

# **Young consumers online and offline channel purchase behaviour**

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<p>Abstract:</p> <p>Consumers purchase path has become increasingly fragmented, as consumers now shop across various online and offline channels to complete a single transaction. Certain aspects need to be taken into consideration, to understand how consumers choose between these online and offline channels during their purchase journey to fulfil their requirements. The main aim of this study was to understand young consumers online and offline channel purchase behaviour. This was done by evaluating channel usage from three different directions, 1) channel influencers, 2) purchase journey, 3) value dimensions. The empirical part of the thesis was based on quantitative research method. Primary data for the thesis was collected through survey questionnaires in two phases. The research revealed that young consumers preferred online channel for information search and offline channels for product acquisition. Due to channel evolution, it was possible for them to switch between online and offline channels effortlessly through search and acquisition. It seemed obvious for the young consumers to prefer the circular journey, as this journey narrows down the purchase path significantly compared to the other journeys. Value dimensions play a very important motivating role in channel purchase behaviour among young consumers and an important deciding factor on their channel specific usage during their purchases.</p>	
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# 1 INTRODUCTION

In today's era of 'Internet of things' and rapid development of technology, the consumers purchase path has become increasingly fragmented, blurring the lines between online and offline retailing. As in-store and online technologies are being unified, channel integration is key to a smooth and seamless consumer experience (Piotrowicz and Cuthbertson, 2014). Modern consumers are becoming increasingly fastidious, they want to be able to shop anywhere, at any time and from the location of their choice. They demand personalised shopping journeys to suit their needs as they move around and across numerous channels in the online and offline paths (Deloitte, 2015).

Consumers and retailers are going through a tough and complex situation driven by technology. As they transit through this paradigm shift, the traditional linear path-to-purchase has been replaced by modern consumers checkered path-to-purchase. Now the shopping journey is across a multitude of channels from stores to connected devices, everything and all being interconnected (Shamala, 2015). Consumers now are more technology savvy and price conscious, on one hand, most consumers own high-end mobile gadgets and on the other hand, they use a lot of online and offline channels which allow them to shop everywhere and anytime (Brynjolfsson, Hu and Rahman, 2013; Wilson and Daniel, 2007).

As boundaries between online and offline channels disintegrate, the world is turning into one big showroom (Brynjolfsson, Hu and Rahman, 2013). Consumer in-store and online experiences are being complimented by technology across the entire purchase route. Tablets and smartphones are becoming the universal tools for shopping, as it is easier for consumers to access information, compare prices and make purchases in-store or online (Karakaya and Charlton, 2001). Depending on one's access to the internet and their competency in use of technology, social media is influencing, how consumers discover, try and buy (Bell, Gallino and Moreno, 2014). Online shopping is much easier and faster, consumers can find information about the product and its availability twenty-four hours a day seven days a week and get highly personalised offers and discounts (Chaffey et al., 2009).

## **1.1 Statement of the problem**

Over the last few years online shopping has exploded; physical market places are being challenged by marketplaces created by internet technology (Gummesson, 2008). As mobile devices become the de-facto tools to shop. Consumers to meet their moment-to-moment shopping needs are willing to go back and forth, from one vendor to another or from online to offline environments. They not only check products at traditional outlets but also try them out, at times asking sales personnel for information and advice. Sometimes they take product snapshots, scan product bar codes and access online search engines like Google, to get additional information or compare prices (Bachrach et al., 2016).

Lately, the smartphone is no longer only a tool that helps consumers to make the right purchase decision at the point of sale but has become the default point of sale for many products and services. It started with music downloads, app sales and videos. Consumers are now using mobile phones not only to buy books, clothing and electronics but also to book bus, train, air tickets and hotel rooms or share homes through apps like Airbnb or even book taxi rides through Uber.

As more and more people are opting for the convenience of online shopping through M-commerce. Combining brick-and-mortar, e-tailing and mobile seem to be the future of commerce. Retailers need to rethink and redefine their strategies around their consumers, as shopping through mobile phones slowly takes over. It is of paramount importance for retailers to strive and create coherently integrated organisations to cope with these connected consumers. These consumers demand a consistent shopping experience regardless of the channel through which they shop, whether online or offline or a mix of both channels.

## **1.2 Background and need**

Today consumers are more informed than ever before, constantly searching for information as they live their lives across different purchase channels. At times incorporating various online and offline channels to complete a single transaction during their shop-

ping journey. In this information age, consumers take for granted, that needed information and required resources will be readily available to them with just a few clicks. It is critical to recognise that most consumers own and always carry their mobile devices with them (Bachrach et al., 2016), they are always on and connected with access to unlimited information (Hopkins and Turner, 2012).

Purchase decisions are rarely made in isolation, a consequence of the ubiquity of easily accessible mobile technology. Furthermore, in-store purchase decisions can be discussed at the spur of a moment with family and friends across borders, through chat messages and even send product snapshots thanks to mobile technology. Today, whether online or in-store more than ever consumers are finding ways to capitalise on information diffusion through technology (Bachrach et al., 2016).

Technology is not only the active driving force behind online sales but also acts as a passive force for in-store traffic as consumers increasingly engage digitally. Consumers generally carry their phone with them at all time, even for in-store shopping. They constantly turn to their smartphones to find answers to their questions (Bogaitsky and Walker, 2014). Today, almost everyone in Finland owns a mobile phone and frequently use them to make purchases, whether to buy a bus ticket, to collect loyalty points at Subway restaurant's or pay their bills. Furthermore, mobile phones today are GPS (global positioning system) enabled, transforming them into targeted weapons for marketing through proximity surroundings (Hopkins and Turner, 2012).

### **1.3 Purpose of the study and research question**

The present study seeks to understand young consumers online and offline channel purchase behaviour for their shopping purposes. For young consumers to choose between online and offline channels they firstly need to consider certain factors that could influence their channel preferences and secondly the role of value dimensions in motivating their channel choices in their purchase journey. Thus, making it even more important to understand what influences and motivates young consumers to choose between certain online and offline channels during their purchase journey.

Through this thesis, the researcher will try to find answers to the following research questions:

- RQ1** Which factors influence young consumers to choose between online and offline channels?
- RQ2** How has online and offline channel purchase behaviour impacted these young consumers purchase journey?
- RQ3** Which value dimension's influence online and offline channel purchase behaviour and generate additional value for young consumers through their purchase journey?

## 1.4 Definitions

- ***Brick-and-mortar:*** A retail presence through physical stores as their only channel (Strang, 2013).
- ***Pure player:*** A retailer operating in the online environment as their only channel, without any presence in the physical stores (Fulgoni, 2014; McCormick et al., 2014).
- ***Brick-and-click:*** A retail presence in both online and offline, in the form of an e-shop and a physical store (Gulati and Garino, 2000).
- ***Multichannel:*** A retailer having established more than one sales channel to reach a wider market, with the level of integration either non-existent or very high, between the different channels (Friedman and Furey, 2011).
- ***Omnichannel retailing:*** An extension of multichannel retailing, wherein the different channels are completely integrated to give a seamless shopping experience (Frazer and Stiehler, 2014; Ishfaq et al., 2016; Klosek, 2012; Rigby, 2011).
- ***E-commerce:*** It primarily about online sales transactions involving products and services, and informational transactions (consumer inquiries and their fulfilment) between an organisation and a third party (Chaffey et al., 2009; Chaffey, 2015).
- ***M-commerce:*** The use of different types of wireless handheld devices to perform e-commerce activity, i.e. smart phones, smart pads and other similar devices to access the internet and perform online transactions, related to promotion, buying and sell-

ing of goods or services without restriction of time and place (Singh, Srivastava and Srivastava, 2010; Varshney and Madan, 2010).

## **1.5 Structure of the thesis**

This thesis comprises of 5 chapters graphically shown in figure 1:

**Chapter 1** of the thesis consists of the introduction, statement of the problem, background and need, purpose of the study, research questions and ends with definitions of some important concepts.

**Chapter 2** of the thesis consists of the theory part of this study. This chapter outlines the material collected from relevant literature; books, scientific journals, online blogs, websites and white papers. In this chapters 1<sup>st</sup> section, the author introduces the concept of channel evolution, the 2<sup>nd</sup> section is about factors influencing consumer channel purchase behaviour. The 3<sup>rd</sup> section is about consumer purchase journey and the 4<sup>th</sup> section is about consumer value dimensions.

**Chapter 3** of the thesis presents the methodology section. This chapter explains the research design used in this paper and the importance of quantitative research approach. Then it explains the data collection process, the questionnaire and the sampling process. Finally, it explains the data analysis process and about issues related to reliability and validity.

**Chapter 4** of the thesis consists of the empirical section of the study. The author of the thesis presents the data of the study on young consumers online and offline channel purchase behaviour.

**Chapter 5** of the thesis, focuses on the conclusion. In this section of the thesis the author presents the findings, managerial implications and future research implications.

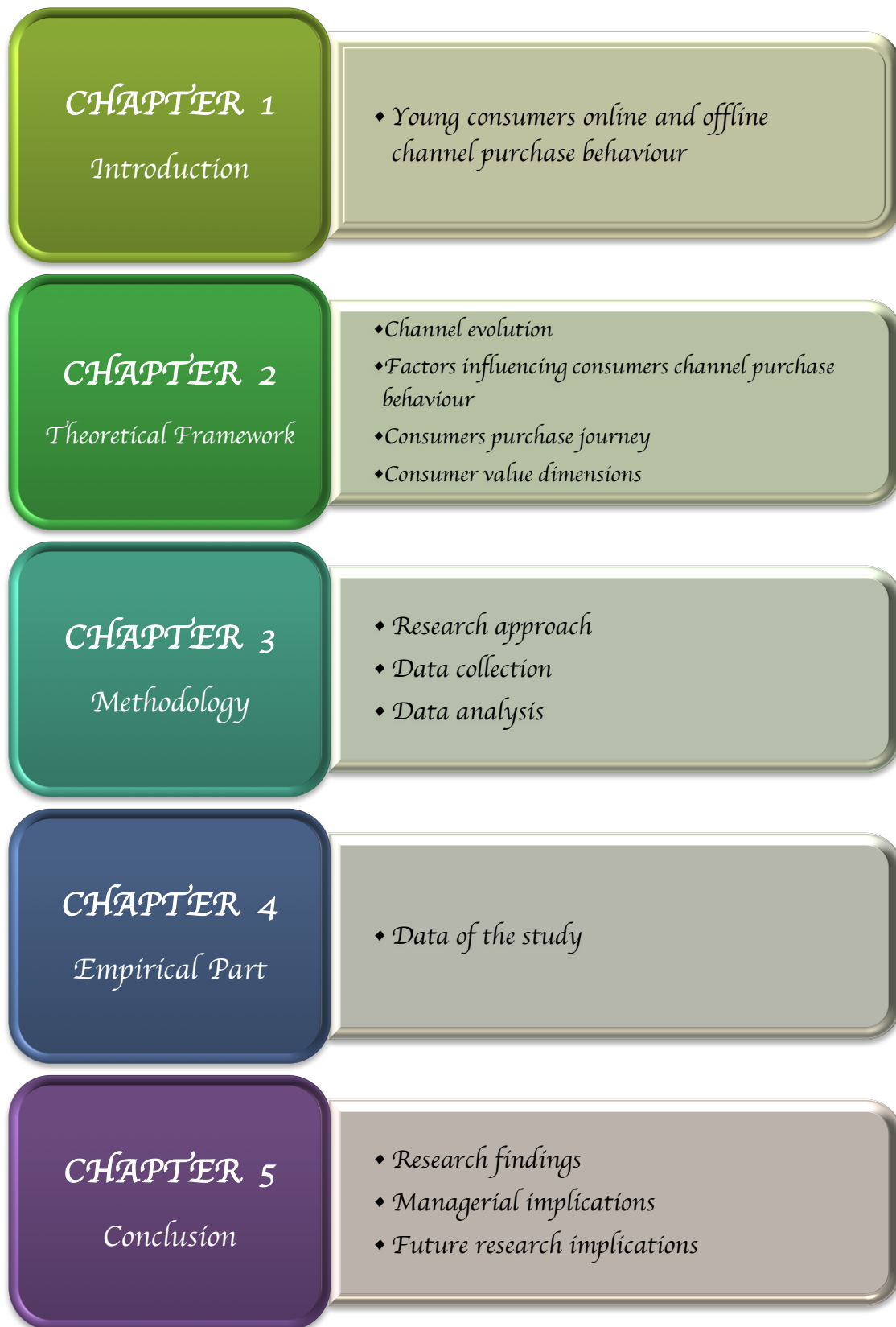


Figure 1. Thesis Structure.



## **2 THEORETICAL FRAMEWORK**

This chapter builds on the theory part of the paper and will address many different areas related to the research questions. Some of the research areas are used as stepping stones to introduce the reader towards the central topics. First, the author will discuss on channel evolution and the role of technology. Then the author will discuss consumer behaviour influencers and the consumer purchase journey. Followed by consumer value dimensions.

### **2.1 Channel evolution**

Over the years as consumers adopt new ways to shop through different channels, businesses need to create synergies between their various sales channels to be able to serve their consumers (Noble, Griffith and Weinberger, 2005). Businesses need to update their strategies from time to time as they move from traditional channels to multichannel players, everything else in between and finally to Omnichannel players in the present times. This adoption has created efficiency and competitiveness, which is a must for both business and consumers in present economic conditions.

Omnichannel can be defined in a multitude of ways, the essence of the concept is that the consumer can use all the available online and offline sales channels in a seamless manner (Frazer and Stiehler, 2014; Klosek, 2012; Rigby, 2011). Consumers today are not only connected twenty-four hours a day seven days a week but are also empowered. They prefer to shop at their convenience as they travel through various touch points. With the advent of online channels and ongoing digitalization, channels such as mobile and social media have influenced the way consumers behave through their search and acquisition patterns (Verhoef, Kannan and Inman, 2015).

The demand for seamless channel integration has increased tremendously as consumers use many different channels to complete a single purchase transaction. Consumers are now more into showrooming, as they visit a shop or a stores website to check out products, but may end up buying them from another online store or retailer (Mullin and Harper, 2014). This has forced retailers to transact with consumers across various channels,

requiring consistent channel integration and creating a similar and positive experience throughout the whole process at various stages in a consumers journey.

Retailing today requires careful integration of the entire range of available shopping channels both, online and offline. It requires all channels to work in a seamless manner in the buying process, from discovery to purchase both in-store and out. Going way beyond helping in-store consumers as they cross-shop on digital devices (Armstrong, Kotler and Opresnik, 2016). In today's world though the number of channels are more but at the same time channel differentiation gets blurred as channel borders disintegrate and merge. These new channels not only break down old barriers of geography and consumer ignorance (Brynjolfsson, Hu and Rahman, 2013), but at the same time, these channels can be used interchangeably through the search and purchase process to benefit the consumer in his journey (Verhoef, Neslin and Vroomen, 2007).

### **2.1.1 Difference between online and offline channels**

As innovation in information technology leads a shift from hierarchies towards markets, product prices are now being actively determined by market forces which were previously based on managerial decisions. Over the last two decade's consumer shopping habits have gradually changed, which has influenced the way goods are traded these days over different channels (Trenz, 2015).

As online channels become more prominent due to high-speed mobile internet connectivity, offline channels cannot be ignored. Both these channel categories have their pros and cons, at times they even complement each other. These channels are vital for each other's existence even though they are based on different transactional structures. These differences and their implications are classified on the bases of "information transparency, interactions and cost" and are further discussed in table 1 (Trenz, 2015).

Table 1. Differences between online and offline channels (Trenz, 2015).

		Offline	Online
<b>Information transparency</b>	Price information	Requires considerable efforts Time consuming	Competitive prices High visibility
	Product information	Physical evaluation	Visual evaluation
	Vendor information	Can be inspected personally	Can be availed digitally in the form of feedback or reviews
	Consumer information	Secure and private - Anonymous	Less secure - Identifiable
<b>Interactions</b>	Relationship	Personal relationship – Person-to- person	Anonymous – System dependent
	Communication	1 on 1 or 1 to n	1 on 1 or n to m
	Intermediaries	None	Yes – 3 <sup>rd</sup> party
	Location	Local	Global
<b>Cost</b>	Operational cost	High	Low
	Shipping cost	No	Yes
	Processing cost	High	Low

For satisfying their shopping needs consumers need to constantly search for *information* through offline (physical) and online (digital) channels. In the offline channels, information is acquired through consultation with family, friends and sales staff or through print and audio media - by reading magazines and newspapers or listening to radio ads. In the online channels, information is gathered from websites, blogs, social media. The main reason behind information search is to be able to buy the right product at the right price. In the online environment, the search cost is low and it is convenient to search several pieces of information simultaneously irrelevant of the location. In the offline environment, the search cost is high as it requires a lot of time and effort (Bergmann and Bonatti, 2011; Trenz, 2015).

The *interactions* among buyer and seller differ between online and offline channels. In the online channels transaction and interaction is detached from the buyers and seller's location, physical distances are no longer a problem as all the transactional exchanges take place through digital communication. In traditional stores, the relationship is dependent on the distance and the travelling time, but due to personal contact the rate of confidence is high. The lack of personal contact, in online channels create a trust vacuum and results in the lack of confidence. The chances of transactional and system dependent uncertainties are more pronounced in online channels due to uncertainty about

the quality of goods and transmission of personal information. Overcoming these factors in the online channels could lead to increased purchase intentions (Trenz, 2015).

The concept of offline and online stores is based on different cost structures, which inevitably play an important influence on consumer traffic and subsequent transactional turnover through those channels. The cost differences occur mainly in areas related to product acquisition. Consumers in offline channels need to spend money on transportation to travel to the store and spend time to locate and buy the product. Thus offline, 'Total cost = Product cost + Time + Transportation cost'. Whereas in the case of online stores, total cost consists of the product base cost and other expenses in the form of time spent online to locate and order the product plus shipping cost. Thus online, 'Total cost = Product cost + Time + Shipping cost'. At times these additional costs incurred in their respective channels lower the competitiveness and at times these extra cost components are the final deciding factor responsible for consumer channel choice (Trenz, 2015).

### **2.1.2 Technological influences**

Advances in computing power, storage capacity, network connectivity and security are revolutionising consumers experience irrespective of their geographical situation and guiding them towards new shopping channels. Due to the influence of technology consumers who previously used internet services as a source of information are now increasing using it as a channel to purchase. It is a general belief that internet technology helps in assessing and acquiring products at competitive offerings (Narwal and Sachdeva, 2013).

Technology in retail has become a critically important competitive tool. Consumers with the help of technology can better locate and acquire products. Slowly but surely online digital technology is being implemented in stores to engage consumers, as well as link in-store consumers with at-home consumers (Armstrong, Kotler and Opresnik, 2016). Technology is, in fact, becoming an important constraint in consumer shopping. It is dividing the retail shopping eco-system on the bases of online and offline approaches. As internet speed increases, the world is getting much closer and faster to reach.

### 2.1.3 Mobile devices

Mobile devices are typified as small, lightweight, flat and portable computing technology that can be connected to the internet with full network and digital information access. They function as substitutes to personal computers and incorporate interfaces that integrate input by touch and output display in one screen. These characteristics not only differentiate mobile devices from another type of computing devices but also make them easy to use and transport due to their compactness (Burford and Park, 2014).

It has taken years for mobile technology to reach this present stage. With passage of time and advancement in technology, mobile communication and computing have evolved steadily as explained in table 2. Mobile phones are basically used in most of our daily activities, emails, texting, chatting, to take pictures and video, internet browsing, reading news and books, watching movies and listening to music (Curtin and Green, 2010). From the minute, we wake up and start our day right through our sleep.

Table 2. Mobile Communication History adapted from (De, 2016).

Generation	1G	2G	2.5G	3G	4G	5G
Starting Time	1985	1992	1995	2002	2010-2012	By 2020
Service Type	Voice	Voice, SMS	Data service	Voice, Data, some multimedia	Multimedia	Dynamic access to Information, Wearable devices with AI capabilities
	P2P	P2P		P2M	M2M	VR & AR

Today mobile phones form an important part of our daily lives - a reflection of 'who we are and what matters to us'. For many people, losing their phone is worse than losing their wallet and it tends to paralyse their life. They are overly attached and feel proprietary about their phones. Mobile phones are intensely personal and private devices due to the content they hold and are always physically close. Generally, the first thing we grab when we wake up and the last thing we see before we go to bed (Hritzuk and Jones, 2014).

Increasing touch and connectivity is an absolute necessity to enhance engagement and will play a far more active role in the future of retail. Mobile technology not only makes it simple for consumers to access and shop, but also makes it much easier for retailers to reach out to present and future consumers (Brynjolfsson, Hu and Rahman, 2013). Technological presence in the consumer shopping process is permanent, it is essential that the in-store mobile experience is more deployed and technology friendly for a seamless experience (Bachrach et al., 2016).

## **2.2 Factors influencing consumer channel purchase behaviour**

In today's digital world, consumers are more empowered than before, with abundant choices and high expectations. They expect customization and convenience in their any-time and anywhere shopping. According to Angel (2016), consumers can now switch channels effortlessly while shopping, as they search online to buy offline or search offline to buy online and everything else in between, using more than one channel in their purchase journey. Thus, blurring the lines and creating new stages in the shopper's journey beyond traditional concepts (Baik, Venkatesan and Farris, 2014). At times, social media plays an important role as to how consumers discover, try and buy (Bell, Gallino and Moreno, 2014).

Consumers often choose channels depending on their needs at specific situations, their channel choice could be product specific or could be process dependent. Based on the level of benefit in relation to cost, their choice could lead to the usage of one or more channels at different stages of the purchase process (Balasubramanian, Raghunathan and Mahajan, 2005). At times, consumers tend to shop in traditional stores due to its person-to-person approach. But in the case of online shopping, the transaction can be done faster from the comfort of one's own home, as consumers do not need to spend time and energy travelling to the store, waiting in check-out lines (Kim, Park and Pookulangara, 2005). Over the last decade, technology has transformed the consumer into an 'all knowing and all seeing' person (Mathewson and Moran, 2016).

The study of consumer behaviour relates to how consumers think, feel, reason and choose between alternatives to help satisfy their needs and wants (Kotler, 2000). Con-

sumer satisfaction is the major factor in online or offline business activity. It is crucial to understand the role of channel influencers in every purchase decision - online or offline. At times, various influencers simultaneously play an active role to enable the consumer in their purchase process. These influencers function as beliefs that guide consumer behaviour and vary from one individual to another and from one situation to another. Based on these arguments the researcher will discuss four influencing factors, i.e. quality, cost, time and trust and their impact on channel choice.

### **2.2.1 Quality**

Quality refers to the physical features of a product a consumer evaluates. It is a valid value construct, result of an evaluation process which is accomplished through purchase (Heinonen, 2004). Based on their purchase activity the consumer forms a mental image about the seller and his products, desiring the best returns against the price paid for it. The value in this case, is the quality of the product which may vary from one product to another. Product information is readily available online, enabling consumers to inform themselves about the vendor and make an informed decision. Product transparency is responsible for rational shopping leading to prompt decisions (Trenz, 2015).

The consumer forms a perception of the seller's image, at times based on reviews of transactions carried out by others. In the past due to the absence of online channels, consumers depended on their acquaintances to ascertain the quality of traditional stores. At present online images help the consumer to evaluate and compare the seller's product. Whereas in the offline environment, consumers can physically evaluate the product and make decisions. Over time these purchase decisions help the consumer to form mental images about different sellers. Based on these images the consumer forms an opinion about their reputation which further helps him in his future decision processes (Trenz, 2015).

### **2.2.2 Cost**

Cost being the price a consumer pays to acquire a product. Today due to the availability of a wide range of shopping and price comparison tools, consumers can compare pur-

chase options and buy products at the lowest offer (Andrews et al., 2007). For consumers to acquire a product it is essential that value exceeds price (Anderson, Narus and Narayandas, 2009). However, some cost structures apply to certain channels through which the consumers shop. Online channels involve shipping and handling costs, absent in the case of offline stores which may require additional cost in the form of travel time and expense incurred to travel (Trenz, 2015).

Online channels help rein in cost involved in product search, by extending the number of vendors and products. This results in greater competition among sellers and better bargaining power for the consumers. Some consumers are price conscious and focus on buying products where they will cost the least and internet provides consumers with this opportunity (Narwal and Sachdeva, 2013). At times the total cost of the product plays an important factor in channel choice, making consumers to switch channels based on price competitiveness (Trenz, 2015). Consumers try to maintain certain perceptions of price in different channels which invariably tends to influence their purchase journey. At times, it reduces their risk related to the acquisition of the product (Baker et al., 2002; Noble, Griffith and Weinberger, 2005).

### **2.2.3 Time**

Time is an important factor utilised to purchase a product and it is also an important factor in selecting the optimum channel. The buyer - seller relationship is dependent on the physical distance in the offline channel, but in the online channel, it depends on technological capabilities (Trenz, 2015). In the offline environment, time is spent travelling to the brick-and-mortar store, locating the place where the products are displayed and kept, and finding a parking space (Mittal, 2013). In the case of online environment, time is spent locating a product among the various online shops and finalising the transaction. Online stores tend to serve consumers at their convenience (Kim, Park and Pookulangara, 2005). These time-conscious consumers are looking for opportunities and ways to use their time in the most efficient way (Kleinen, Ruyter and Wetzels, 2007).

At times urgency of the purchase and time of the day plays an important role in the choice of channels (Nicholson, Clarke and Blakemore, 2002). Sometimes due to time



constraint and urgent need of product, consumers drive down to the nearest shop and buy it instead of waiting for deliveries. People who lead a hectic life prefer to shop online as it is convenient for them. They can not only shop from anywhere at any time but also receive the products at their doorstep and even return them if needed (Kim, Park and Pookulangara, 2005). Consumers also spend time both online and offline hunting product information. This information search is vital in decision-making at different stages in the consumer journey (Noble, Griffith and Weinberger, 2005).

#### **2.2.4 Trust**

Trust is a highly desirable trait though elusive in nature, but a very crucial constraint in the online transactions (Mittal, 2013). Consumers, usually do not know the vendor and need to share their personal and financial information. This lack of personal contact leads to issues such as mistrust and low confidence, creating a negative influence on consumers shopping decision (Yu and Wu, 2007) and at times even dissuading them. In the traditional stores, trust at times is easy to acquire due to the personal contact with the vendor. Also, in the case of online channels, there is a temporal and physical separation between the transaction and receiving gratification, which is instantaneous in the case of traditional stores. Though in recent times online shopping seems to provide more satisfaction to consumers. But still, some consumers feel uncomfortable and uncertain while buying online due to issues like privacy, security and reliability of the system (Kim, Ferrin and Rao, 2008; Trenz, 2015).

Trust is a very necessary trait to alleviate uncertainties in the online channels as transactions in this medium are system dependent lacking personal contact. Blogs, social media and review platforms can help build confidence on online channels (Chen and Xie, 2008) to some extent. Trust is a difficult concept to define, it basically relates to confidence in the medium and something that develops over time. The success of any transaction lies on swift, simple and safe journey for the consumer from product search to its successful delivery. In the case of an online vendor, it relates to the accuracy of the information on the website, confidence in the seller and the security in the transaction (Kim, Ferrin and Rao, 2008). In the case of traditional stores, it relates to the salesperson, product and in the company (Plank, Reid and Pullins 1999). Trust factor increases

intentions to purchase and its perceived value, thereby eventually leading to consumer loyalty (Trenz, 2015).

### **2.3 Consumer purchase journey**

Consumers decision journey has been altered as consumers now have endless online and offline options for researching or buying at their fingertips twenty-four hours a day seven days a week. But businesses are still struggling to provide consumers with products and services in an effective and seamless way across channels. The digital channels not only represent a way to get in touch with consumers, they also play an important role in promotion, sales and marketing. Consumers will soon use image, voice and gesture control to hunt products. To keep up with advancing technology cycles, companies need to re-approach and redesign the way they manage their consumers journey in the age of augmented reality (Bommel, Edelman and Ungerman, 2014).

Global integration is transforming economies around the world and for companies to be able to survive and compete in this complex environment, they need to be present for their consumers at every stage of their buying behaviour. Academics opine that organisations to be successful need to understand their consumers decision-making process. They need to understand their consumers needs and wants to be able to meet their expectations (Armstrong, Kotler and Opresnik, 2016). No matter how consumers choose to engage, it is important to provide experiences that encourage the consumers to return time and again (Hopkins and Turner, 2012).

Technology has enabled the consumer and changed his buying behaviour. The mobile phone has emerged as a mix of a computer, camera and phone – it has enabled the consumer to communicate with family, friends and peers through the internet twenty-four hours a day seven days a week, with access to anyone and everything on the web. This technology is highly visual and aural, removing various barriers along channels across geographies aided by dedicated apps (Mullins and Harper, 2014). Brands need to adapt to the changing scenario, as means of engagement for smartphone users continuously multiply (Hopkins and Turner, 2012).

According to Armstrong, Kotler and Opresnik (2016), the decision journey process or buyer's decision process usually starts long before the actual purchase and continues long after, purchase being the only visible part of this complex process. The consumer must pass through this journey in five stages as illustrated in figure 2. Although in theory, the consumer must pass through the 5-step process for each purchase decision, it is dependent on the type of purchase, the nature of the buyer, the product and the buying situation which determines how each step is utilised or is passed over.

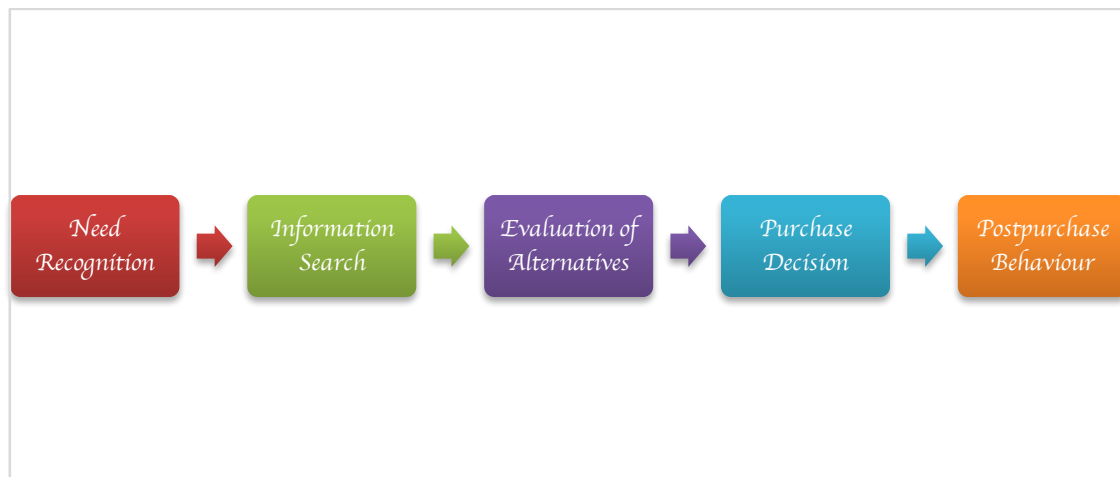


Figure 2. Buyer Decision Process (Armstrong, Kotler and Opresnik, 2016).

Need recognition is the first important step in the buying journey, as the purchase would cease to exist in the absence of need. This normally happens due to lag in actual and the desired situation of the consumer. Once the need has been identified the consumer seeks information from different sources as per his level of involvement and depending on the complexity of one's choice to satisfy his need (Armstrong, Kotler and Opresnik, 2016).

On the successful collection of information, consumers can evaluate the different alternatives to choose the best available option. After successful evaluation of available choices, the consumer can select the optimum product to satisfy his need and make an actual purchase. After which in the Post purchase behaviour phase, the consumer can evaluate his choice and gauge his level of satisfaction towards his original need (Armstrong, Kotler and Opresnik, 2016).

### **2.3.1 The funnel**

For years, the ‘consumer purchase journey’ has also been known as the ‘purchase funnel’ or ‘marketing funnel’. It is a model that describes the theoretical consumer journey from the moment of first contact to their goal to purchase. This journey has been approached in many ways by marketing consultants based on AIDA model. Though there are many iterations of this model each one of them uses a different path in the purchase process (Hopkins and Turner, 2012), but usually following a common concept. There are some evident improvements on this journey from Forrester, Mooney and McKinsey.

Consumers usually start at the wide end of the funnel with multiple product choices in mind. The shape, number of stages and duration of the process can vary depending on both the consumer and the nature of the product as well as other factors. The shoppers image about a brand along the purchase journey is usually impacted by the brands input and shopper’s exposure to it (Mullin and Harper, 2014). These choices are normally narrowed down during the journey through different stages (Mooney’s model is an exception), until the consumer finally procures the product of his choice. Though there are many versions available, the fundamental stages usually remain the same. Some of the versions will be discussed in this thesis.

McKinsey&Company believe, it is important for every business to track and understand their behaviour throughout the process especially at the most venerable moments. By doing so they will be able to send the right message to the consumers at the opportune time and place and can try to influence their decisions (Court et al., 2009).

Forrester’s report suggests that the traditional 5 stage purchase funnel illustrated in figure 5, maybe too linear due to several complex factors. In Forrester’s view, consumers at the start of their journey become aware of multiple product choices and during the consideration phase, some of these choices are dropped. In the preference stage, these choices are further narrowed, after which the consumer makes his purchase decision. Depending on his level of satisfaction the consumer may become a brand loyalist (Gibson, 2015).

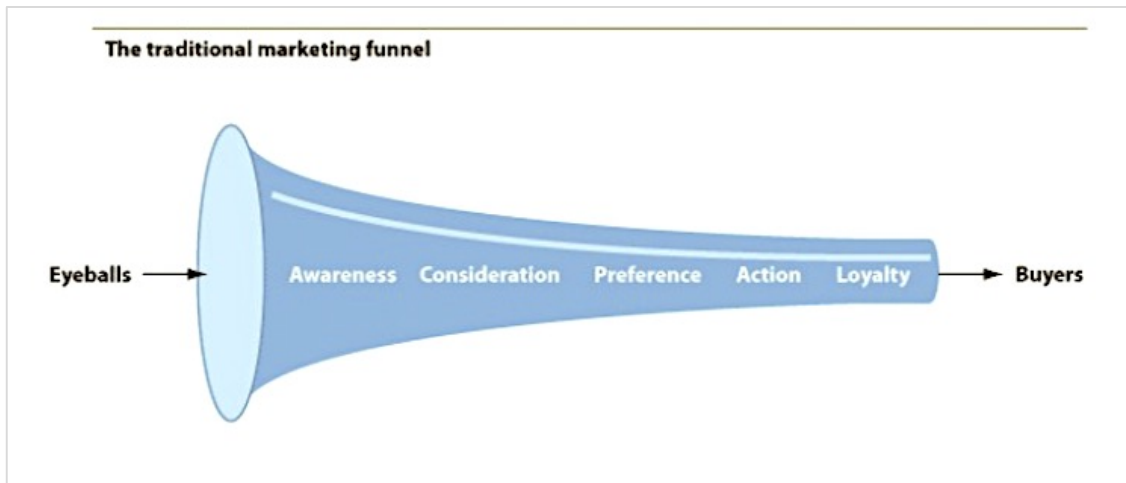


Figure 3. The Traditional Funnel according to Forrester (Gibson, 2015).

Forrester further explains through fig 4, as he opines that the journey has now become much more complex than assumed in the traditional funnel due to the impact of social media. He further suggests that in this complex journey major decisions are influenced by consumers themselves through blogs and articles, recommendations from friends, peer reviews posted on social media sites and other competing options (Gibson, 2015).

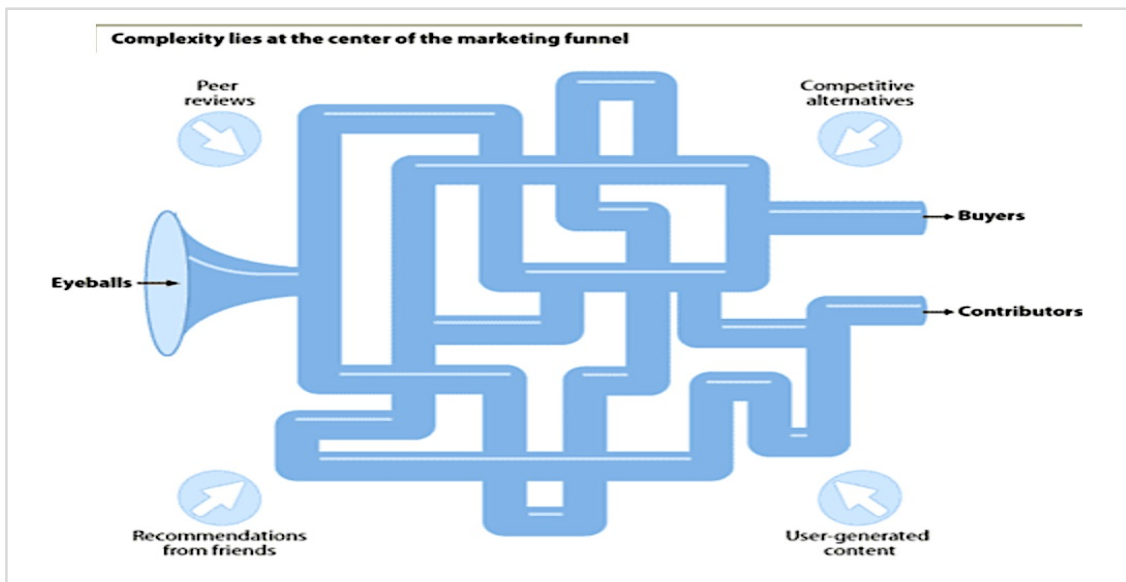


Figure 4. The Revised Funnel according to Forrester (Gibson, 2015).

He further states that satisfied consumers start promoting the brand on social channels and contribute as brand advocates. He emphasises that purchase decisions are never

simple as there are multiple factors at play, influencing different people in different ways and each time the outcome many vary depending on individuals (Gibson, 2015).

### 2.3.2 From funnel to fish

In 2008, Mooney and Rollins suggested a different approach to the traditional funnel (in fact contradicting it to the core), through a non- linear ‘Fish Model’ based on consumer activities. In this model as per fig 5, the opening of the funnel is much narrower at the “mouth” because of a more targeted approach (throwing the previous traditional funnel out of the window). As per their opinion, choices were expanding and not narrowing in this journey due to digital platforms such as mass media being the prominent initiators in this journey (Mooney and Rollins, 2008).

At the center of the journey, the “belly” is much wider as this is where all the consumer activities, interventions and product comparison take place in the social web through different channels. Purchase is in fact, the mid-point in this journey. In the post-purchase phase, the focus fans out at the end on the multidirectional “tail” where consumers express their opinions, write reviews and become brand advocates. The fish model highlights the importance of influencing the behaviour of consumers through creation and sharing (Mooney and Rollins, 2008).

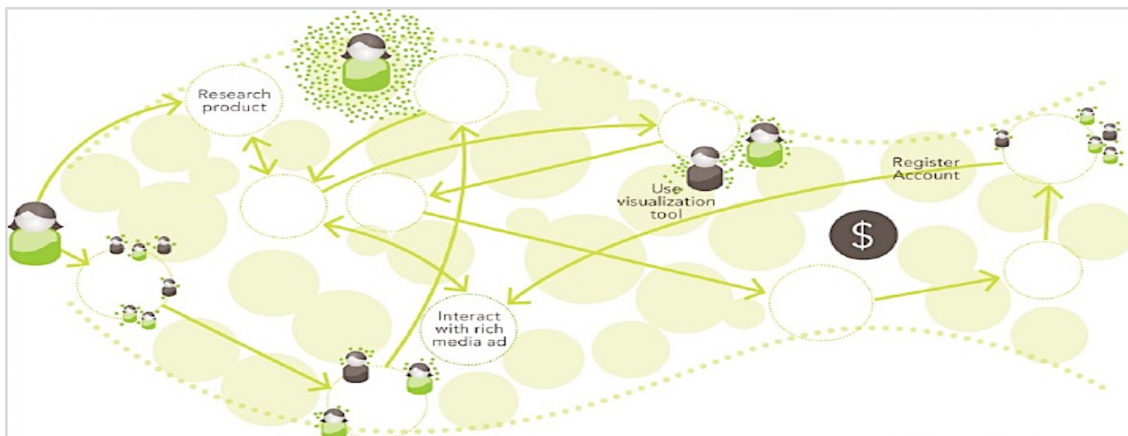


Figure 5. The Fish Model (Mooney and Rollins, 2008).

In 2012, Mooney radically revised her consumer journey based Fish Model, as she now believed that innovative technology had further modified this path and emphasised the

importance of brand engagement throughout the entire journey. In this revised model, she emphasises that this consumer journey is 5 phased, refer fig 6 (Mooney, 2012).

In the first phase of this journey, the consumers tend to either search or discover resulting in awareness. Discovery is the complex part as it is all about being at the right place at the right time. In the next phase, where they start evaluating the various options through offline and online channels, immersing themselves to acquire information on products by conferring with friends and family and narrowing down their options (Mooney, 2012).

In the buying phase, the whole process keeps evolving based on multiple payment (PayPal, credit cards, NFC, etc.) and delivery options (pick up in store or ship to home, etc.). The consume and influence phase or the post-purchase phase focuses on the level of use and connection with the product (Brand loyalty) which will lead them to repurchase and to become co-creators of brand experience and product advocates to fellow consumers (Mooney, 2012).

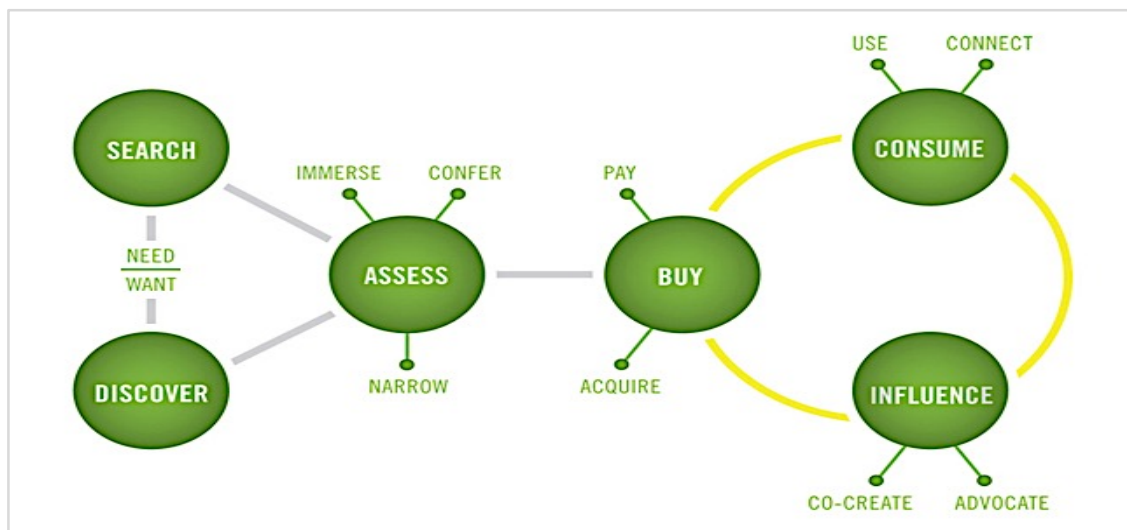


Figure 6. Mooney's Revised Model (Mooney, 2012).

### 2.3.3 The revised funnel

McKinsey presented a tweaked version of the traditional funnel in 2009, refer fig 7. In their version of the purchase funnel, they also describe the natural loss of potential con-

sumers at each passing stage. They suggest that consumers at the beginning of their journey have a wide variety of choices which get narrowed as they pass through the different stages in the funnel emerging with the purchase decision at the end. The post-purchase phase acts as a gestation period which determines the consumer loyalty and their likelihood of buying their products again (Court et al., 2009).

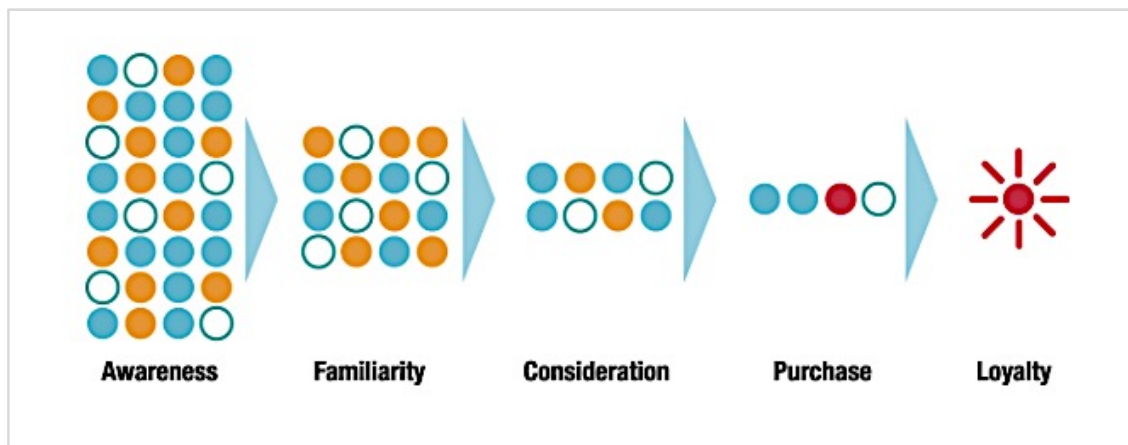


Figure 7. The Traditional Funnel according to McKinsey&Company (Court et al., 2009).

According to Court et al., (2009), the traditional funnel concept is quite outdated and unable to capture all the touch points and key buying factors due to product explosion and channel digitalization. During the past decades, the funnel served as a primary model, as for how people learnt about a product, made their buying decision and maybe became loyal consumers and brand advocates. The present consumer path is less linear and more complicated than the traditional funnel suggests. Today consumers are more empowered and connected than before, resulting in a change in the way they research brands and buy products.

### 2.3.4 Forrester versus McKinsey - purchase funnel

Both Forrester and McKinsey have some similarities but offer a different view about the purchase funnel concept. They both agree that there are 5 stages involved in total (Mathewson and Moran, 2016) and believe as consumers pass through these different stages they narrow down initial options before deciding. Both have some commonali-



ties, but mostly disagree on what transpires at each stage during the journey (Court et al., 2009; Gibson, 2015).

When we compare the two versions of ‘Purchase Funnel’, from McKinsey and Forrester – they both offer a different route, refer fig 8. Both their journeys have a common start and believe that the consumer needs to be aware of a product or service. In the second stage, McKinsey emphasises that the consumers need to familiarise themselves with different products or services available before considering the potential offers. This stage is totally absent in Forrester’s approach, according to them consumers familiarize themselves with the different set of offerings at the awareness stage itself from where they directly go to the consideration phase (Court et al., 2009; Gibson, 2015).

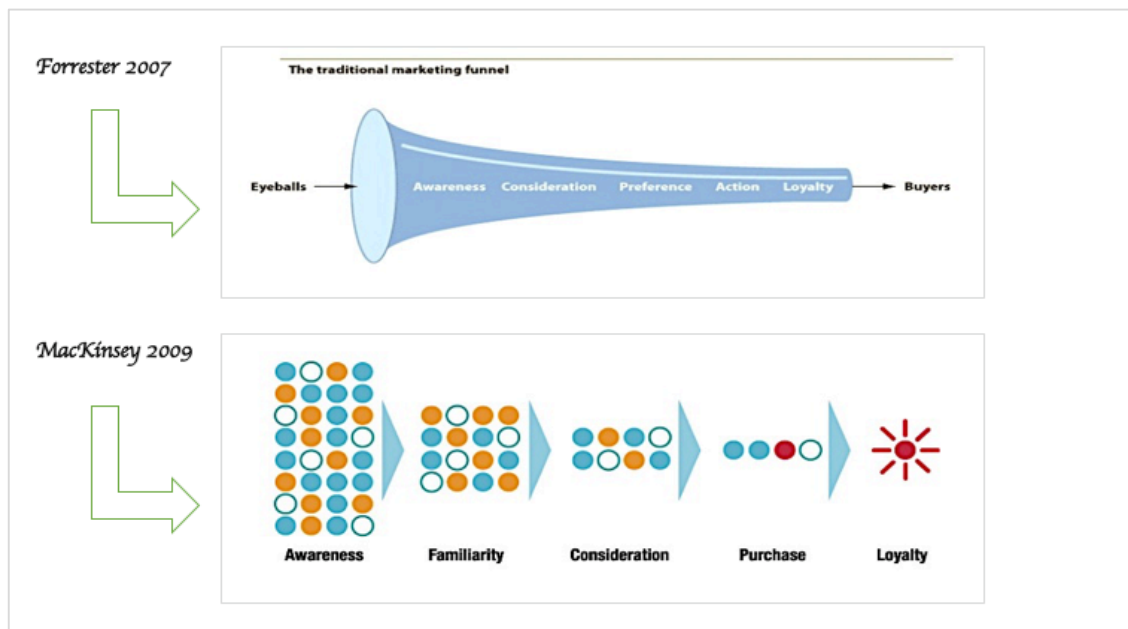


Figure 8. Forrester vs McKinsey (Court et al., 2009; Gibson, 2015).

After the consideration stage, according to McKinsey, the consumer makes a purchase, from where he travels to the loyalty phase. But as per Forrester, the consumer after careful consideration moves to the preference stage where he chooses from the different offerings before moving to the action stage where he decides to purchase and then to the loyalty phase. Though both these funnel theories have similarities, they tend to differ on how consumers act throughout the funnel (Court et al., 2009; Gibson, 2015).

### 2.3.5 The classic journey - from linear to circular to new

In 2009, Court et al., further suggested that now in the digital world the decision-making process is a more circular journey with four logical phases, refer fig 11. Journeys are no more linear paths as buyers often backtrack and make their own singular path's (Mathewson and Moran, 2016) and thereby taking control of their destinies (Manning and Reece, 2007).

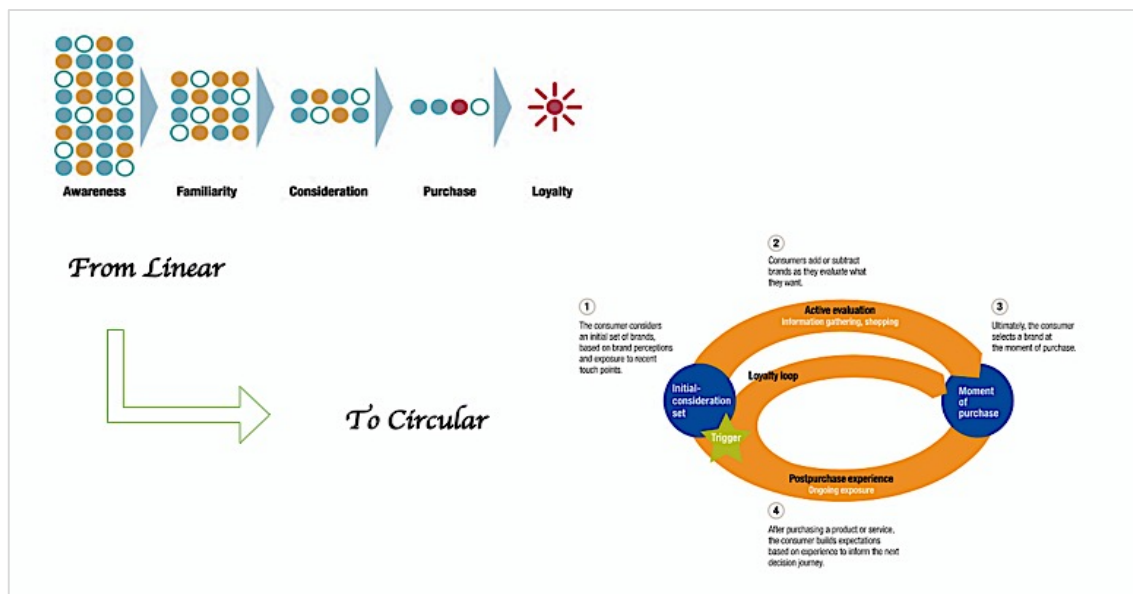


Figure 9. The Circular Journey (Court et al., 2009).

In the initial consideration phase, the consumer considers a limited set of brands, which is in fact, contrary to the funnel concept. Faced with abundant choices and communications, brand awareness is important as consumers decide to choose. Marketers need to focus more on the touch points at this stage as they move on (Court et al., 2009).

In the active evaluation phase, the consumer might add more brands to the initial list instead of narrowing it down, thus taking a more iterative and less reductive journey, which is against the funnel concept. Here the consumer seeks information and at this phase two-thirds of the touch points involve consumer-driven marketing. At this stage internet reviews, word-of-mouth, input from peers, recommendations from family and friends, as well as past experiences, play a vital role (Court et al., 2009).

In the closure phase or ‘moment of purchase phase’ the consumer might often select a brand at the point of purchase, it being a powerful touch point, which does not happen in the funnel process. In the post purchase phase, consumer builds expectations derived from the brand experience and product exposure to inform his next decision journey. The consumer journey is an ongoing cycle, as consumers go online to further research their purchase, a touch point not imagined in the funnel theory (Court et al., 2009).

Edelman and Singer (2015), state that in such a consumer journey, consumers tend to engage in a prolonged consideration and evaluation phase before they tend to enter in the loyalty curve or even proceed into a new round of consideration and evaluation that may or may not lead to a totally different purchase outcome affecting their loyalty either positively or negatively.

Edelman and Singer (2015), in their article, “Competing on customer journey” published in the Harvard Business Review believe consumers today go through a totally new journey, which obsoletes both the Funnel and the circular journey. The new journey constricts the consideration phase and shrinks or entirely excludes the evaluation stage, delivering consumers straight into the loyalty loop and locking them within it, as illustrated in figure 10.

This model accounts for an experience with a brand, affecting their long-term loyalty after the initial purchase. In today’s age, the loyalty loop in fact, gives a more accurate picture of how a consumer re-evaluates his decision to buy repeatedly based on a multitude of aspects and thus continue his loyalty.



Figure 10. The New Journey (Edelman and Singer, 2015).

Today's digital era has empowered consumers as they can now compare, research and even order products right to their doorstep at the most competitive price. Most of the time, companies have been reaching out to their consumers and anticipating their moves to influence their decision journey from consideration to purchase. Companies are leading rather than following, shifting their strategies from 'primarily reactive to aggressively proactive', as they now shape the paths of journeys devised by consumers (Edelman and Singer, 2015).

Consumer journey has evolved over the decades and is very different now compared to the past. Moving from the funnel to the loop and then from the loop to the new journey, getting shorter and streamlined with the passage of time. First, it was the internet and e-commerce, now it is the era of the mobile phones and m-commerce. The journey now is much faster and shorter. As more and more people buy or scan products and services on their phone reducing the in-store time as most of the research has been done before coming to the store. Consumer preferences for online and offline channels differ for different products at different stages in the shopping journey (Levin, Levin and Heath 2003).

## **2.4 Consumer value dimensions**

*“Value is low price<sup>1</sup>, value is whatever I want in a product<sup>2</sup>, value is the quality I get for the price I pay<sup>3</sup> and value is what I get for what I give<sup>4</sup>” (Zeithaml, 1988).*

Driven by more demanding consumers, global competition, and rapid advances in technology, many organisations try to find ways to gain a competitive advantage in a consumer-centric market through superior value delivery (Woodruff, 1997). In other words, the value in a consumer-centric era can be termed as, “Value of offerings” or the difference gained by a consumer by owning and using against the cost of purchasing the product.

Porter (1985), opines that product value is person specific and determined by consumers as per their level of use. Ketonen-Oski, Jussila and Kärkkäinen (2016), believe that it is something which is created and consumed, benefits and sacrifices being the dominant

factors (Anderson and Wynstra 2010). According to Anderson, Jain and Chintagunta (1993), the value is the known cost of benefits of a product versus the cost incurred for the product or anything that alters the cost and benefit of the offering (Anderson and Narus, 1998). According to Menon, Homburg and Beutin (2005), simply put ‘Value = Benefits – Cost’.

Different authors have defined value using different terms but they rotate around similar concepts, refer table 3. Value constraints help to interpret key aspects of consumer behaviour that usually occur before and after a purchase, and dwell on the “get-versus-give” philosophy (Gallarza, Saura and Holbrook, 2011).

Woodruff (1997), agrees with Sheth, Newman and Gross (1991), that value is a mix of five components, “functional, social, emotional, epistemic, and conditional”. Anderson and Narus (1998), actualized the value concept and believed that it was a mix of four components, “technical, economic, service and social” and not five. Per them, value element is an absolute way to define how offerings can either reduce acquisition cost for consumers or add value to what a consumer is trying to attain. It allows them to gauge the differences in functionality and performance that the offering in consideration provides against the next best alternate offering. They capture the technical, economic, service and social benefits that consumers receive from the offering as shown in figure 11 (Anderson, Narus and Narayandas 2009).

Table 3. Some other definitions of value.

<b>Authors</b>	<b>Definition</b>
Zeithaml (1988)	“Consumer’s overall assessment of the utility of a product based on a perception of what is received and what is given.”
Monroe (1990)	“Buyer’s perception of value represents a trade-off between the quality or benefits they receive in the product relative to the sacrifices they perceive by paying the price.”
Anderson, Jain and Chintagunta (1993)	“Perceived worth in monetary units of the set of economic, technical, service, and social benefits received by a customer firm in exchange for the price paid for a product offering, taking into consideration the available alternative suppliers’ offerings and price.”
Lapierre, Filiatrault and Chebat (1999)	“Perceived value is a combination of what customers get in terms of benefits such as quality and what they give away in terms of money, time, and effort.”

Value is a very important aspect of a retail strategy and has been conceptualised by multiple authors but they do not seem to agree with one another (Rintamäki et al., 2006; Anderson, Narus and Rossum, 2006). It revolves around the concept of, what a consumer wants and believes he might get by acquiring and using a seller's product, depending on the consumer himself and the circumstance within which they think about the value (Woodruff, 1997). After going through so many definitions it is safe to say that, "Value is comparative, personal and situational" (Rintamäki et al., 2006) depending on factors such as monetary benefits and conveniences, and varying from person to person (Blocker et al., 2011).

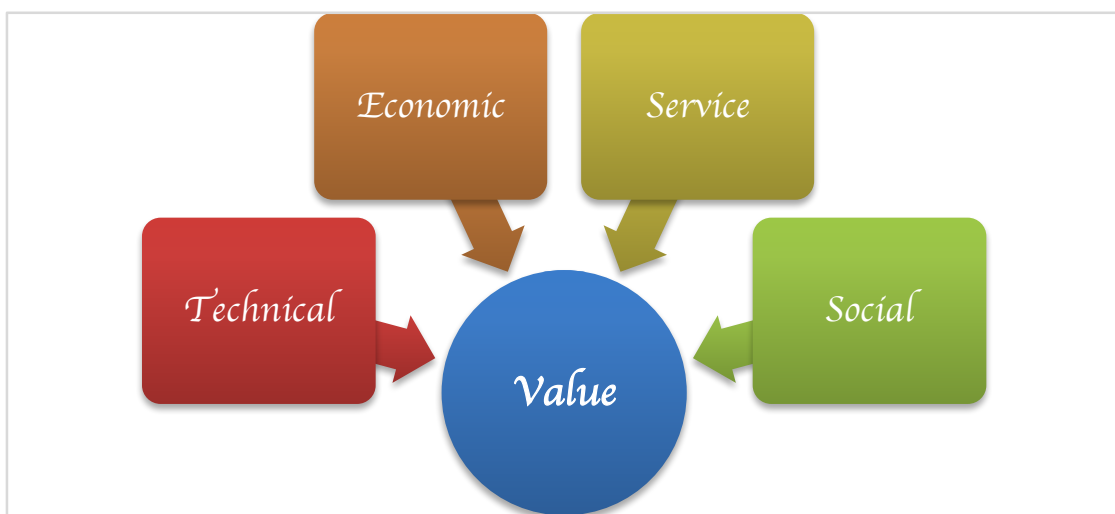


Figure 11. The four dimensions of value according to (Anderson, Narus and Narayandas 2009).

#### 2.4.1 Economic value – monetary value

Economic value dimension relates to the financial aspects of the offering as price tends to play an important incentive for product acquisition for consumers in online and offline channels. Competitive pricing not only helps to capture consumers but also increases consumer traffic in different channels (Hopkins and Turner, 2012). Consumers want firms to provide them with excellent products and services but at reasonable prices (Peppers and Rogers, 2012). In both online and offline channels, the prices are directly dependent on the cost structures involved in those channels. Consumers today are very resourceful and want to choose the best channel opportunities to avail deals at competitive offerings to attain higher economic value in their purchases (Trenz, 2015).

Consumers are price sensitive at times in making purchase decisions. It is important for them to gain a monetary benefit that justifies the time and effort invested in those deals across various online or offline channels. Consumers usually tend to purchase when they receive the highest economic value against the product they acquire (Lindgreen and Wynstra, 2005). It is generally assumed that online prices tend to be more competitive as they are prone to frequent updates. In the offline channels price updates are less frequent and not necessarily competitive (Trenz, 2015). Consumers today avail loyalty points, individualised offers and discounts that reduce the overall cost of the product thus making the economic value of the acquisition more beneficial.

According to Anderson and Narus (1998), the price is not tangible, but it is the most visible and therefore an important aspect of the market offer. The consumer to form their perception of value try to gauge the performance they could gain against the price they pay for the product. The product value is ascertained by the amount of money the consumer is willing to part for its acquisition. Simply put, a consumer will not purchase a product when its price exceeds its value (Golub et al., 2000). However economic value is one of the few dimensions that can drive the channel applicability (Trenz, 2015).

#### **2.4.2 Technical value**

Technical value dimensions are aspects that relate to the core offering and the technical aspects related to that offering. In other words, the technical value is created by providing value-added services to consumers through superior procedural services during their purchase process (Liu and Leach, 2003). These technical aspects add additional value to the core offering through improved processes in operational efficiencies and at times also offering personalised experiences.

Consumers today expect efficiencies and reliability as part of their purchase package, whether online or offline. In the online environment, they expect the websites to load and function effortlessly. The entire process from searching and comparing, to purchase and payment needs to be simple and risk-free (Mathewson and Moran 2016). Fluid purchase processes will further minimise the perils related to information and transactional uncertainties.

In the offline environment, consumers appreciate if they can easily locate products get the required advice, proceed to pay and walk away with their product. When consumers are in a store they can be serviced with the help of technological tools like smart carts, etc. and at the same time also avail person-to-person contact, leading to better information dispersion, guidance and advice. In the online environment consumers prefer quality content, the website designs must be clear, concise, and relevant, the payment system must be secure.

### **2.4.3 Service value**

Service value includes all the characteristics related to the services offered by the firm, such as delivery and support services and usually takes place after the purchase process. It is a vital component of the value mix as it makes the purchase experience more enjoyable on receiving the desirable assistance (McCormick et al., 2014). It pertains to assessment of the overall benefits derived from a buyer-seller relationship. In the digital world, service plays a very important role in differentiating one company from another. Quick and efficient services like timely deliveries and prompt after sales support, save consumers a lot of time and effort. Consumers at times are even offered customised services to develop an effective and lasting bond (Liu and Leach, 2003).

Time is an important resource that consumers tend to spend when they shop online or in a conventional retail setting. In a time, constrained world consumers can shop at their own convenience from remote locations thanks to online resources (Mathewson and Moran, 2016) and utilise their time in the best possible manner (Bhatnagar, Misra and Rao, 2000). In the offline channels, consumers can acquire and carry the product along with them or have them delivered later as per their convenience and need not worry about warranty issues.

Characteristics such as the overall ease of use along with the efforts utilised and the level of convenience have a direct impact on channel choice among consumers (Frambach, Roest and Krishnan, 2007) and the subsequent service value derived from it. They can get insight into product usage through market offering and even check stock availability



(Anderson, Narus and Narayandas 2009). On the web, every company is close and can delivery anywhere (Mathewson and Moran, 2016) irrespective of geographical distances but warranties may be an issue. Consumer service could possibly be one of the biggest problems faced by consumers and companies and could be the major deciding factor for using online or traditional stores (Karakaya and Charlton, 2001).

#### **2.4.4 Social value**

The fuel for commercial production is money, but trust is considered as the fuel for social production. On social platforms, information about products and services become readily available through voluntary shared efforts. Here millions of consumers generate and upload their own content for others to read and review at their own convenience. Companies like Google and Amazon power the online world and believe social value can be the deriving factor which can differentiate a firm's success or failure. Thanks to new technologies empathetic consumers help guide others to make better decisions based on their experiences.

The act of shopping allows the consumers to express their personal views based on their consumption or at times through referrals and word-of-mouth to family and friends. It also allows them to assign a social identity to themselves and others (Rintamäki et al., 2006). According to Randall Rothenberg, former columnist of New York Times, "Conversations cannot be controlled. They can be joined" (Peppers and Rogers, 2012). Consumers can also create social value through referrals and word-of-mouth to their family and friends.

Social relations create connections among people interacting with one another which in turn create feedback loops. Some of the participants are more active and initiate majority of the conversations while others just congregate around them while the rest are just passive spectators, watching and listening (Peppers and Rogers, 2012). Some consumers are socially very well connected and rely on their contacts for opinions and advices when making important purchase decisions. But then there is a second type of consumers who prefer traditional stores. For them, it is a family outings through which they can fulfil their social needs (Prasad and Aryasri, 2009).

### 3 METHODOLOGY

*Research: “..... the systematic, controlled, empirical and critical investigation of hypothetical propositions about presumed relations among natural phenomena” (Kerlinger, 1970).*

The methodology section focuses on the research design as shown in figure 12. It represents the structure and strategy used for this paper. It elaborates on the choice of research approach and the methods used in this study for data collection and data analysis. In other words, the research process will expand our knowledge and help us find answers to our questions on topics discussed in this paper.

1. **Literature Scanning:** Scanning of relevant literature on topics related to the purpose of the thesis.
2. **Research Approach:** Quantitative research approach was selected with the aim to keep the discussion constrained and narrow, and to focus on the main aspects of the thesis.
3. **Data Collection:** Data was collected through survey questionnaires. The questions in the survey questionnaire were carefully designed to connect them to the theoretical part of the thesis.
4. **Data Analysis:** Analysing the questioner and using the data on the bases of validity and reliability to reach conclusions in Chapter 5.

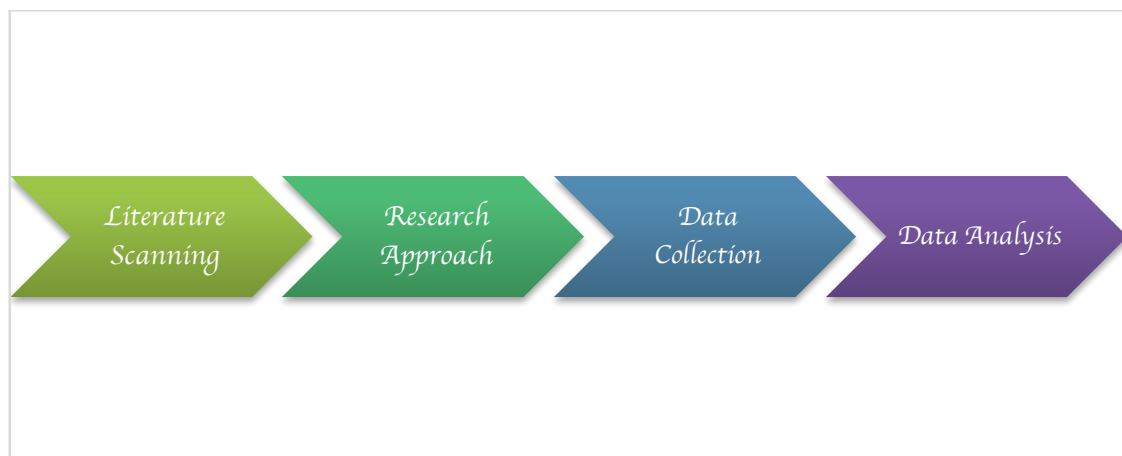


Figure 12. Research design.

### **3.1 Literature scanning**

The research started with the scanning off literature. This will enable the researcher to get the sense of the field and help him decide on the study material relevant for this paper. It will also allow the researcher to get a sense of what's out there and what might be suitable for the proposed study (Collis and Hussey, 2003).

The literature search will increase the researcher's knowledge on the research topic, allowing him to develop and support it. The researcher will get an idea of what's already been written or published on the chosen study and at the same time allow him to determine if the intended study is feasible. It will also enable him to decide the scope of the research and set the parameters accordingly (Collis and Hussey, 2003).

In short, the aim of literature scanning is to identify as many items of secondary data as possible that are relevant to the research topic. It is an important part of the research activity and will help in providing the background and justification of the research project. Literature from both, printed material and electronic sources such as books, articles, journals, etc., will be referred to help gather the relevant information on topics related to the purpose of the study (Collis and Hussey, 2003).

### **3.2 Research approach**

In this paper, we will use the Positivist paradigm, also known as the quantitative research approach and collect primary data through survey method. This approach will help in a systematic inquiry into specific issues discussed in Chapter 2 of this paper, and may lead to a new or improved knowledge on those areas (Burns and Burns, 2008).

The research approach in this paper is based on quantitative analysis to incorporate objectivity, reliability and transparency. It was vital to select this approach as it uses numbers and these numbers can be statistically analysed. This method is all about collecting and working with structured data, that can be easily scrutinized. This approach will lead to good results and thus deliver stronger conclusions, but like other research approaches it also has its limitations (Burns and Burns, 2008; Matthew and Ross, 2010).

### **3.2.1 Quantitative approach**

*“Quantitative research methods are primarily concerned with gathering and working with data that is structured and can be represented numerically” (Matthews and Ross, 2010).*

Quantitative research is based on collecting and analysing information from a sufficient number of people. This information is in the form of numbers or named codes and is an efficient method to gain knowledge about consumer preferences and opinions (Matthew and Ross, 2010). Since this approach focuses on precision of measurement and relies on the ability of repetition, there are chances that the validity may be quite low (Collis and Hussey, 2003).

Quantitative approach is based on a deductive process, in this approach facts constrict the presumptions, as it seeks facts and causes based on logical reasoning. Measurement forms an essential element of this approach, it focuses on capturing the details emphasizing on the quality and depth of the data. It requires substantial rigour to ensure accuracy of the measurements (Collis and Hussey, 2003).

Quantitative approach allows the researcher to gather data using structured instruments, in this approach the researcher has clearly defined his research questions to which objective answers are sought. All aspects of the study must be carefully designed before proceeding to collect data (Matthew and Ross, 2010).

### **3.3 Data collection**

*Data: “A collection of facts (or other information, such as opinions or values) which can be analyzed and from which conclusions can be drawn” (Matthews and Ross, 2010).*

Mathew and Ross (2010), believe that to study and understand a phenomenon or anomaly there is a need to collect data, this data will enable us to study the situation and subsequently analyse it. The data so collected is directly related to something which has

been experienced or observed and may be based on either facts or opinions. It is something which is determined based on questions asked and the responses received and then explained in detail. The way data is collected and processed will depend on the approach, the available knowledge, the research questions and the data itself. The researcher must adhere to certain standards and norms throughout the process - when he collects, analyses and presents the data.

The primary data necessary for this study will be collected with the help of survey questionnaire. Depending on the nature of the data and the collection method, the researcher will apply the appropriate control and quality checks and keep the collection process consistent (Mathew and Ross, 2010). Collecting the data is an important task, but the collected data is not self-explanatory and hence it has to be analyzed which will be explained in section 3.4.

In case of this study, structured data will be collected through survey method. The respondents will be administered a standard questionnaire into which data needs be entered. The survey questionnaire must be administered to an adequate number of respondents as per the requirements. The selection of the respondents depends on the sampling method. But the validity of the questionnaire will depend directly on its ability to serve its purpose, which indirectly depends on the time and efforts involved to create it. Different data collection skills are required depending on the way the produced data is structured (Matthew and Ross, 2010).

The questionnaire for this thesis was constructed in close collaboration with the thesis supervisor. The thesis supervisor in consultation with his colleague not only assisted the author of the thesis to improve the quality of the questionnaire, but also helped establish the relevance of the questions, its content validity and the order in which the questions should be structured.

### **3.3.1 Questionnaire**

*Questionnaire ....*

- 1) *“a list of questions each with a range of answers”;*

- 2) *“a format that enables standardized, relative, structured, data to be gathered about each of a (usually) large number of cases” (Matthew and Ross, 2010).*

A questionnaire is the most common way to gather data. As the name suggest a questionnaire is made up of a series of questions. It must be designed in a simple and logical way so that it can be easily understood and answered. The language used to develop the questions should be clear, precise and to the point. This will enable the respondents to answer them accurately and invariably help the researcher to draw conclusions on the research area (Matthew and Ross, 2010).

Research questions drawn in this paper will be used to explain different aspects of the topics in consideration. The questionnaire is designed to collect facts and opinions from the respondents based on their knowledge or personal experiences and their values about certain aspects based on their background information (Matthew and Ross, 2010).

The questionnaire is in English and includes demographic questions, along with questions relevant to the purpose of this thesis. The questionnaire consists of 15 questions in total, out of which most of the questions are single selection listed and designed to collect pre-structured data. Some of the questions are single selection with an optional text field to enable the respondent to answer in their own words, while other questions are based on Likert scale, to allow the respondent to rank a position on the five-point scale. Questions have been carefully designed, to help the author of the thesis focus on the research areas and enable the respondents to answer them more aptly. All the participants in a research quest are given a standard questionnaire containing the same set of questions using the same words (Matthew and Ross, 2010).

### **3.3.2 Sampling**

The sampling approach is closely connected to the research design and the method employed in this paper. The researcher has taken the utmost care while considering his options and limitations before deciding the conditions for the sample that will be used for this research. The choice of data source largely depends on what it will be used after it has been successfully gathered. Being a student researcher utmost care has been taken to

select the adequate sampling approach to support the claims and at the same time ensuring that the sample size is satisfactory and well defined (Matthew and Ross, 2010).

Convenience sampling approach was chosen for this survey. This choice of data sampling approach was decided based on the availability of time and other relevant resources. In convenience sampling approach people are selected for the research on the bases of their availability, willingness and accessibility (Bryman and Bell, 2007).

The survey was administered on the 28<sup>th</sup> of March 2017, to first-year Intercultural Bachelor students at Arcada University of Applied Science. The survey was conducted at the school auditorium, the questionnaires were individually distributed and collected from 90 respondents. Since there was a lower turnout than expected, in consultation with the thesis supervisor, the sample size was deemed insufficient. The minimum requirement for such research studies is usually 100 eligible respondents and hence it was decided to administer the survey to another batch of students.

The next phase of the survey took place on the 5<sup>th</sup> and 6<sup>th</sup> of April 2017 and was administered to 32 respondents all Bachelor students of the Research Methodology class. After completion of both the phases, the total number respondents who took part in the survey was 122. As some of the questionnaires were deemed incomplete, survey answers of 5 respondents were excluded from the final sample and survey answers of 117 respondents were used for the research purpose of this study.

### **3.4 Data analysis**

Collecting the data is an important task, but the data so collected is not self-explanatory and hence has to be analysed. The analyzation process will be carried out systematically applying the relevant set of methods. This process will help in describing and interpreting the data and allow the researcher to further explain and evaluate it. Analysing the data will basically help us to look for patterns and to understand the data more clearly (Matthew and Ross, 2010).

It is very important for the researcher to correctly interpret the content and language used in the data. The data collected through the research questionnaire after its analysis will lead to certain findings. These findings will help demonstrate, how far the collected data can explain the questions proposed in the research. The result so derived could lead the researcher to develop his own theory or develop some ideas or may just add justifications to an existing theory. The researcher must demonstrate the creditability of his interpretation and explain his derived results in his data presentation in a convincing and sensible manner (Matthew and Ross, 2010).

The data collected by the researcher for the present study was duly analysed with the help of IBM SPSS Statistical program. As the questionnaires were administered to the respondents in physical format, the data collected from the respondents was first coded and quantified. Subsequently, the responses were analysed and conclusions were drawn. The data of the study is presented in the 4<sup>th</sup> chapter, followed by the findings being presented in the 5<sup>th</sup> chapter of this paper.

### **3.4.1 Reliability and validity**

For the study to be reliable, the researcher must be consistent and systematic in his approach toward collection and analysis of the data. The researcher should be transparent in his methods. The process adopted by the researcher should be easy to understand so that it can be reproduced by others.

According to Mathew and Ross (2010), the most important aspect of reliability is replicability. The authors emphasis for the replicability of the study, the mentioned research when carried out by another researcher under similar conditions to a similar set of people should deliver identical results or then the researcher himself can replicate his findings under similar conditions.

According to Mathew and Ross (2010), for the study to be valid, the collected data should serve the purpose for which it has been gathered. It should address the topic under investigation, in other words, it should be able to answer the research questions. For the validity of this study, the researcher needs to find ways and methods to collect data



so that it correctly represents reality or is a close representation of reality (Collis and Hussey, 2003).

To ensure that the study is reliable, the questionnaire was designed and edited various times, till the desired clarity was achieved and then it was pre-tested to a group of 4 respondents with characteristics similar, to our required respondent pool. Since the trial was very smooth, it was decided to distribute the questionnaire to the survey respondents without further changes.

## **4 EMPIRICAL STUDY**

The empirical part of the thesis focuses on the presentation of data obtained through the administered survey. In general, the data of the study covers the four theory sections under chapter 2. It starts with the description of the general characteristics of the surveyed respondents, their shopping preferences between online and offline stores. Followed by influencing factors on their channel purchase behaviour and its impact on their purchase journey. Finally, the influence of value dimensions on their online and offline channel purchase behaviour.

The survey was administered to 122 people and the results of 5 respondents were eliminated from the final sample, as they were deemed incomplete. The answers of remaining 117 respondents were analysed for this research. The survey was administered to the students of Arcada University of Applied Science and all the respondents were pursuing their Bachelor degree.

According to the survey results, 57.3% (67) of the respondents who participated in the survey were female and the rest 42.7% (50) of the respondents were male, refer figure 13. From the survey results, it was clear that the respondents belonged to the age group of 19-42 years old. Most of the respondents were below 38 years of age and only 1 respondent was 42 years old. The mean age of the participants was 22.83 years old. It is important to note that 78.6 % of the respondents were below the age of 25 years.

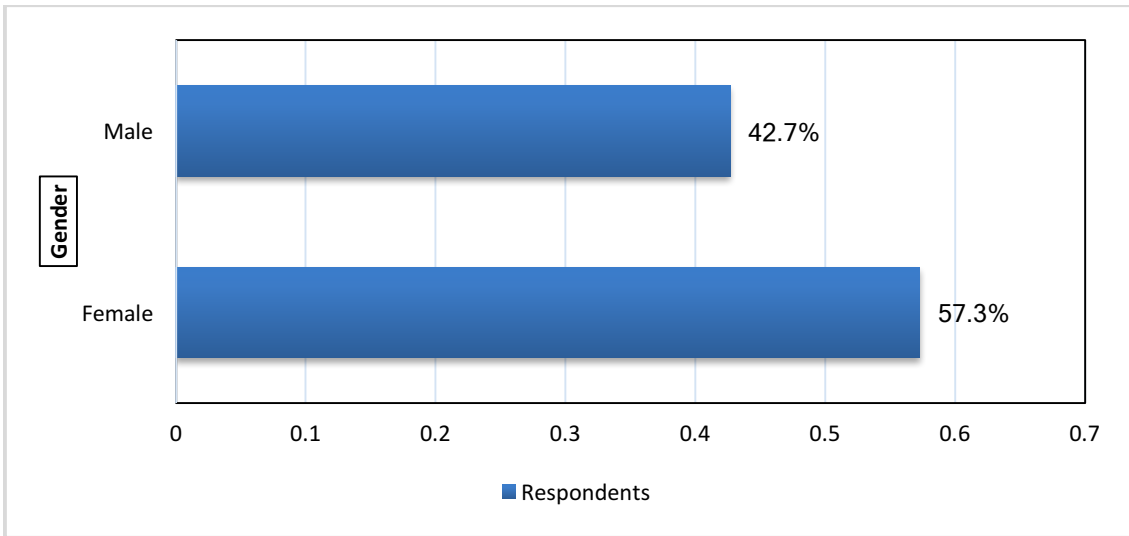


Figure 13. Survey respondents.

#### 4.1 Channel evolution

The respondents were asked about the kind of store they preferred to shop in. According to the replies received, 80.3% of the respondents preferred to shop in a traditional store and rest 19.7% of the respondents preferred to shop online. It was a clear indication that most the respondents preferred to shop offline and it can be observed from figure 14. It was surprising that the respondents preferred offline channels against online channels, as the majority of the surveyed population was under 25 years of age.

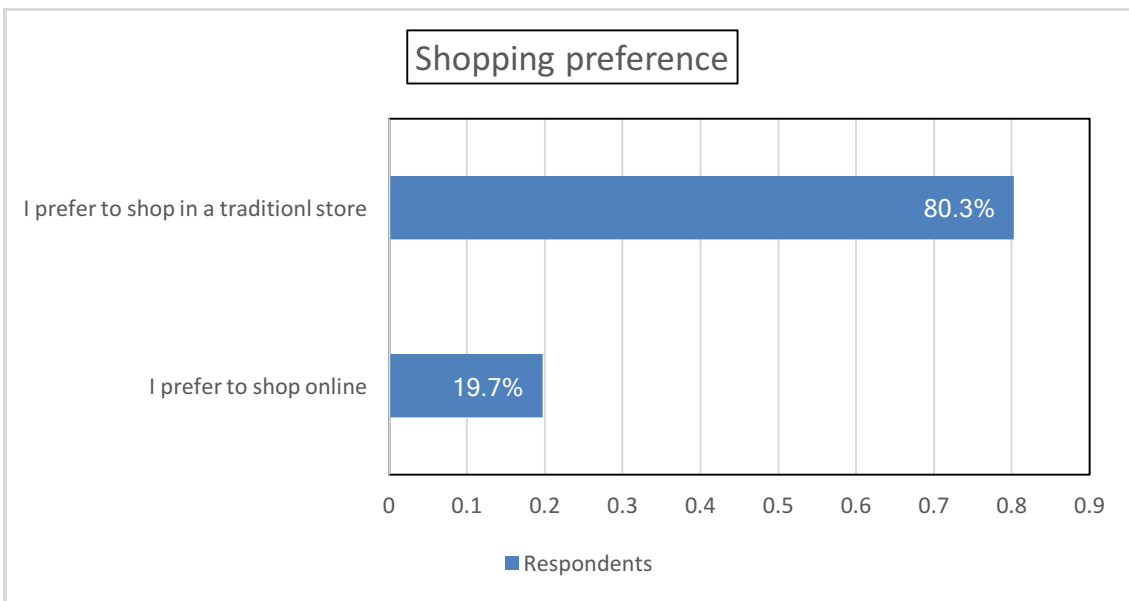


Figure 14. Shopping preference.

Although the majority of the respondents preferred to shop in a traditional store, it was not a clear indication that they had not shopped online in the last few months. In fact, when these same respondents were asked to comment about their preferred online shopping tool. According to figure 15, 85.5% of the respondents shopped online from their computer or laptop, only 7.7% of the respondents used their tablet to shop online and further only 6.8% of the respondents used their smartphones as an online shopping tool. This result clearly indicated that answers to question 3 and question 4 are not linked to each other. As the respondents preferred to shop in traditional stores, and they also shopped online from time to time.

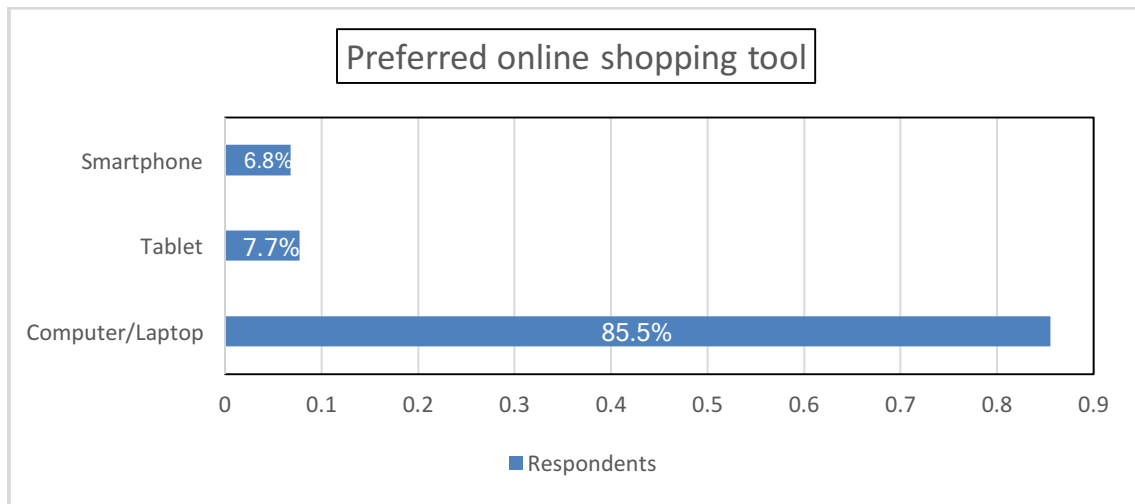


Figure 15. Preferred online shopping tool.

## 4.2 Factors influencing consumer channel purchase behaviour

As it is evident from section 4.1, consumers today have access to different online tools and shop online and offline. At times, part of the consumers not only use their online tools to shop but also do pre-shopping research. Other part of the consumers visit traditional stores to shop or to check out products. According to figure 16, 46.2% of the respondents usually research products online but buy the product in a traditional store, 27.3% of the respondents usually research and buy products in a traditional store, followed by 18.8% of the respondents who prefer to research and buy products online. Only 7.7% of the respondent's research products in a traditional store but buy them online.



Figure 16. Shopping habits in general.

The respondents were asked about the degree of their agreement or disagreement with the statements concerning the reasons behind their buying products in a traditional store or online. According to the survey results the majority, that is 37.6% respondents agreed with the statement, ‘I buy in traditional stores because I trust the seller’ and 51.3% of the respondents agreed with the statement, ‘I buy in a traditional store because I can check the quality of the product’.

According to figure 17, the majority of the respondents 52.1% agreed against 9.4% who disagreed with the statement, ‘I don’t mind visiting traditional stores even though it is time consuming’. It was a bit surprising to note that, 33.3% of the respondents disagreed with the statement, ‘I buy in traditional stores so I can get better deals and offers’. About the statement, ‘I buy online because it is time saving’, 55.6% of the respondents agreed.

It further suggested, 39.3% of the respondents were neutral to the statement, ‘Shopping online offers better prices than shopping in traditional stores’. But 44.4% of the respondents agreed with the statement, ‘I buy online when I am sure about the product quality’ and finally 48.7% respondents agreed with the statement, ‘I buy online when I trust the seller’.

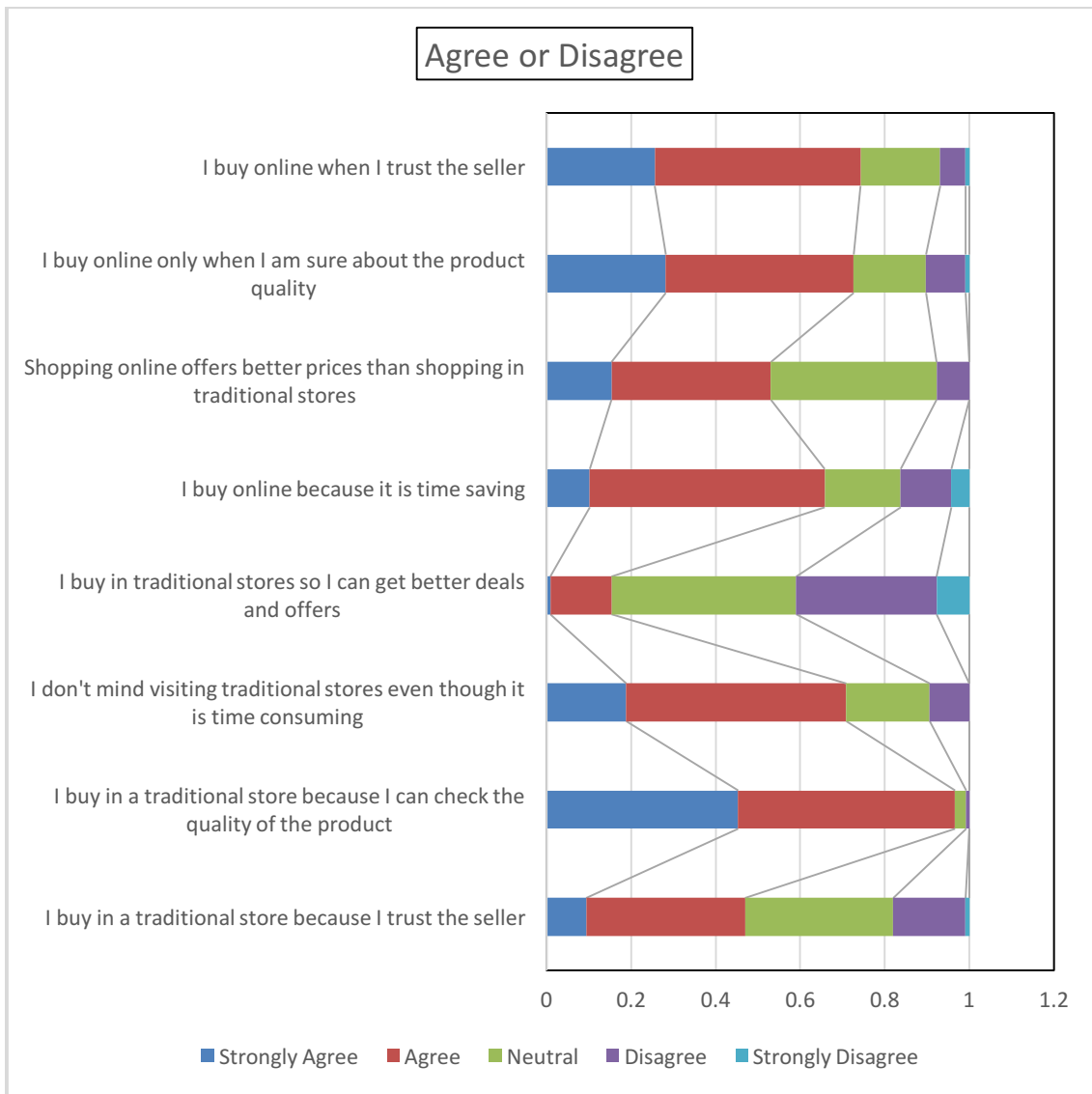


Figure 17. Agree or Disagree statements.

The research results according to figure 18, clearly indicated that 41% of the respondents considered product quality as the most important influencing factor on their decision to choose where they would buy the products. Another 40.2% respondents considered product price, followed by 10.2% of the respondents who based it on trusting the seller, 6% respondents were influenced by time spent to acquire the product and the rest 2.6% respondents based it on other factors. The research further showed that product quality was the most important factor and product price were the 2<sup>nd</sup> most important factors that influenced choice as to buy in traditional stores or online.

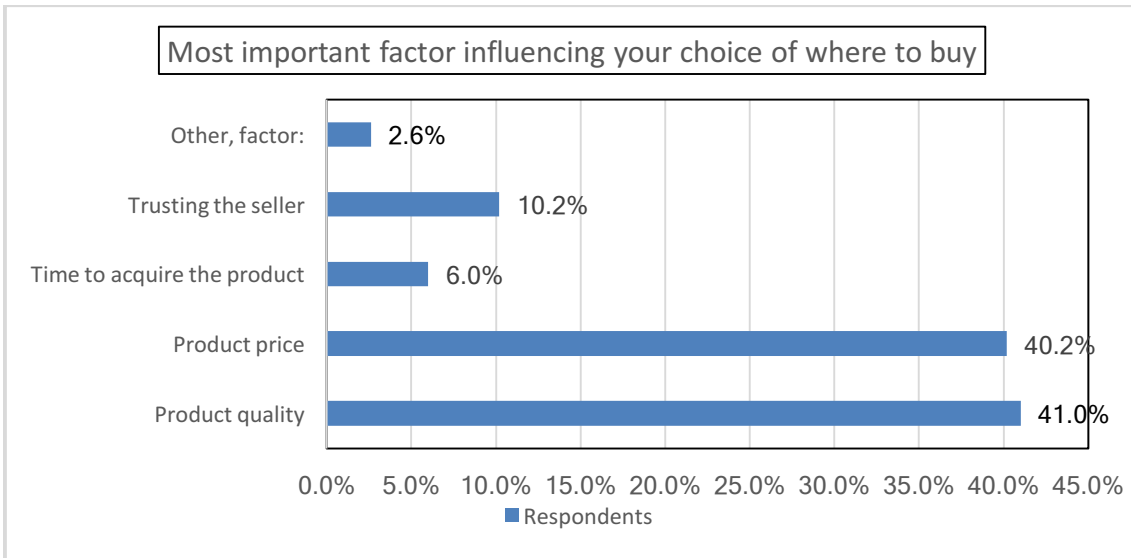


Figure 18. Most important factor influencing of your choice of where to buy.

The participants of the survey were questioned about the most important factor influencing their purchase decision. According to the results obtained, 58.1% of the respondents said their purchase decisions were influenced by their ability to be able to see, touch and try the product, 18.8% of the respondents were influenced by the ability to be able to shop at their own convenience. As shown in figure 19, further 18% of the respondents were influenced by the ability to be able to buy at the lowest price and only 5.1% of the respondents were influenced if they could trust the seller.

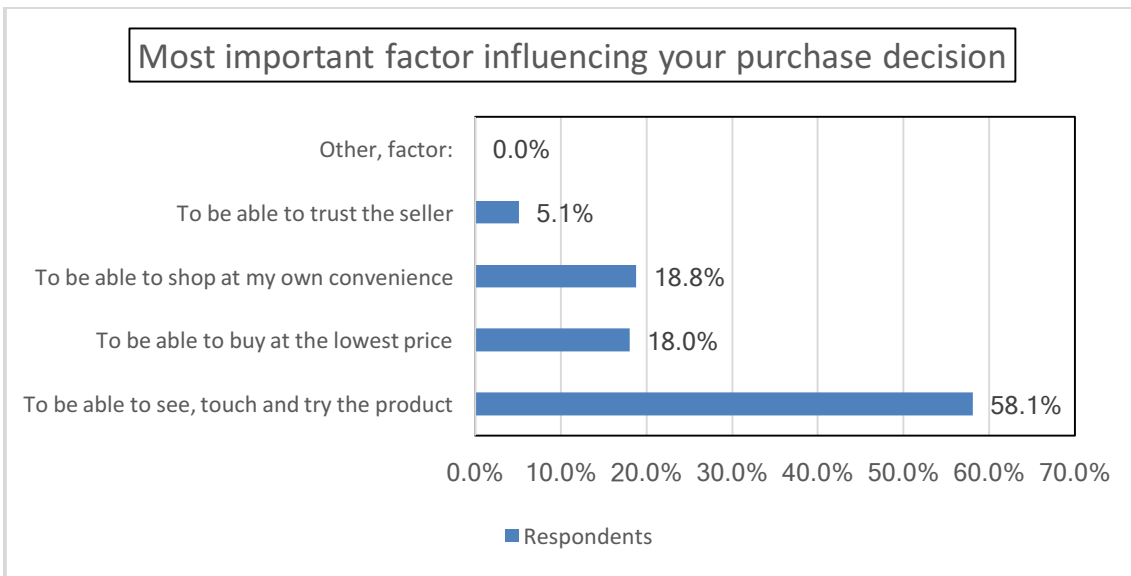


Figure 19. The most important factor influencing consumer purchase decision.

### 4.3 Consumer purchase journey

The questions in this section form a very important part of this study as they deal with one of the central themes of this thesis. They try to find out which is the most preferred purchase journey undertaken by consumers.

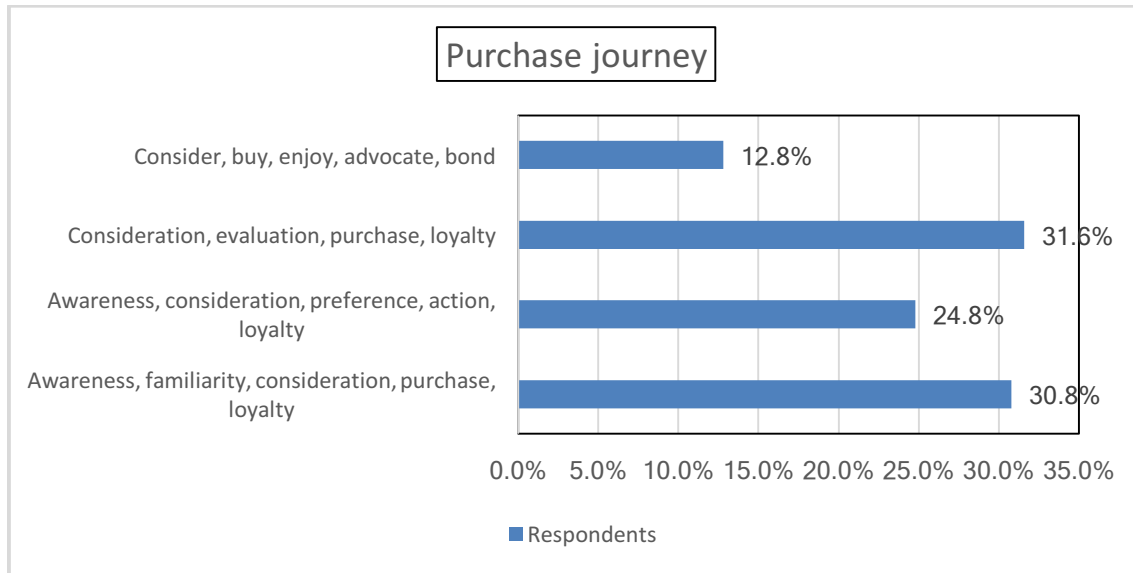


Figure 20. Purchase journey.

The participants were asked to best describe their purchase journey. According to figure 20, 31.6% of the respondents described their purchase journey process as; ‘Consideration, evaluation, purchase, loyalty’, which corresponded to, ‘The Circular journey’. Followed by 30.8% of the respondents described their purchase journey process as; ‘Awareness, familiarity, consideration, purchase, loyalty’, which corresponded to McKinsey’s traditional funnel, whereas 24.8% described it as; ‘Awareness, consideration, preference, action, loyalty’, which corresponded to Forrester’s traditional funnel. The rest 12.8% described it as; ‘Consider, buy, enjoy, advocate, bond’, which corresponded to, ‘The New journey’.

#### 4.3.1 Product purchase phase

The surveyed respondents according to figure 21, were asked to describe their product purchase phase. According to the results obtained, 41% of the participants said that they

checked many similar products before they decided the product they wanted to buy. Clearly, this was the most preferred purchase strategy to the respondents. None of the survey respondents purchased products which had been recommended to them by the seller and only 12.9% respondents purchased products after reading reviews.

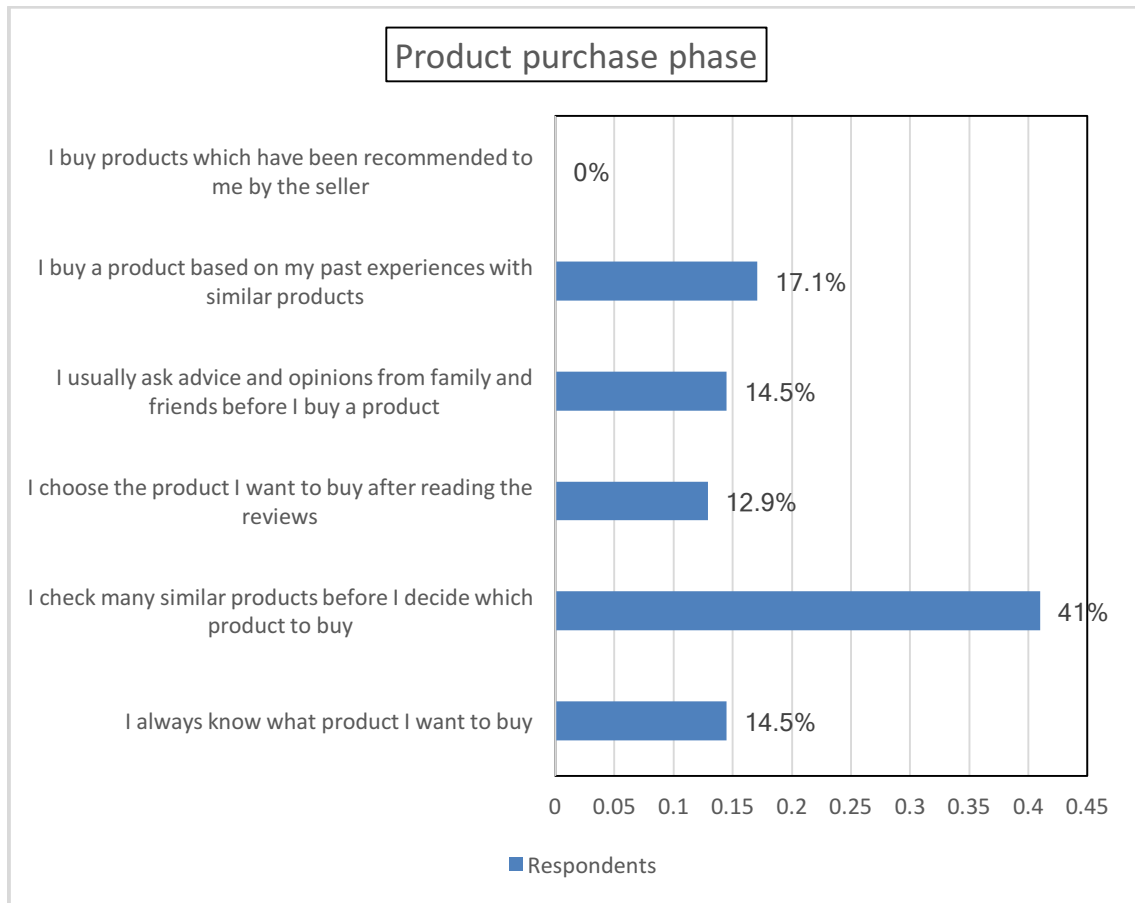


Figure 21. Product purchase phase.

### 4.3.2 Purchase frequency

The respondents were asked about their shopping frequency and according to the obtained data and as shown in figure 22 and figure 23. According to their quarterly shopping habits, 47% of the respondents purchased ‘Books & Magazines’ in traditional stores as compared to 39.3% respondents purchasing them online. When it came to ‘Music & Videos’, only 8.5% of the respondents purchased them Quarterly in a traditional store as against 16.2% of the respondents preferring to purchase them online.



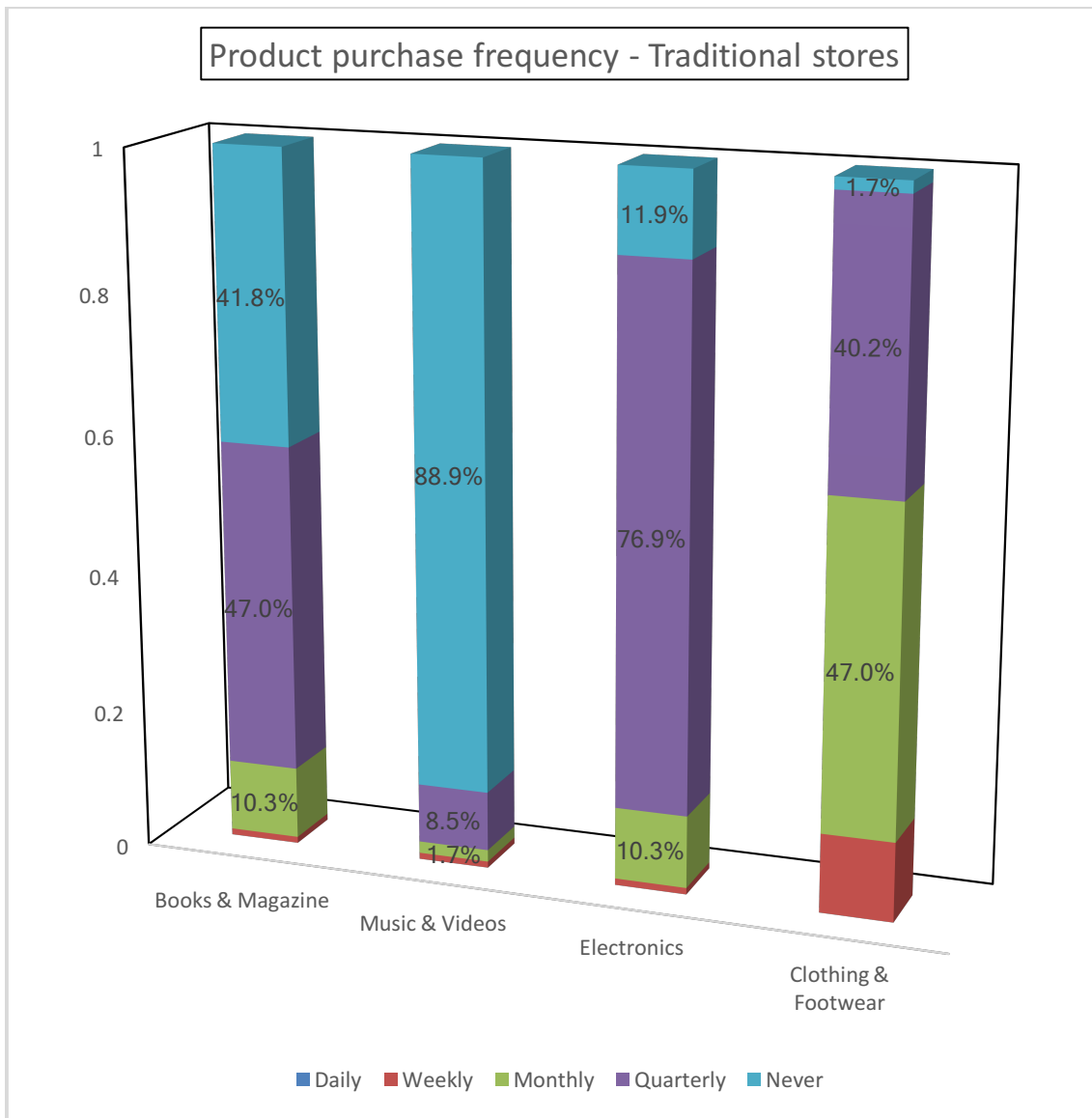


Figure 22. Products purchase frequency: Traditional store.

In the case of ‘Electronics’, there was a big difference in quarterly purchase patterns as 76.9% of the respondents purchased them in traditional stores as against 47% who obviously preferred to purchase them online. But clearly when it came to ‘Clothing & Footwear’ 40.2% preferred to shop in a traditional store on quarterly bases as compared to 55.6% who preferred to shop online. When it came to ‘Other products’ very limited number of respondents answered that option. According to the obtained data, 13.7% of the respondents shopped in traditional stores as compared to 8.6% of the respondents who shopped online and food products turned out to be one of the most common items.

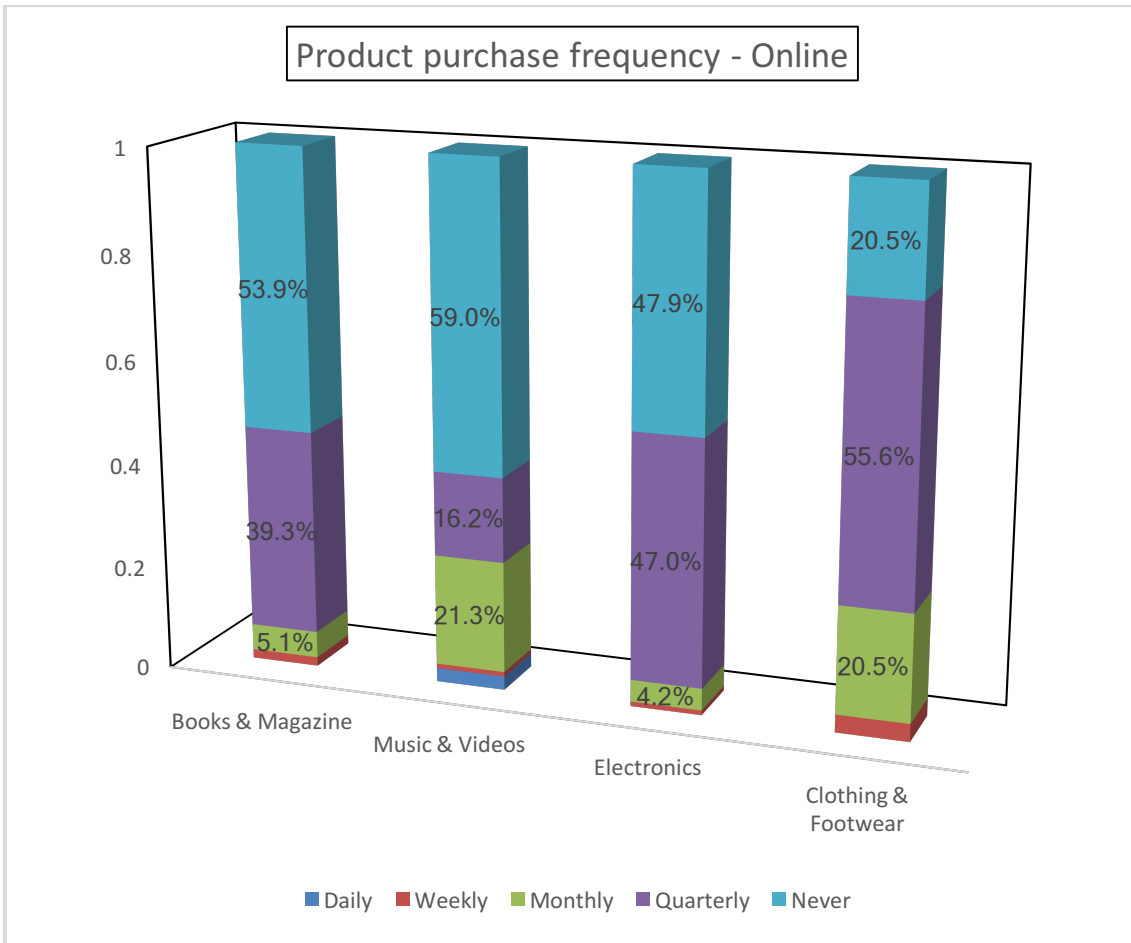


Figure 23. Product purchase frequency - Online

## 4.4 Consumer value dimensions

Conclusions in section 4.4.1, 4.4.2, 4.4.3 and 4.4.4 of this chapter were derived from survey data demonstrated in figures 24, 25 and 26. These value dimensions are the forces which make young consumers make their decision about their purchase channels.

### 4.4.1 Economic value – monetary value

According to the data obtained from the survey, the results show that only 3.4% of the respondents gave importance to loyalty points, special offers and discounts offered by traditional stores. But when it came to buying online 82.9% of the respondents opined that it was in fact, easier to find products and compare their prices. Thus, the majority of the respondents concurred that buying the products online would cost them less as they had more options. And 57.3% of the respondents said that it was important and further

23.9% respondents considered it very important to be able to compare and buy products at the lowest price.

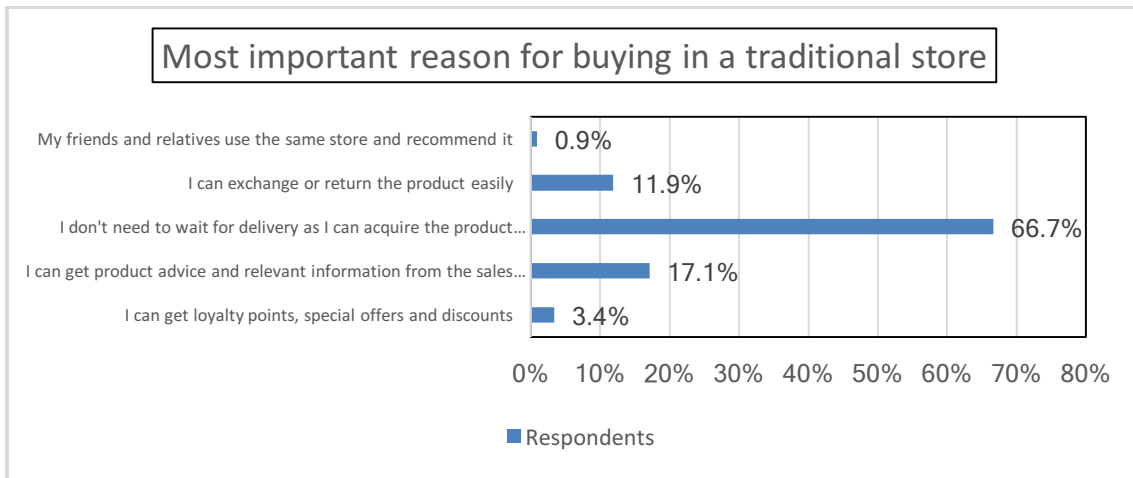


Figure 24. Most important reasons for buying in a traditional store.

#### 4.4.2 Technical value

From the survey results, the researcher can conclude that only 17.1% of the respondents visiting traditional stores thought that it was important to get product advice and relevant information from the sales staff. But when it came to buying online only a mere 1.7% of the respondents considered it important that the website was simple to use as the instructions provided on the website were easy to follow. According to the survey, 47.9% of the respondents considered it important, followed by 41.8% of the respondents considering it very important for consumers to be able to purchase with ease and at the same time the risk involved in the transactions should be very low to increase consumer confidence.

#### 4.4.3 Service value

Survey data showed that 66.7% of the respondents felt that it was important for them to buy in a traditional store as they could go and buy the product right away and did not have to wait for product delivery. According to the data obtained 11.9% of the respondents preferred traditional stores as it was important for them to be able to return or exchange the product with ease. Only 2.6% of the respondents buying online, felt that it was important if they could check the stock availability and that the delivery options

should clearly indicate the delivery terms and cost. It was observed that 37.6% of the respondents opined it is important and a further 12.8% opined it is very important that the consumer should not be charged any additional money for product deliveries.

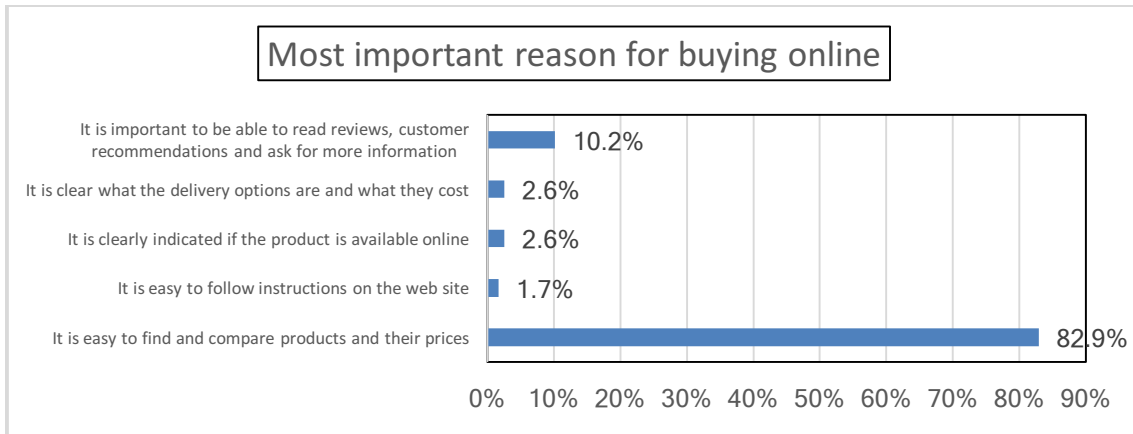


Figure 25. Most important reason for buying online.

#### 4.4.4 Social value

According to the survey results only 0.9% of the respondents felt that buying at the same traditional store as their friends and relatives had recommended was important and 10.2% of the respondents felt that when buying online it was important if they were able to read reviews and recommendations made by other customers and even interact with them to gather additional information. According to the survey data, it was observed that 46.2% of the respondents were neutral about buyers interacting with other buyers on social media.

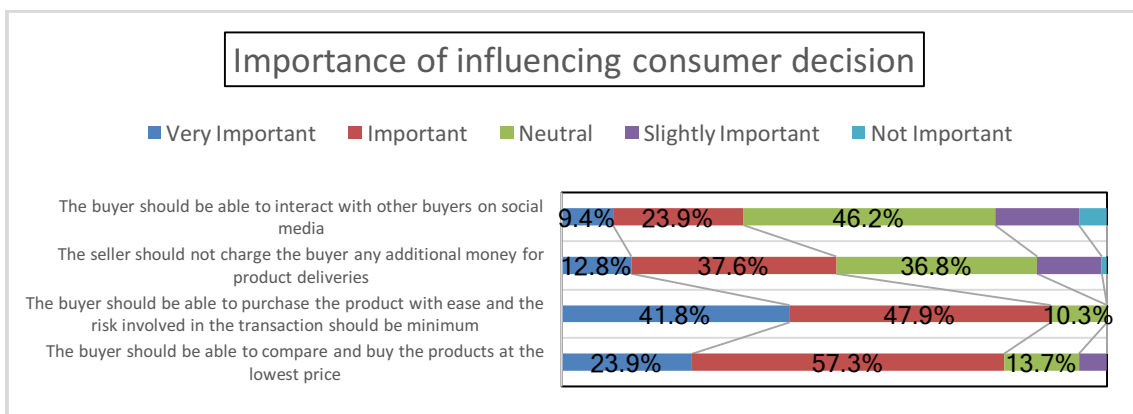


Figure 26. Importance of influencing consumers purchase decision.

## **5 CONCLUSIONS**

With this empirical study, the author of the thesis tried to examine three core issues related to young consumers online and offline channel purchase behaviour. First, the researcher tried to examine the factors that influenced young consumers channel purchase behaviour. Second, the researcher sought to discover the impact of online and offline channel purchase behaviour on their purchase journey. Lastly, the researcher tried to find out which value dimension was the optimum deciding force, motivating young consumers to choose between online and offline channels to purchase their products.

As already discussed in the introduction, consumers purchase journey is increasingly fragmented, as online and offline channels are getting blurred due to the impact of technology. After analysing answer to our survey questionnaire, data obtained from both the phases revealed certain aspects, which have been explained in the following sections.

### **5.1 Channel evolution**

The research revealed that young consumers are quite technology savvy, using all the available online and offline channels at their disposal to purchase products that they desire. The channels are so well integrated that they allow consumers to transact smoothly through them in a seamless manner. Consumers at times seek information in one channel, interact on another and purchase through a totally different channel. This is possible due to twenty-four hours a day seven days a week connected technology.

According to the results, these young consumers preferred to shop through offline channels. They did not mind going to traditional stores to choose the products they wanted to buy, even though it is supposed to be time-consuming. But clearly, it seemed a bit strange that these same young consumers, 94% of whom were below the age of 30 years preferred to shop through computers or laptops. They preferred to shop from a fixed location instead of shopping on the go through their mobile devices. The following sections will give more clarity on these young consumers channel purchase behaviour and help us understand it better.

## **5.2 Factors influencing consumer channel purchase behaviour**

Due to channel evolution, consumers today can switch between online and offline channels effortlessly through search and acquisition. At times these channel choices seem to be situation specific and at other times these channel choices seem to be product specific. As online and offline channels are getting more interconnected channel influencers are playing an active role on young consumers channel purchase behaviour.

According to the research results, the majority of the young consumers researched products through online channels but purchased them through offline channels. Their channel choice was greatly influenced by their desire to physically inspect the products. Product price was of secondary importance to them, making it clear that they did not want to compromise on the quality factor. They wanted to see, touch and try the product in offline channels to make their final choice based on first-hand knowledge. For them to visually see the product online was not enough to influence them. These influencing factors also had a direct impact on these young consumers choice on how they transverse through their purchase journey, as explained in the following section.

## **5.3 Consumer purchase journey**

Survey results suggested that majority of the consumers preferred, ‘The Circular journey’ of ‘consideration, evaluation, purchase, loyalty’, confirming that present day purchase journeys are more complex and not as simple as they were in the past. The choice of this journey was more than obvious, as this journey narrows down the purchase path significantly compared to the other journeys. Thus, clearly confirming that the traditional funnel concept was outdated and proving that now consumers add product choices at different stages as they advance through their journey and not the other way around.

Today consumers travel through their purchase journeys using a combination of online and offline channels. There are various influencing factors that make consumers favour certain channels over others, at times differing channel decisions. According to the surveyed consumers, their channel choice turned out to be more product specific, this made

them buy the right product through the optimum channel. This can be further explained in the following section, by focusing on the role of value dimensions.

## **5.4 Consumer value dimensions**

The survey results showed that value dimensions play a central role in young consumers online and offline purchase behaviour. In the offline channel purchase behaviour majority of the consumers considered service value dimension an important deciding factor in their purchase decisions. Consumers believed that shopping through offline channels was more convenient. It was also important for them to acquire the product immediately so they would not have to wait for deliveries.

Majority of the surveyed respondents choose economic value as a very important trait when shopping through online channels. Through online channels, consumers can check multiple deals simultaneously from various providers and choose the best purchase options based on the financial aspects of the deal. Due to multiple touch points in the online channels, it was very easy for consumers to compare products and product prices. It turned out that in online channels consumers tend to be more price sensitive while deciding to purchase.

Thus, as per the results obtained it can be said, service value dimension was the dominant aspect on consumers offline purchase behaviour and economic value dimension was the dominant deciding factor on consumers online purchase behaviour. From this it can be noted that value constraints are channel specific, they tend to have a distinctive effect on purchase decision made through online or offline channels.

## **5.5 Managerial implications**

Today the world is getting closer digitally as people shop across different channels. Consumer consumption trends are changing from static to dynamic. This research offers some insights as regard to the influencing factors and value constraints. The influencing factors, first influence and then the value constraints motivate the young consumer to decide between online and offline channels to make their purchase decisions.

The findings in this thesis helped understand the consumers online and offline channel choice, its impact on the consumer purchase journey and the role of value dimensions. The research reveals that organisations need to further strengthen their online channels to build consumer confidence so that consumers can shop through online channels the same way they shop offline. But at the same time, they need to focus that all their channels work seamlessly as an ecosystem.

Consumers today want shorter and smarter purchase journeys so that they can travel through them with ease. Building relationships through these journeys is a constant on-going process and organisations must constantly redefine their consumer strategies. And lastly, value dimensions play a very important deciding role in channel purchase behaviour among young consumers and an important deciding factor on their channel specific usage.

## **5.6 Future research implications**

The present paper attempted to study channel purchase behaviour of young consumers. The issue of young consumer channel purchase behaviour is very complex and wide, this research covered four of the value dimensions and studied their individual impact on channel purchase behaviour. During the final stage of the thesis, a future area of research was identified. To study the topic from a different angle, by considering more value constraints and to find a relationship among the value dimensions and administer it to a broader group of respondents (from 18 to 65 years of age).



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# APPENDICES

## Questionnaire

Please, could you kindly spare some time and answer the following questionnaire. This questionnaire is related to my master's thesis at ARCADA. The purpose of this survey is to study consumer behavior during their purchase journey. The survey is anonymous and it will take approximately 7 to 10 minutes. All the information provided by you will be used only for fulfilling the research purpose. Your opinion is valuable to me.

Q1. Your gender?

Female

Male

Q2. Your age?

Years old

Q3. In what kind of store do you generally prefer to shop? *[Select 1 option and mark it with an X]*

I prefer to shop in a traditional store

I prefer to shop online

Q4. Which is your most preferred tool for **online shopping**? *[Select 1 option and mark it with an X]*

Computer/Laptop

Tablet

Smartphone

Q5. Which of these statements best describe your shopping habits in general? *[Select 1 option and mark it with an X]*

I usually research and buy products in a traditional store

I usually research products online but buy the product in a traditional store

I usually research products in a traditional store but buy the product online

I usually research and buy products online

Q6. How strongly do you agree or disagree with the following statements?

[Mark with an X the number that represents your feelings about each of the statements]

	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
I buy in a traditional store because I trust the seller	5	4	3	2	1
I buy in a traditional store because I can check the quality of the product	5	4	3	2	1
I don't mind visiting traditional stores even though it is time consuming	5	4	3	2	1
I buy in traditional stores so I can get better deals and offers	5	4	3	2	1
I buy online because it is time saving	5	4	3	2	1
Shopping online offers better prices than shopping in traditional stores	5	4	3	2	1
I buy online only when I am sure about the product quality	5	4	3	2	1
I buy online when I trust the seller	5	4	3	2	1

Q7. Which is the most important factor influencing your choice of where to buy? [Select 1 option and mark it with an X]

- Product quality
- Product price
- Time to acquire the product
- Trusting the seller
- Other, factor: \_\_\_\_\_

Q8. Which is the most important factor influencing your purchase decision? [Select 1 option and mark it with an X]

- To be able to see, touch and try the product
- To be able to buy at the lowest price
- To be able to shop at my own convenience
- To be able to trust the seller
- Other, factor: \_\_\_\_\_

Q9. Which of the following buying process descriptions best describe your way of purchasing?

[Select 1 option and mark it with an X]

- Awareness, familiarity, consideration, purchase, loyalty
- Awareness, consideration, preference, action, loyalty
- Consideration, evaluation, purchase, loyalty
- Consider, buy, enjoy, advocate, bond

Q10. Which of the following statements best describe the way you buy a product? *[Select 1 option and mark it with an X]*

- I always know what product I want to buy
- I check many similar products before I decide which product to buy
- I choose the product I want to buy after reading reviews
- I usually ask advice and opinions from family and friends before I buy a product
- I buy a product based on my past experiences with similar products
- I buy products which have been recommended to me by the seller

Q11. How often do you buy the following products in a traditional store?

*[Mark 1 frequency choice per category with an X]*

	Daily	Weekly	Monthly	Quarterly 3 months	Never
Books & Magazines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Music & Videos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electronics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clothing & Footwear	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other products: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q12. How often do you buy the following products online?

*[Mark 1 frequency choice per category with an X]*

	Daily	Weekly	Monthly	Quarterly 3 months	Never
Books & Magazines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Music & Videos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electronics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clothing & Footwear	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other products: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q13. Which is the most important reason for buying in a traditional store? *[Select 1 option and mark it with an X]*

- I can get loyalty points, special offers and discounts
- I can get product advice and relevant information from the sales staff
- I don't need to wait for delivery as I can acquire the product immediately
- I can exchange or return the product easily
- My friends and relatives use the same store and recommend it

**Q14. Which is the most important reason for buying online?** *[Select 1 option and mark it with an X]*

- It is easy to find and compare products and their prices
- It is easy to follow instructions on the web site
- It is clearly indicated if the product is available online
- It is clear what the delivery options are and what they cost
- It is important to be able to read reviews, customer recommendations and ask for more information



**Q15. How important are the following statements in influencing your purchase decision?**

*[Mark with an X the number that represents your feelings about each of the statements]*

	Very IMPORTANT	IMPORTANT	NEUTRAL	SLIGHTLY IMPORTANT	NOT IMPORTANT
The buyer should be able to compare and buy the products at the lowest price	5	4	3	2	1
The buyer should be able to purchase the product with ease and the risk involved in the transaction should be minimum	5	4	3	2	1
The seller should not charge the buyer any additional money for product deliveries	5	4	3	2	1
The buyer should be able to interact with other buyers on social media	5	4	3	2	1



**Thank you for your time!**