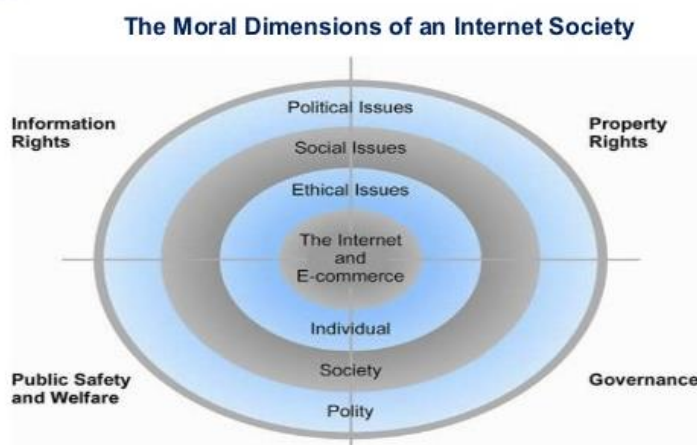
- Product needed at the time of purchase
- Slow delivery
- Purchase process on the site too slow or complicated

Technological issues

- Website does not work properly
- Payment system does not work
- Promotional code does not work
- Website security

3.6 Business ethics

Ethics is the study of principles that people and organizations use to determine right and wrong courses of action. In western world ethics are based on four foundations: Responsibility, meaning people or organizations are responsible for their actions. Accountability, as in people or organizations should be held accountable for the consequences of their chosen actions. Liability where body of law is for individuals to seek recovery of the damages done to them by others. Due process is a feature of law-governed society, where laws are known and understood and individuals can appeal to higher authorities to ensure that the laws have been applied accordingly. (Laundon, 2014 p.529) Part of business ethics is called corporate social responsibility (CSR), defined by European Commission as the responsibility of enterprises for their impact on society. (European Commission, 2017) According to the European Commission, CSR offers important benefits in risk management, cost savings, capital access, customer relationship management and increases their innovation ability. It also helps improving and tracking levels of trust in businesses.



Picture 2. Laundon's moral dimensions of an internet society (Laundon, 2014)

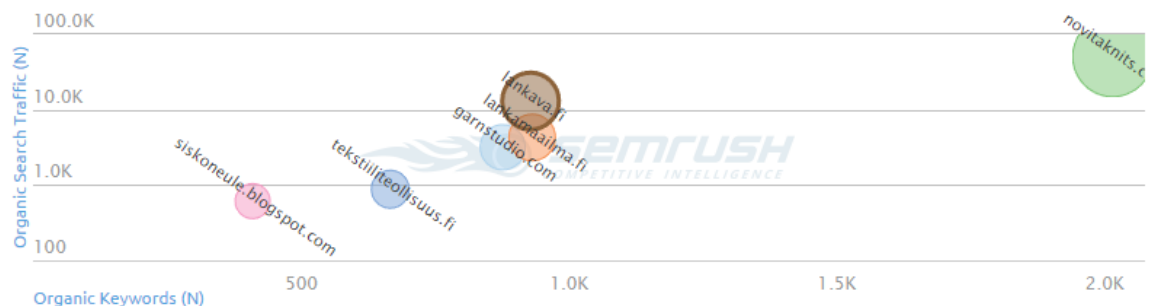
4 CASE: Lankava Oy

Lankava Oy is a family business from Kauhava, Finland, which has been founded in 1925. Lankava offers large variety of yarns and handicraft accessories in their physical store located in Kauhava, but also host an online store, which is run from the same location. Lankava has decided to open a completely new website run on a different platform to meet the demand customers have today.

4.1 Website

Evaluated website is currently behind password protection and will be opened to public later in 2017, as it is not finished yet. Lankava Oy's new website is based on Magento e-commerce platform. Currently the website offers customers online store with large variety of yarn products and equipment. One important factor of the site are the patterns for weaving, knitting, crocheting and other techniques, which are offered freely for visitors in three different languages, Finnish, Swedish and English. Current website also has news section with a few articles updated every month.

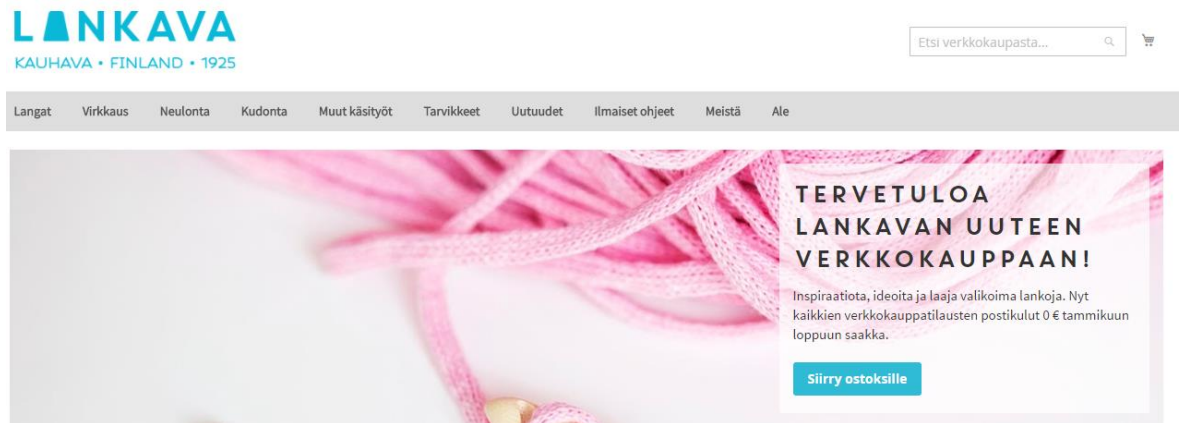
On the Finnish market Lankava.fi has second highest traffic among its main competitors.



Picture 3. Lankava.fi website traffic (Semrush, 2017)

Lankava.fi generated average traffic of 13,300 in April 2017 with 928 Google keywords. Largest competitor based on traffic is novitaknits.com with average traffic of 50,600 and 2000 keywords.

4.2 Design and accessibility



Picture 4. Lankava Website homepage (Lankava, 2017)

Lankava's website outlook is clean with soft colors and has relatively simple navigation around the site. Site functions well on desktop and mobile device, all the elements are locked to base grid keeping them in clean order. White background and spacious design increase aesthetical pleasing of the website, which also allows nice contrasts for call-for-action elements that need to stand out. As of today, the website does not have other than Finnish language available.

Site looks modern and all the drop menus work although most of the links are still dead-ends which will change as the site gets more content. Generally, call for action buttons are easily distinguishable from the background

4.3 Problems

Since this website is a working process and not yet open to the public it is rather difficult to evaluate the site properly as important tools, which require public website and visitor data are unavailable. It would be good to continue working on this topic after the page has opened and customer feedback starts rolling in. Also, time became problematic as it was quite limited to complete this thesis, as there are still plenty of good material and researches done that are easily accessible through services like Google Scholar. Also as site goes public, there are multiple free online services available that could be used to analyse the site:

- Google analytics: Solution that offers free analytics tools to measure website, app, digital and offline data to gain customer insights.
- Google PageSpeed Insights: Analyses website's performance on mobile and desktop and gives suggestions on improvements
- Website Grader: another optimizing tool that checks performance, mobile readiness, search engine optimization (SEO) and security.

4.4 Interview

Interview will consist of seven questions, three regarding business side of e-commerce and four that focus on the trust part. Two persons will be interviewed from Lankava CEO Kirsti Karppinen and Online store manager and the builder of the new website Henna Toppari.

The following questions will be asked:

How important is e-commerce and online sells for your company?

How do you attract customers to your website?

What reasons drove you to upgrade your existing website to a completely new one?

Which measures have you taken to increase trust in first time visitors on your site?

Which factors make you believe your website is trustworthy?

What kind of feedback do you receive from your current website?

What measures have you taken to ensure privacy of customer's private data?

4.4.1 How important are e-commerce and online sells for your company?

E-commerce and online sells are extremely important as physical store only creates small fraction of Lankava's clientele. Postal sales have been the most important way of commerce and today Internet is the best way to reach customers. Through online

sales Lankava can be reached by both retail and wholesale customers. Formerly long before internet Lankava operated through mail order, but the emergence of their online store brought numerous new opportunities and dimensions for their business. Such as reaching foreign customers, keeping product information up-to-date and monthly newsletters via email.

4.4.2 How do you attract customers to your website?

Lankava.fi domain is mentioned in all Lankava's communication methods and Google AdWords are in active use as keyword advertisements in Google's search engine and the domain is ranked highly in organic searches as well. Lankava's annual catalogue also refers customers to search for further information from their website. One key attraction on the site is vast handicraft instruction archive that is free of charge for anyone visiting the website. It currently has roughly 650 freely downloadable instructions and patterns for various styles and it is upgraded monthly. These instructions often lead customers who are looking for instructions to also find the store and purchase items. Sometimes Lankava organizes Facebook campaigns for their followers, which lure customers to their online store, by offering for example free shipping. Facebook, Instagram and Pinterest are also used to reach their customers with new and timely products as well as when new instructions are released which direct them to the website.

4.4.3 What reasons drove you to upgrade your existing website to a completely new one?

Current online store platform is created by Vilkas Group's ePages solutions, which has been in use at Lankava since 2007. It served well and fulfilled the needs that Lankava had towards their store. Lately it started to be slightly outdated and new, modern platform was needed, where integration between warehouse, financial management, online store and cash register would be possible. In the current platform information does not transfer across systems, which lead to manual re-entry of data during the purchase process. Customer information, campaigns and price changes

all had to be manually modified to all systems separately. When implementing the new platform data flow between different phases happen automatically, which removes overlapping work and slims the margin of error. At the same time website gets modernized visually and technically, which create a positive image right away after opening the site.

4.4.4 Which measures have you taken to increase trust in first time visitors on your site?

Clarity of the website, easy discoverability of products and possibility to register on the website. The site also has information about the company and contact information of the staff. Contacting the company is easy, either via feedback form located on the site, through email or by phone.

4.4.5 Which factors make you believe your website is trustworthy?

Lankava has operated on its field for a long period of time and has customers all around Finland, who have known the company for years and even decades. Trustworthiness relies on good customer service, rapid deliveries and fast reacting. Customers email inquiries are answer within one working day. If there is a problem regarding an order, customer is contacted immediately and special arrangements are put in place as agreed with the customer. This ensures that customers do not need to wait and wonder what is going on with the order. Lankava receives lots of positive feedback especially regarding rapid deliveries and customer recommendations speak for themselves as a sign of trust. Lankava.fi also earns credibility by having people constantly behind it, orders are handled promptly, product information and availability is upgraded constantly. Direct contact numbers can be found on the website and are answered without delays. Upgrading payment methods to Paytrail and Klarna solutions have also widened payment options and increased trust as they are well known providers for such services.

4.4.6 What kind of feedback do you receive from your current website?

Mostly positive feedback, as the old platform has also improved to the better. Previously the negative feedback was caused by the slowness of the website and lack of available payment methods and expensive delivery fees, all of which are now fixed and improved. Sometimes customers unfamiliar with online purchase processes call for help, but they are helped on the spot allowing successful purchases.

4.4.7 What measures have you taken to ensure privacy of customer's private data?

All the systems used on the website are well known and credible providers. On the website customers can also see privacy policy used by Lankava regarding customer information.

5 Improvement suggestions for Lankava Oy

5.1 Outlook

Lankava has a good following on social media platforms, which could be shown better for example displaying customer's work that has been posted in Pinterest or Instagram with Lankava's own content in a separate display widget. For customers that are unfamiliar with the company it is important to see that company has a significant following on social media especially when the ratings are high.

On the front page, there are display pictures of products that are currently being sold which shrink when mouse hovers over and if hovering comes from right or bottom side of the image shrinking effect causes micro stuttering (Picture 3).



Picture 5. Display windows (Lankava website, 2017b)

Language choices should be displayed properly, as the pulldown menu does not server customers who cannot understand Finnish (Picture 4).



Picture 6. Lankava website, 2017c

Currently there are multiple broken links on the website, but as it is working process hopefully these are gone when site is finished.

5.2 Store

One part of Lankava's website is the free instructions for different patterns that customers can download. These instruction pages should contain the necessary yarns and accessories needed for said product from the store.

[Etusivu](#) > [Ilmaiset ohjeet](#) > [Ohje: Virkattu Pitsiruutu-huivi](#)



OHJE: VIRKATTU PITSIRUUTU-HUIVI

ILMAINEN OHJE

Lataa ohje

Tuotteen kuvaus

Arvostelut

Ohje: Virkattu Pitsiruutu-huivi Esito-virkkuulangasta virkattu kesäinen pitsihuivi.

Picture 7. Lankava website instructions (Lankava website, 2017)

Easing the effort needed by the customers also brings extra value for the free content. These instructions should also contain print friendly versions without any unnecessary photos to conserve ink and nature.

5.3 Check-Out

Check-out of the store has couple things to be revised. Currently it is also lacking secure connection, which should be fixed as soon as possible.

Progress bar: **Toimituskulut** (checked), Tarkista ja maksa (2)

Toimitusosoite

Sähköpostiosoite * ?

Voit luoda asiakastilin, tilauksen jälkeen.

Yritys

Etunimi *

Sukunimi *

Tilauksen yhteenveto

7 Ostoskorissa olevat tuotteet

Picture 8. Lankava Check-Out (2017)

For the customer to see what items they have in their checkout they must click on the link that states how many items they currently have in their shopping cart. There is no clear call-for-action that would demonstrate this. Once the field is open, there is no total sum nor does it add the selected mode of delivery there until you advance to the next step.

In “confirm and pay” part of the check-out available payment methods are displayed, if the customer is not familiar with Paytrail and do not click the tab to expand what it shows they might not find the payment method they were looking for. Revising where campaign code input is located is also important, because in current position customer has already added all the information about themselves, but have not been able to use the code and might be hesitant to move forwards in the transaction. Also displaying the amount of taxes in this way can be confusing. Having both VAT 0% and VAT 24% displayed could be better to avoid misunderstandings

Progress bar: Toimituskulut (checked), **Tarkista ja maksa** (checked)

Maksutapa:

Paytrail

Check / Money order

[Käytä kampanjakoodia](#) ▾

Tilauksen yhteenveto

Loppusumma	31,50 €
Toimituskulut	0,00 €
Posti - Pikkupaketti	
Verot yhteensä	6,10 €
Tilauksen kokonaissumma	31,50 €

Picture 7. Check-Out

5.4 Contact information

Lankava operates in specific market, which often requires vast knowledge of the subject. By using live chat on their website Lankava could help customers that are not familiar with yarns or accessories and ease the purchase process of their customers additionally gaining information what visitors on the page are looking for.

Lankava is clearly proud of its traditions at long history, but it does not reflect well from their website. To create more personal atmosphere online, Lankava should update their contact information to create more concrete image of the people working behind their site, showing customers that there are plenty of people working hard in order to get the best customer experience possible.

Old version of the site has pictures and direct numbers, which is already good start, but by adding more material for example small introductions of the staff it would add to the personal experience of the shopper.

5.5 Customer testimonials

Current website does not have any customer reviews or testimonials available. Lankava's Facebook page has total of 44 reviews, with 39 of them being full five stars. Marketing specialist Dan Kennedy said: "What others say about you and your product, service, or business is at least 1000 times more convincing than what you say, even if you are 2000 times more eloquent." Therefore, it is important to have at minimum text testimonials with pictures, but if possible have video included. To begin with, have plug-in for Facebook reviews on the site, which also allows for easier access to Lankava's Facebook as well. Customer testimonials also yield good results in Google searches if done correctly, for example when people search for other users experiences from the store if done properly these customer testimonials should be on the top of the search results rather than suomi24.fi forum discussion about Lankava.

6 Conclusion

6.1 Summary of theoretical part

E-commerce is ever growing industry that relies much the trust of their customers. The whole topic of e-trust is controversial, as many scholars do not believe it even exists. Still it is necessary for online shops to create sense of trust in their customers to achieve customer loyalty and benefit from long-term relationships of returning customers. Trust as a concept is tricky as it is highly psychological phenomenon that is experienced differently by different individuals. Some rely on their visual capabilities, they trust in what they see. Others are very technologically oriented and require different things to trust a website. This is also noticed between scholars as there is no clear framework that could simply be implicated to generate e-trust, as the basic foundations that psychologically are required for trust building are absent in online world. Based on those issues many researchers have denied that such phenomenon even exists, but after studying the matter my understanding is that there definitely is trust behind every transaction online. Yet, there is no simple solution how to generate e-trust and one method does not do enough but all the efforts done towards improving are beneficial.

6.2 Summary of empirical part

Studying defects and bugs that Lankava's new website has at its current form caused issues as the site is not what it will be at the time of its publication, still many small details were found that could be improved to generate better shopping experience for all the future visitors. Easing access to desired functions and removing few flaws in design can go far when first time visitors enter the site, however existing customers do not seem to put much emphasis on chances as long as continuity is guaranteed, quality of products remains and service is as good as it was before. Lankava has already done big improvements from their current website to the one they are still working on, yet there are many things like customer interaction through social media that could be done better. Lankava also is proud of its long history and

people working in the company which could be added to the website easily. This would create more personal experience as it suddenly feels like doing business with a person rather than an automated computer.

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