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How fashion e-retailers need to adapt to the needs of future customers (Generation Z) in Sweden and Finland?

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The aim of this research is to answer the question on “how e-retailers need to adapt to the needs of future customers (Generation Z) in Sweden and Finland” by measuring whether the changes facing the fashion e-retailing industry is due to economic growth and growing trends, or due to the new generation – generation Z, who are grown with the digital era.

To get the insights both from Swedish and Finnish consumers, a quantitative survey was conducted via Google Forms and send to 92 respondents. The aim of the survey was to examine the different consumer behaviors, attitudes and responses affecting online shopping and online advertising. Additionally, the differences and similarities between generations in Sweden and Finland were examined and compared to the previous researches conducted.

The information gathered from the survey show that the new generations are expecting more digitalized content and are more influenced by social media posts as well as by opinions from friends and family. Fashion e-retailers need to offer differentiated products in order to attract new customers, since consumers are looking products online which are missing from stores. Most of the Gen Z consumers prefer to shop with a smartphone over a laptop or PC, meaning that there is a need for a mobile friendly websites and shopping applications. Overall, consumers are expecting the shopping experience to be simple, convenient and flexible.

Keywords	E-retailing, Consumer behaviour, Generation Z, Social Media

Contents

1 Introduction

In 1991, the internet had less than 3 million users worldwide and the application to e-commerce was non-existent, when nowadays the internet is used by roughly 3.9 billion people worldwide. The ease of access to computers and mobile phones has given consumers more opportunities and convenience, as well as growing business opportunities for retailers (Statista, 2019). Retailing is going through a rapid technological change and many retailers are using smart technologies to improve the customer experience and to attract new customers. The rise of E-commerce, selling and purchasing goods and services online, has transformed the retail environment to become one of the most important channels of global economy. Consumers are adapting to the increasingly digital lifestyle, and it's becoming more important for electronic retailers (e-retailers) to understand the digital customer journey to be able to keep on track how their customers behave both online and offline.

The fashion industry is one of the liveliest industries in the world which stands around 4 percent of the world's gross domestic product (Fashion United Group, 2017). The future of fashion is strongly influenced by new technologies and the role of social media is growing its importance among the fashion industry. A stronger knowledge of digital marketing is now vital for the growth of business and fashion e-retailers should not only think about how to integrate internet technology to their operations but also find out how their customers act on the internet and communicate with companies. Easier access to information might have an impact on the consumer behaviour and journey both online and offline, which is why it is important to conduct the research whether these changes are due to generations and age differences, or simply due to economic changes and trends, and how these changes affect the field of e-retailing. E-retailing is selling the goods or services online to the end customer and is becoming more complex as social media platforms are introducing their own functions to shop, such as swipe-up functions to webpages. Creating a strong knowledge on customers and their habits is increasingly important for fashion brands and retailers.

As Nordic consumers have an increasingly digital lifestyle, it's important to understand the habits and needs of the future consumers to keep up with the highly competitive industry.

E-retailers need to better understand the changing behaviour of consumers in order to create mutual benefits from the use of social media, since the new generations do not only analyse what they buy but also the way they consume (McKinsey, 2018).

This paper concentrates on the new generation – Generation Z, and whether this generation have distinct values compared to the older generations - being a unique generation, with separate values, expectations and consuming behaviour. The goal of this research is to answer the question on “how e-retailers need to adapt the needs of future customers (Generation Z) in Sweden and Finland” by measuring whether the changes facing the fashion e-retailing industry is due to economic growth and growing trends, or due to the new generation Z, who are grown with mobile phones and are expected to be more driven by their own values, convenience and individuality.

2 Literature Review

This literature review will cover some of the basic theories that will help to understand what influences the fashion e-retailing industry, and what is expected from the e-retailers in the future. As digitalization and new technologies are changing both the way retailers operate and how consumers shop, it is important to cover the consumer buying habits and the importance of marketing in the fashion industry.

2.1 Marketing

Marketing can be described as *"the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return" (*Kotler & Armstrong 2017: 3). Marketing can be easily perceived as only selling and advertising, but those are only a small part of the marketing mix. Marketing must be understood as a sense of satisfying customer needs, not only as "telling and selling". The marketing process is a process of analyzing the opportunities, selecting the right target market and developing the marketing mix.

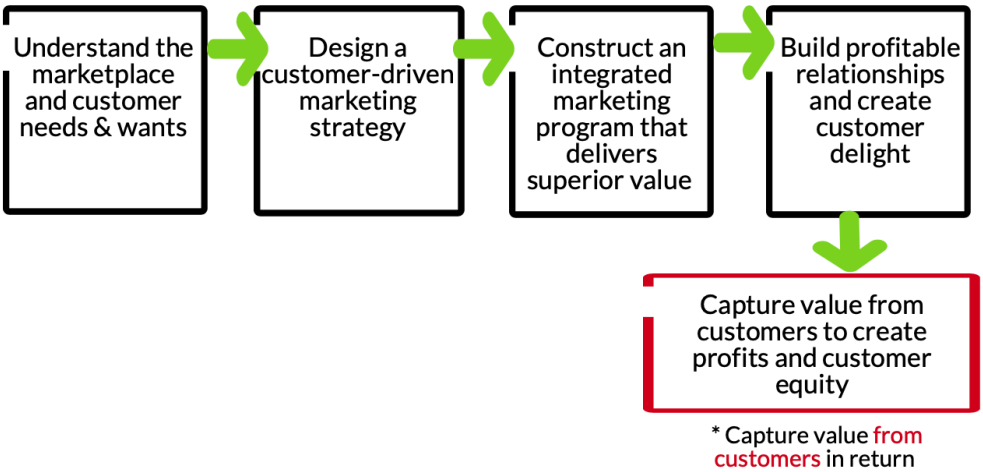

Figure 1. Marketing Process by Kotler and Armstrong

Kotler and Armstrong (2017) have established 5 marketing concepts that work together to engage and satisfy customers' needs and build up relationships. That will help businesses to identify their marketplace and have a better understanding on their customers. These 5 concepts are: (1) needs, wants and demands, (2) market offerings, (3) value and satisfaction, (4) exchanges and relationships, and (5) markets.

Needs, wants and demands are one of the basics of marketing and advertising and the first step in the marketing process and the first four steps work together to capture value from consumers. The most basic concept is the human needs, which was discovered by Abraham H. Maslow (1943) in his research “Theory of Human Motivation”.

Represented by a pyramid, the hierarchy has five levels of human needs starting from the most basic to the most evolved: Physiological-, safety-, love and belonging-, esteem, and self-actualization needs. It can be used a basic concept to understand the target market and how the consumers base their decisions.

Figure 2. Maslow’s Hierarchy of Needs

In the figure 2 above, we can see the different levels of Maslow’s pyramid. All people start from the bottom of the hierarchy, seeking to fulfill the most basic human needs as getting food, sleep and water. Safety needs means feeling safe in all ways – physically, mentally and financially while social needs are the search for social interactions from family and friends. Esteem needs are desire for respect and a sense of self achievement, reaching for the highest level of satisfaction in the self-actualization level. Self-actualization means that human have reached the full potential that they were striving for (Abraham H. Maslow, 1943). Wants are a form of human needs, but shaped by our individual experiences and culture, and by these experiences, we demand and expect a certain kind of service or products that eventually gives us most satisfaction and value.

The theory of human motivation is an important theory for marketing, since it allows marketers to have an idea about their target consumers - their wants, needs and demands. To help marketers to construct a strategy to create value for customers, Edmund Jerome McCarthy created a theory of four P's in the 1960s.

The theory of 4P's was first introduced by Edmund Jerome McCarthy is his book "Basic Marketing: A Managerial Approach" In 1960. The four components of marketing, better known as the 4P's are: Product, price, promotion and placement. Marketers must understand the features and the competition of the product, understand the price and cost of doing business, promote it to make sure the right people are aware of it and to make sure the product is where the consumer. The theory has been later used in many different marketing books and theories to help marketers to make sure they got the right product, at the right price, at the right time, in the right place.

2.1.1 Segmentation

For retailers to develop successful marketing strategies, they need to identify their STP: Segmentation, targeting and positioning - the process where companies divide the markets into a specific group of byers and identify members of society who have similar needs, characteristics or behaviors, and have a distinct need or a requirement for a product or a service than other members of other segments. Consumers can be divided based on geographic, demographic, psychographic or on behavioral factors (Philip Kotler, 2017: Michael Solomon, 2013). For e-retailers, segmentation means carrying out market research and analyzing customer data online, to get insight on customers' expectations on a specific segment group.

Dividing customers into segments based on demographic needs such as age, gender, income, education and marital situation is the easiest and fastest way of identifying "who" the buyer is (Smart Insights, 2018). In the fashion industry, markets are usually categorized by age, income, lifestyle and culture (Hines, 2001). Fashion retailers widely use segmentation based on age, classifying the generations according the birth year of each cohort. The concept of generations suggests that population born roughly on the same time, share the same historical, cultural, political and economic experiences and share the common values and habits (Schuman and Scott, 1989).

2.1.1.1 Generations X, Y and Z

Many researchers have classified the generations according the birth year of each cohort. Generations X are consumers born between 1961-1980; Generation Y between 1981-1995; and Generation Z after 1995. The Generation Z, who are born 1995 and onwards, are the part of the population who have been growing with the digital era (Broshadl and Carpenter, 2011; Forbes, 2019; Telegraph, 2017), and who are the main focus in this research.

The age distribution of the population both in Sweden and Finland can be seen in the figure 3 below. According to Statistics of Finland (Tilastokeskus, 2019) in the beginning of 2019, 25,2% of the population were generation X, 19,21% of generation Y and 27,1% of generation Z in the Finnish population. In Sweden, according to the Statistics of Sweden (Statistik databasen, 2019) generation X marked 24,4% of the population, generation Y 26,4% and generation Z 30% of the population in Sweden, which makes generation Z an important growing consumer group.

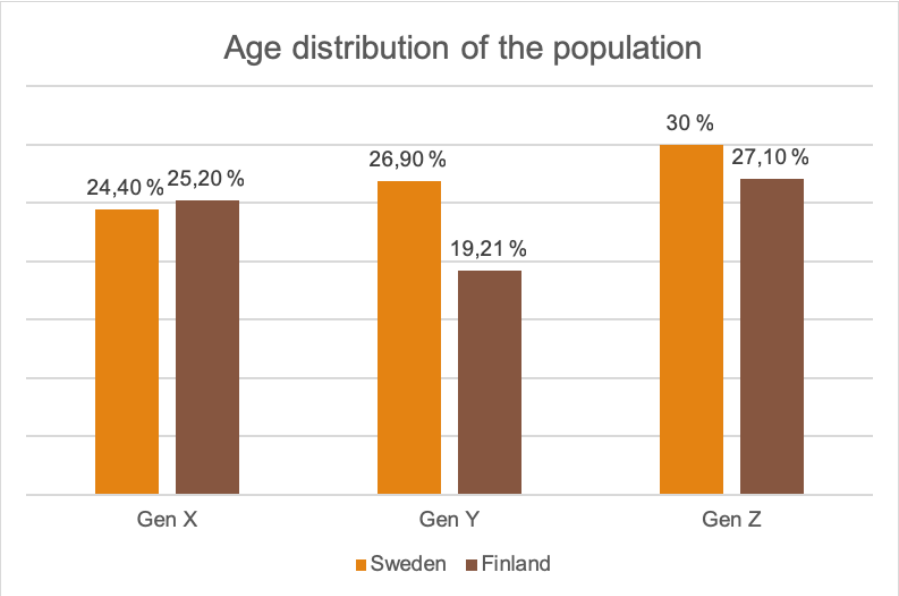

Figure 3. Age distribution of Finland and Sweden (by generation)

Generation X, known as the “Baby Bloomers”, are the part of the population born between 1961 to the late 1980s. They are characterized to be a spender generation, especially on housing, clothing and dining out.

They have grown in an economic uncertainty, as the times were in threat of economic crisis and unemployment (Solomon, 2014). Generation Y, which is more commonly knowns as “Millennials”, includes the portion of the population born between 1981 and 1995 (Brosdahl & Carpenter, 2011). They are the part of the population who have been exposed to technology in the early days. In Finland, only 19,21% of the population are part of the population Y, whereas in Sweden 26,90% of the population belongs to this age cohort.

Generation Z have received little attention by academic research, while the Generation X and Y has been subject to a lot of research in the past 10 to 20 years. As generation Z is still new, it’s been only recently included in the demographic analyses. Generation Z has grown up in a world with technology, internet and smartphones and sending e-mails and SMS is been a part of Generation Z’s daily lives, which makes them highly connected consumers.

What makes the new generation Z important for e-retailers, is that they have grown with the technology and therefore are active on social media, and are expert on different channels like Snapchat, Instagram and YouTube, and these channels have a big impact on influencing their online purchasing. The possibility to interact online with the consumers is a great opportunity for e-retailers to create more personalized services which can lead to more positive online experience (Constantinides, 2004).

Many researchers agree that there are four trends to characterize the new generation: (1) Interest in new technologies (2) the insistence on ease of use (3) desire to feel safe, as well as (4) need to escape the reality (Wood, 2013). However, Gillian Tett (2018) argues that even though the Generation Z has grown in the digital era, they are not necessarily digital natives nor have separate values than their parents.

2.1.1.2 Limitations with classification

Numerous marketing strategies are based on the concept of generations developed above and by each generation’s major features and differences. There is some debate if the classification of generations is necessary since there is no solid evidence supporting the classification.

These classifications of generations promote a concept that defines that people who are roughly the same age, have the same kind of experiences and values behind their habits and beliefs (Costanza, 2018). There is a lot of generalization within the classification of the generations, which can be either a pro or a con.

A lot of authors use the generations classified by birth years, and in general research these can be used as a basis, as in this one. Even though every individual is different, there are certain characteristics in age groups that can be used for illustrating the changes in consuming and customer expectations.

The concept of classification by age, considers that the part of the population born on that timeline suggested, have similar historical, social, cultural, political and economic experiences and share common values and behaviors (Schuman and Scott, 1989). However, globalization and movement of people have been changing these factors, since people have separate experiences and cultural backgrounds affecting their behavior, which will be looked in a more theoretical view next.

2.2 Consumer behaviour

As previously covered, experiences and culture affect to the consumer behavior and the behavior is not always predictable by only considering factors such as age, social and economic experiences since not all consumers in the same age group necessarily possess the same values and beliefs. Consumer behavior model by Kotler (2016), represented in the figure 4 below, will demonstrate all different factors influencing customers journey to purchase.

The concept of consumer behavior refers to a process where individuals, households and organizations select, purchase, use and dispose products and services to fulfil their wants and needs (Schiffman, Kanuk & Hansen, 2012). As covered in the previous section, marketing's main goal is to reach consumers at the right time in the right place. It is crucial for the success of marketing to understand how their customers behave and what factors influence their decisions to be able to reach the customers in the moments that most influence their decisions.

The concept of consumer behavior is a part of the marketing concept, which was first introduced in the 1950s, when marketers realize they could sell more goods by determining the needs and wants of their target markets. It will cover the consumption process before, during and after the purchase. In the late 1960s consumer behavior was formed mainly from concepts such as psychology, sociology, social psychology, anthropology and economics to understand the individual and group behavior (Schiffman, Kanuk & Hansen, 2012). There are several models which helps to understand consumer behavior, and in the figure 4 below, is one of the best-known models of consumer behavior called the "input, process, output" model by Kotler & Keller (2016).

ENVIRONMENT	BUYER'S BLACK BOX	PURCHASE DECISION
• **Marketing** (4 P's) • **Other Stimuli** - Economical - Technological - Social - Cultural	• Consumer characteristics • Buying decision process • Consumer psychology	• Product choice • Brand choice • Supplier choice • Amount • Timing of Purchase • Relationship with supplier

Figure 4. Consumer behavior model (Kotler & Keller, 2016)

Input includes the firm's marketing effort, the four P's: Product, place, price and promotion, as well as the social environment that influences the decision-making process, such as family, culture and social class. As all consumers vary by age, income and taste as well as by factors such as culture, social class and other personal factors; consumer behavior has an increasingly important part of a successful marketing (Kotler & Keller, 2016: 178).

The model of consumer behavior seen in the figure 4, demonstrated how environmental factors such as technology, social behavior and culture effect to the buyer's black box, to eventually get a respond - the purchase decision. Environmental stimuli affect to consumer's characteristics, decision-making as well to the psychological processes, by leading the consumer to have that perceptions of a product or a service, that leads to the final purchase decision (Armstrong & Kotler, 2017).

Another powerful factor on consumer behavior is word-of-mouth, which has an increasingly important part in today's digital and influencer marketing, where people share their opinions and views of a product online. Recommendations of a friends or another consumer tend to be more trustworthy than one coming straight from the brand (Kotler & Armstrong, 2017).

The Fashion industry being one of the fast-paced industries in the world, understanding the customer perspectives and how different factors affect customers is crucial, and this research will look in more detail what factors are affecting the new generation Z's customer journey, comparing the results to other generations.

2.2.1 Customer Journey

Digitalization and social media have fundamentally changed consumer behavior and the decision-making process and is now more concentrated on how consumers engage with e-retailers.

Traditionally, many businesses follow a linear journey to brand purchase, where the customer first becomes aware of the brand, learns about its quality through promotions, and finally consciously decides to buy the product or a service (Millward Brown, 2009).

Figure 5. Classical consumer purchase funnel

The classical consumer purchase funnel represents the theoretical model of consumer behavior and was first introduces in 1898 by St. Elmo Lewis, and is still widely used to understand customers.

The purchase funnel is represented in the figure 5 above, starting from the top. Awareness is created by marketing campaigns and customer research by doing events, blogs and other ways of informing the customer. In the consideration stage is where customer's get specific information about the brand by automated emails, free trials..., which leads to customer's preference of the brand. After purchasing, customers evaluate the experience in their own and when becoming loyal to the brand, byers can lead to referrals and the process starts again from the top (Millward Brown, 2009).

Since the purchase funnel has been widely used in times when there were only few media channels, one-way communication and limited information available, McKinsey (2009) introduced a new model, shifting away from the 'funnel' to a 'cycle' model of customer journey.

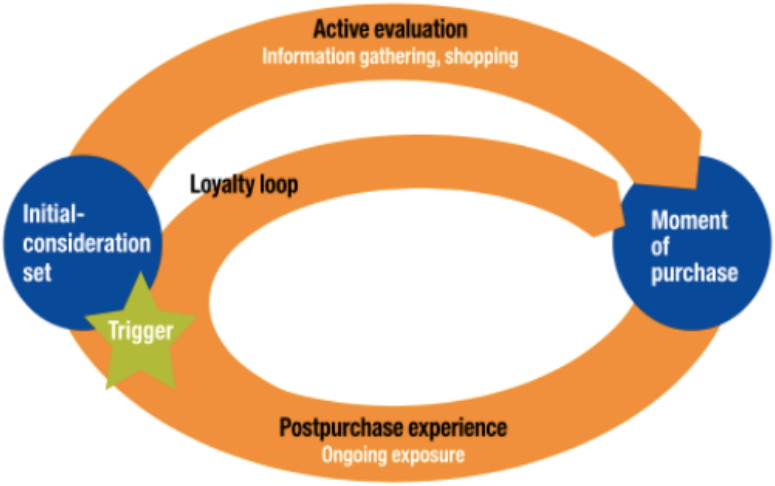

Figure 6. New circular customer journey model by McKinsey (2009)

The model illustrated the changes in consumers in today's digitized world. It introduced a trigger concept, meaning that consumers are not always in a decision-making mode, where they consciously make decisions, but it's also unconscious where opinions of others and experiences play a bigger role.

In the circular model, illustrated in the figure 6 above, are four stages: (1) Initial consideration set, (2) active evaluation, (3) moment of purchase and (4) post purchase experience. The concept of Initial consideration is the step where consumers are triggered by a brand that have been in their mind, and they evaluate which brand to go for.

Active evaluation is the stage where consumers analyze online and offline touchpoints, and their past experiences in more dept. In store experiences, online experiences, advertisement, word-of-mouth and other information gathered alternate the decision eventually made to purchase. Brands need to actively study their customers to be able to reach them at the right touch points with the right service. As the model is not linear, consumers may evaluate brands in any stage of the journey to reach a decision. After reaching the moment of purchase and decision to buy from a certain brand, the cycle continues by learning from the experience and having a new opinion on that brand (McKinsey, 2009).

Customers are now using multi-channels to look for information before purchasing and their journey is not as predictable as before, therefore having data from customers and competitors as well as considerate the factors that lead to their purchase decision are important (Smart Insights, 2012).

2.2.1.1 Generation Z's customer journey

The new generation Z are expected to be even more digitalized, more influenced by others such as friends and family by the strong use of word-of mouth, therefore their customer journey is predicted to be an on-going circular journey.

According to Accenture (2017), Gen Z's are likely to be triggered to shop by a recommendation from a friend or from social media. Key influencers affecting the journey may be an influencer or a celebrity, as the new generation use social media 20% more than millennials before them. In the stage of purchase, Gen Z's closely consider factors such as delivery, purchase, fulfilment and the overall customer experience, and are more likely to buy products just because they want it, not because they need it. In the post-purchase stage, Gen Z's are mostly influenced by the ease of returns and are more likely to write reviews on products and service than generations before.

2.2.2 Decision Making

The consumer decision-making process reflects strongly both on the cognitive and the emotional aspects of consumer behavior (Schiffman, Kanuk & Hansen, 2012).

It is the different stages of consumer experiences that leads to the final purchase decision. As customer journeys are more likely to be more cyclical and complex, consumers go through different stages when deciding. According to Kotler and Armstrong (2017; 195), most consumers go through five stages which are: Problem recognition, information search, evaluation of alternatives, purchase decision and post purchase behavior. First the consumers determine the need for a product or a service and seek information to satisfy the need, from both own experiences as well as from external sources. Thirdly, consumer will evaluate the alternatives got and form an attitude based on buyer's black box, which is different depending on the environment.

Attitudes may be formed by the opinion of others, such as family, friends and other opinion leaders such as influencers online. After making the decision to purchase a product, the final purchase may still be disturbed, due to negative feedback from other customers and the attitude towards the feedback given. Unexpected situations such as financial losses may also affect the purchase decisions negatively (Philip Kotler, 2019). Post-purchase is an important stage to retain customers and have them become the positive opinion leaders for future customer.

Nowadays, consumers decision to make a purchase might already take place on social media or by email when receiving a newsletter from a fashion brand. E-retailers need to simplify the buying process to create a a better customer journey and experience (Fashion United, 2018). As the fashion industry has a very short product life cycle which rely on changing trends, marketers need to analyse and forecast the fashion trends before their competitors do, to become a trend setter. Digital media and the use of social media are the best platforms to acquire customers through measuring and gathering customer data while interacting with customers.

2.3 Digital Marketing in Fashion E-retailing

Digital marketing can be best defined as "*achieving marketing objectives by applying digital technologies and media"* (Chaffey & Ellis-Chadwick, 2016). Managing company's social media presence, such as websites and different social media channels to acquire new customers and keep up the relationships with existing ones help e-retailers to succeed.

Customer segmentation, positioning and targeting is a key element for a successful digital marketing strategy, for e-retailers to be able to select the right target groups and specify their needs and wants in order to create value, which was covered before.

Fashion, in its broadest term, means common and shared ways of behaving and thinking and is very time based and temporal (Tortora, 2010). Fashion marketing is the process where retailers manage the flow of the merchandise from the manufacturing to the customers, with the goal of making profit (Major and Steele, 2018). The concept of fast-fashion was first introduced in fashion brands like ZARA and H&M, which are still one of the biggest fashion retail players in Europe. Swedish fashion is known for its functionality; quality; and fair prices, and fast-fashion retailers have been growing in the past few years because of the rise of digital technology and changing consumer habits. Social media channels such as Facebook and Instagram are crucial for fashion e-retailers, since they rely heavily on the visual aspects of their products (Pride & Ferrell, 2014).

In recent years, a lot of authors and researched has been talking about the importance of Social Media Marketing in the new digitalized world. Especially with the new Generation Z, use of social media can provide a better reputation; increased sales; better brand image; as well as increased customer loyalty (Fournier and Avery, 2011; Zailskaite-Jakste and Kuvykaite, 2013).

2.3.1 Social Media

Even though most of the theory covered considers that all people follow more all less the same buying process, a lot of people do not categorize themselves as a buyer of a certain brand, since they have different opinions and attitudes towards a brand, which are influenced by past experiences and the opinions of others. Social media is an effective platform for brands to communicate with customers as well as to customers to share their opinions of the brand.

In 2016, 88 percent of Finns used the Internet with 56 percent using social media (Euromonitor International, 2017). Amongst young people, they mostly used YouTube, Facebook, Instagram, Spotify, and Snapchat. Social media is one of the most advanced and best ways to stay connected an informed with products and services (Rishi and Sharma, 2017).

It allows marketers to deliver a customized message to their targeted customers segments. In just a few short years, social media has revolutionized the way people communicate and share information, and social media is affecting commerce, and the apparel industry as well. One of the biggest benefits of social media is the relationship it creates between a company and a customer and drives purchase intent with word of mouth (Apparel Magazine, 2010).

2.3.1.1 Influencer Marketing

Guercini, Bernal and Prentice (2018) states that fashion e-commerce is becoming more and more frequent and have made the fashion market expand. Social media has become a part of the selling process for companies within the fashion industry and more and more companies are concentrating on influencer marketing to target their consumers. Influencers can be defined as "the people who has built a sizeable social network of people following them" (De Veirman, Cauberghe & Hudders, 2017). Duncan Brown and Nick Hayes defined influencer marketing in their book "Influencer Marketing" (2008), as an *"Third-party who significantly shapes the customer's purchasing decision, but never may be accountable for it."*

In a world of mass advertisement, content marketing and influencer marketing can be used to try to influence customers without being perceived as a noise. Influencers collaborate with brands and create post on their social media channels by paid or gifted products from the brand. Influencers can be perceived more credible and knowledgeable compared to celebrities' (Tapinfluence, 2017).

In a report conducted by Google (2018), 70 percent of Gen Z subscribes looks up their favorite YouTube influencers more than traditional celebrities and find them more reliable. The generation Z are not as loyal to brands as the older consumers and prefer to engage with brands on their own terms (Ernst & Young, 2017). According to another survey conducted by Accenture 2017, two third of the correspondents are interested in buying straight from social media and 37 percent has increased their social media use for purchase decision in the past few years, and half of the social media users are following their favorite fashion brands on social media (Hutchinson, 2015). With influencers, brands can appear more genuine, as for the new generation they are role models and educators (Forbes, 2017).

2.4 Current consumer trends

After reviewing the importance of digital marketing, social media and influencers for the new generation, we need to consider the actual need and want of the consumer for the operations of the e-retailers. Delivery, payment, customer journey online, sustainability and the ease of the website have been important for e-retailers to partake from the beginning, but are the new generations expecting more?

According to Accenture (2017) the new generations change to brands that use the newest digital tools and channels, and two third are interested in buying straight from social media, as with Instagram's swipe-up function to straight to the product. 60% of Gen Z's rather purchased fashion from a physical store, and 47% of the respondents wanted to check the product in a store before purchasing online. Same kind of results were shown in the PostNord survey (2018) on e-commerce in the Nordics, that consumers are shifting from straight purchasing online, to testing products before or doing research online, before purchasing in-store.

Fast delivery seems to be important for the new Gen Z, and 58% of respondents were willing to pay more than 5 dollars for a quicker delivery (Accenture, 2017). Convenient solutions are attracting new purchases, and for e-retailers to offer customers best possible service, they need continuously listen to shoppers, as their expectations and preferences changes (PostNord, 2018), which is the main reason for this research. Consumers want convenience to track their orders and see exactly where it goes in all times of the delivery.

Overall, new consumer groups are expecting the shopping experience to be simple, convenient and flexible, and with the knowledge and use of social media marketing strategies and gained data from customers, retailers can make the adjustment necessary for succeeding in the future to fulfill the consumers expectations. However, e-retailers can't assume that all Nordic consumers are the same, and that is why this research will divide the answers between consumers from Finland and from Sweden.

3 Methodology

After reviewing the literature to understand the basics of marketing, generational segmentation, customer behaviour, and the importance of social media in the retail setting, we will now move onto the research measuring the differences between the surveys conducted in the US, and discuss whether those results are compatible with the results gathered from Finland and Sweden, with the attend to answer if and "how e-retailers need to adapt to the needs of future customers (generation Z) in Sweden and Finland." Before going into the research conducted and analysed, we will cover the secondary data collected and the methodology used to conduct the primary research.

3.1 Secondary data

Secondary data is data which already exist and has been gathered in previous researches by someone else (Kolter, 2017). The secondary data for this research is mainly collected from surveys conducted by Millward Brown, PostNord Sweden, Accenture and E-commerce Europe, in order to understand the importance of e-commerce in Sweden and Finland and to see the changes in consumer behavior with new generations, already examined.

3.1.1 E-commerce in Sweden and Finland

The European Commission published a report on the state of E-commerce in Europe in the end of 2017, highlighting the importance of e-commerce in Europe. It has been growing steadily in the past few years and the people aged to 16-74 has ordered 55 percent more from 2007 to 2016. The access to digital content has made it possible for consumer to access and consumer products easier, providing e-commerce more opportunities for growth and new entrants, which has led to 31% growth of e-retailers.

E-commerce in the Nordics survey, conducted by PostNord Sweden, measured the e-commerce growth in Sweden, Norway, Finland and Denmark, with 92,565 respondents in 2018. The survey is quantitative, and it is conducted with TNS SIFO online panel between February 2017 – January 2018 with 19,186 respondents in Sweden and 30,411 respondents in Finland between population aged 18-79.

According to this survey, average of 3.6 million Swedish consumers shopped online monthly in the past year, and In Finland, 1.4 million consumers shopped online monthly (E-commerce in the Nordics, 2018). The Nordic countries are advanced e-commerce nations and in total Nordic consumers spent €21.7 billion online in 2017 (Emota.eu, 2018).

According to Ecommerce Europe (2018), the results show that 93 percent of Finnish people use the internet and on average spend around €2,170 per year shopping online. Finnish consumers spend online mostly money on clothing; shoes and lifestyle; as well as to media & entertainment. The number of online shoppers in Finland has been growing, and its predicted to grow from the current 3.5 million to 4.1 million by 2022, as seen in the figure 7 below (E-commerce Finland, 2018).

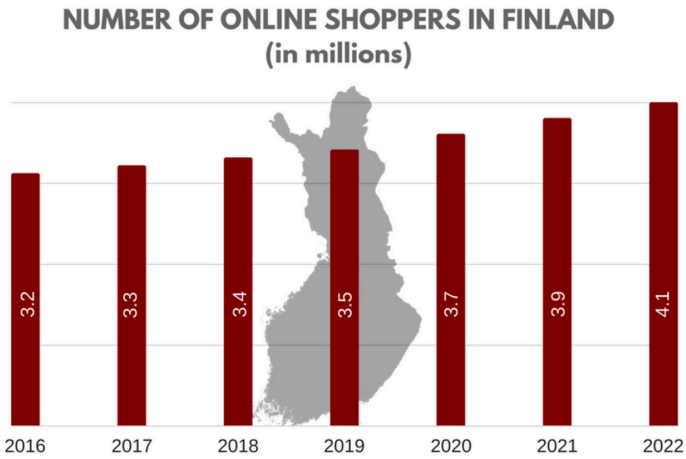

Figure 7. Number of online shoppers in Finland

E-commerce is not as big in Finland as it is in other Nordic countries, since a lot of brand stores are not available in a relatively small country, and that is why Finns shop around 27% more online than any other Nordic country (Emota EU, 2018).

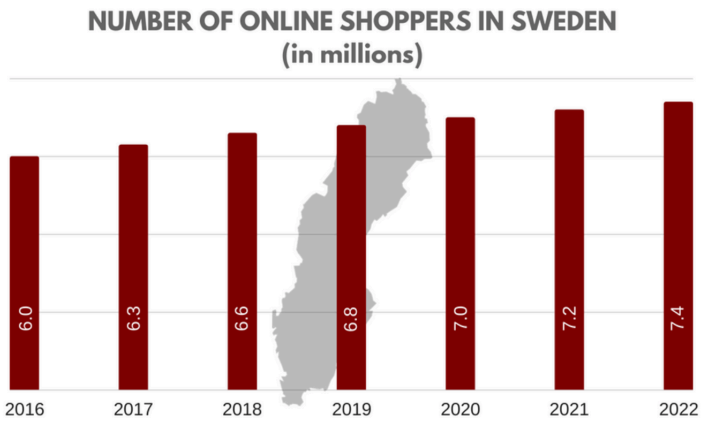

Figure 8. Number of online shoppers in Sweden

E-commerce in Sweden has increased around 16 percent from 2017, which makes Sweden the biggest e-commerce players in the Scandinavia (E-Commerce News, 2018). As seen in the figure 8 above, the number of online shoppers in Sweden is predicted to grow from the current 6.6 million to 7.4 million by the end of 2022 (E-commerce Sweden, 2018).

3.1.2 Consumer expectations

According to E-commerce Europe (2018), 48% of Finland's population are monthly active social media users and YouTube, Facebook and Instagram are the main networks used throughout population. Most of the online shoppers both in Sweden and Finland prefers to shop via desktop, and less than 10% prefers a smartphone or a tablet.

The E-commerce in the Nordics survey, conducted by PostNord Sweden, looked in more detail about the consuming habits of the consumer, and which factors affect their online behavior. Both Finnish and Swedish consumers appreciated the convenience to shop whenever it suits for them and cheaper prices, which are the main reasons to shop online rather than in store. In Sweden up to 35% of respondents have used their cellphone to make purchases online, whereas in Finland only 19% of the respondents uses their cellphone for shopping purposes.

The surveys asked about the acceptable delivery time the respondents are willing to wait for their order, and Swedish consumers said that 3.3 days is acceptable, while the Finnish consumers are willing to wait up to 4.1 days for their order.

However, a lot of Finnish consumers shop from abroad, which also leads to longer deliveries. Free returns also appeared to be important for the Nordic consumers, as 4/5 of the consumers want free returns.

3.1.3 Generation Z

All the previous studies conducted on the habits and needs of generation Z has been conducted in the US, and therefore are not compatible in the Scandinavia. There might be cultural differences, which may affect the consumer behaviour and buying habits of the new generation Z in Sweden and Finland. The consumption in Finland and Sweden is becoming increasingly focused on online stores, and according to E-commerce News (2018), the new generation Z uses mobile devices to research and comparison of products and services which makes the smartphone applicable websites and social media extremely important.

Millennials are no longer the main target for the retail sales today, and the generation Z should be taken into a closer consideration, since they are the future customers, and already the group who has the most influence on others' purchasing decisions (World Retail Congress, 2017). A report from JWT (2015) argues that 70% of parents who have generation Z children say that they have a strong influence of the buying decisions about apparel and family meals. In the future, nearly 4 in 10 consumers will be from Gen Z, and their purchasing power will rise over the next 5 to 7 years as they grow to be the single largest group of consumers worldwide.

The new mobile-first generation spends 74% more time on their mobile devices compared to the old generations and uses a lot less TV and radio than the previous ones. In a Kantar Millward Brown survey, 25% of respondents of the Generation Z said they enjoyed online search ads but for example mobile display ads fared worse (Millward Brown, 2017) and for them a short Instagram video will resonate more than a big TV commercial – which makes the creative social media marketing even more important for e-retailers than previously for the generations X and Y's. In another study conducted by KPMG in 2017, their results are very similar than in the Millward Brown survey conducted the same year.

In this study, KPMG interviewed 18,430 consumers from generations X and Y about their online shopping habits and only 11% of the surveyed millennials said that their online purchases were made with a smartphone (KPMG, 2017). In 2016, 88 percent of Finns used the Internet with 56 percent using social media (Euromonitor International, 2017). Amongst young people, they mostly used YouTube, Facebook, Instagram, Spotify, and Snapchat. As customer attention is turning into new channels as the new generations are more influenced by social media; influencers; and word-of-mouth, e-retailers need information to be able to align with their prospective customers' new values (McKinsey, 2018).

The new generation is more interested in music and movies, and ads placed within these contexts are more powerful than traditional forms of marketing – in newspaper and TV. It is argued, that the attention span of the new generations keeps getting shorter, for less than 8 seconds, while the older generations can take advertisements until 20 seconds long. This is an important point to view from a retailer's point of view, to keep their advertisement short and interesting – preferably with humor (Millward Brown, 2017; Forbes, 2017).

In a survey conducted by Accenture in 2017, 60% of Gen Z's uses social media for purchasing, while only 40% of millennials are even on social media. Even though social media is a great way to reach out to the new generation Z, retailers need to be in time with what channels to use. Facebook is quickly becoming an outdates social platform for Generation Z, while Instagram is currently the biggest social forum – however these might change fast, and that's why it's important to understand what the Nordic customers prefer.

European consumers and especially the new generations are more environmentally conscious, so there might be differences on consumer habits compared to the US. This would mean a lot of changes for the e-retailing and especially to the fast-fashion industry if the results lines up with the literature reviewed in this paper, and if the Gen Z's really are driven by their own values and expect fashion companies to create more personalized and ethical content. E-retailers possibly need to move towards innovative business models, with sustainability plans and use more customer data to create differentiation.

3.2 Research Methodology and Design

The aim of this research is to answer to the question “how e-retailers need to adapt to the needs of future customers (generation Z) in Sweden and Finland”. By comparing the results gathered from the United States to this one conducted in Finland and Sweden, we can see if these Scandinavian countries are facing similar changes in the fashion retailing industry. The survey conducted will concentrate on the consumer habits of Finnish and Swedish consumers and the expectations and wants of the consumer. Using quantitative research will give a good insight on the consumer perceptions of Finnish and Swedish consumers and to view their preferences when deciding to buy from an e-retailer.

3.2.1 Different types of research

Research can be defined as a careful consideration of a study relating to a particular problem, issue or phenomenon, which is solved by using scientific methods. There are three different types of research commonly used, which are (1) exploratory, (2) descriptive and (3) causal. Exploratory research gathers preliminary information to define a problem and suggest a hypothesis. Descriptive research is fully defined, and describes possible situations and issues, giving suggestions to the defined issue. Causal research on the other hand concentrates on the matter on a cause-effect relationship (Kotler, 2017). The data of this thesis is gathered using methods of exploratory research, since the research problem is clearly defined, solved based on the data collected, and give suggestions and open discussion how to further proceed with the research problem.

John W. Creswell also mentions three different approaches for doing a research in his book “*Educational Research – Planning, Conducting and Evaluating Quantitative and Qualitative Research”* (2012), which are (1) qualitative research, (2) quantitative research and (3) combined study of both quantitative and qualitative research. Qualitative research gives detailed descriptions of situations, and data is collected from a limited number of participants, in order to get specific standpoints, using interviews. Interviews are good way to get more personal and detailed information, as well as gives the researched more control over the data obtained. Quantitative research measures frequency and average, where researches collect numeric data from a bigger group of individuals, usually through questionnaires (Creswell, 2012: 12-21).

3.2.1.1 Quantitative Survey

This quantitative research was conducted using Google Forms to create a survey to be send out via social media, to get as many answers from different age cohorts as possible, both from Swedish and Finnish consumers. The aim is to gain knowledge of the consumers from generations X, Y and Z and possible differences between their shopping habits and their impacts on the fashion retail industry in Finland and Sweden.

The questions are presented in the Appendix 1 and the answers were gathered from 92 anonymous respondents. The research concentrates on analysing key consumption, social media and media consumption patterns, as well as people's expectations on e-retailers and their services. The survey had 3 parts: (1) basic information of the respondent, (2) online shopping behaviour, and (3) social media usage and advertising.

The survey was conducted in English, as the same survey was sent out to both the Finnish and Swedish respondents. There were no restrictions on whom the survey was made, other than the respondents needed to have shopped online at least once in the past few months. It was shared via my own social media channels to target Finnish and Swedish consumers in all age cohorts and they were encouraged to share it to friends and family.

3.2.2 Validity and Limitations

Biggest challenge in the quantitative research was the possible language barrier. The online survey was conducted in English, to make sure both Finnish and Swedish participants had the same questions without changed meaning, which may had led to misunderstanding in the participants. Individuals itself can have problems clearly expressing themselves due to communicational or language barriers (Creswell, 2012), which can also lead to a different outcome. The survey was sent out equally to a same amount of Swedish and Finnish consumers, however, the survey gathered only 27,5% responses from Sweden. Also, the research is conducted with only 92 respondents, and with a bigger number of participants, the results would be more reliable.

3.3 Results

The results are gathered from 92 anonymous participants both from Sweden and Finland. The first questions were to get to know the participants; asking their age, gender, nationality and position. After that the survey will ask about the participants consuming habits online, their social media usage and attitudes towards advertising.

The results are not divided between Sweden and Finland, since there were no clear differences between nationality. Instead, the results are divided by generation, in order to see the differences and similarities between Generation X, Y and Z.

3.3.1 Basic information about the respondents

72,5% of the respondents were from Finland, and 27,5% were from Sweden. However, as mentioned before, there were no clear differences between nationality, and we can assume the Finnish and Swedish consumer habits are much alike.

From the 92 participants, most of them belongs to the generation Y and to the generation Z, who are also the main target groups for this research. However, the survey got some respondents from the generation X, which gives a good comparison to the study. The age distribution can be seen in the figure 9 below.

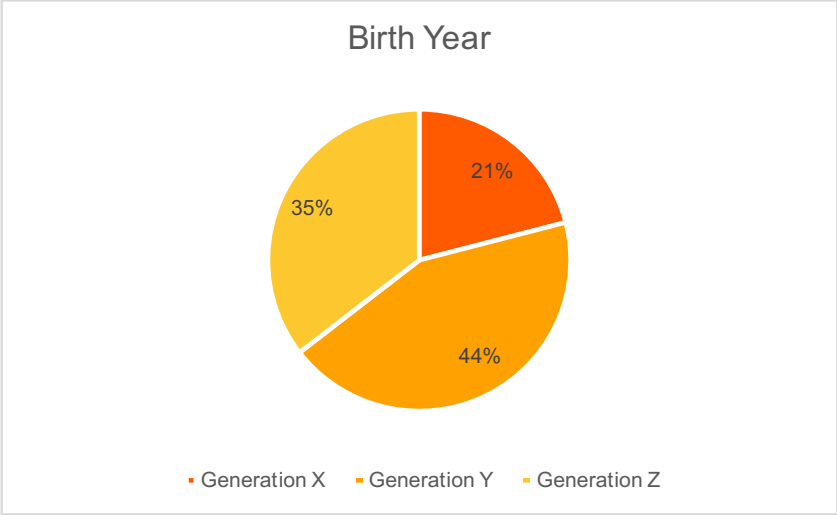

Figure 9. Age distribution between respondents

84,1% of the respondents were female, and only 15,1% were male, however there were no clear differences between sex. Most of the respondents are working full-time (36,5%), studying and working (31,7%) or only studying (25,4%).

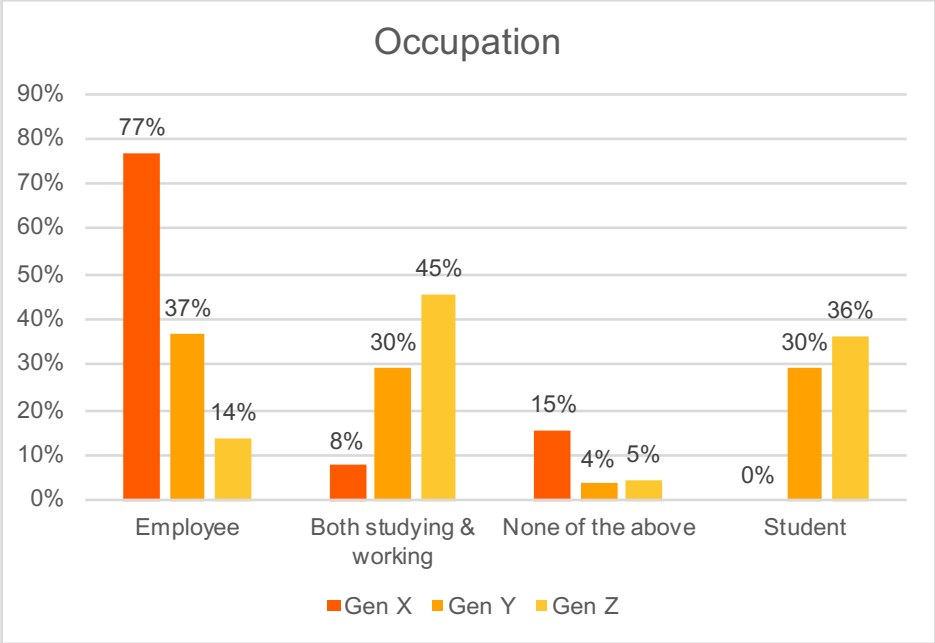

Figure 10. Occupations of the respondents

As we can see from the figure 10 above, most of the responses from the Gen X are employees, whereas 59% of the Gen Z's and 67% of Gen Y's are working full time or working while studying.

That means, a lot of the respondents are important consumers with a strong purchasing power. As 59% of the Generation Z is either working full-time, or part-time while studying, and only 36% of them being students, they are already an important contributor to commerce despite their younger age.

3.3.2 Online consuming habits

The second part of the survey concentrated on the online consuming habits of the respondents, and in order for them to continue participating in this survey, they have had to purchase something online in the past few months.

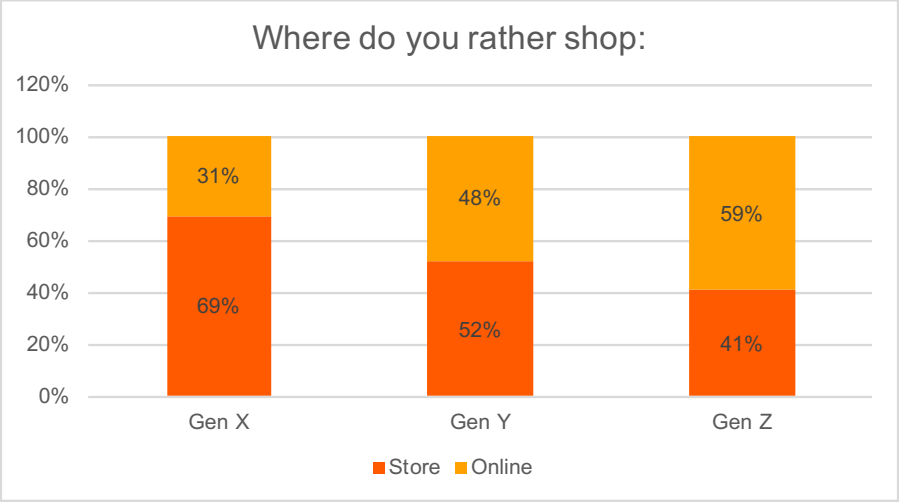

Figure 11. Question: Where do you rather shop

The first question asked whether the respondents rather shop in a store or online (see figure 11 above). Here we can see a clear difference between generations, as younger consumer groups are more comfortable ordering online, and prefer that over a physical store.

The main reasons for shop in store rather than online were:

(1) Can try on before purchasing

(2) Do not need to pay for shipping/returns

(3) Can see the materials/colours of the product

48% of the total respondents prefer to shop online, and the main reasons for this can be seen in the figure 12 below. Main reasons to buy online from an e-retailer were that there are more products available, more brands available and cheaper prices. 71% of the respondents have ordered from abroad in the past few months, and one of the main reasons can be that there are no products available in their cities or online retailers offer more products more convenient.

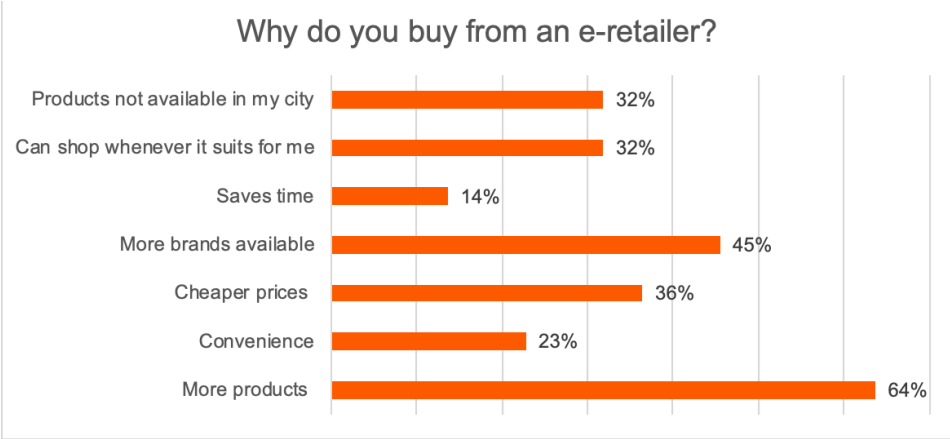

Figure 12. Reasons to buy from an e-retailer

In order to understand how important online services of retailers were to the respondents, the survey asked how many times a year they shop online. Most of the respondents shop online between 1-10 times. Generations Y and Z are more likely to shop more than 10 times, and even 22% of Gen X respondents shop more than 20 times a year, so there is a clear need for online retailer.

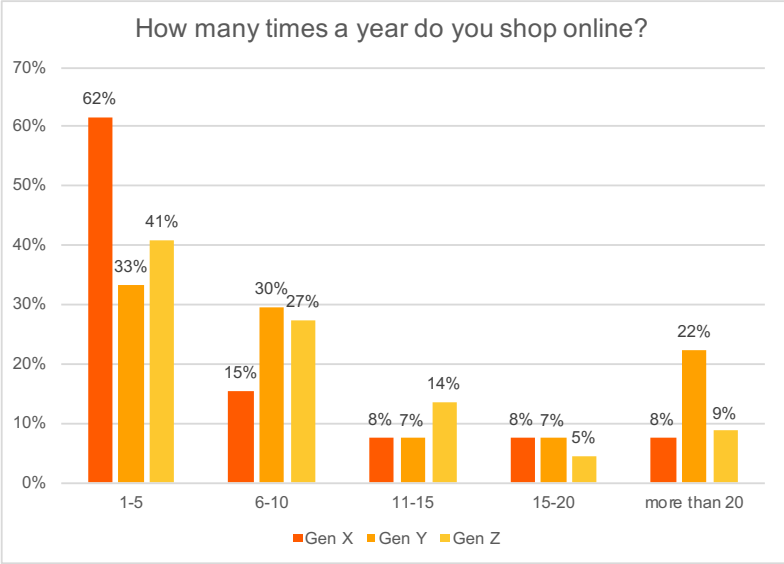

Figure 13. Question: how many times a year do you shop online

From the 92 respondents, most of their recent purchases were made from retailer's website (35%), from online-only retailer (37%), or straight from the brand's website.

When asking whether the respondents have first looked or tried a product in a store and later bought it online, only 23% of Gen X have, while almost half of the Gen Y respondents and 39% of Gen Z respondents answered yes. The distribution between respondents can be seen in the figure 14 below. As seen before, biggest impact why the respondents rather shop in a physical store was that they can try on the product, and a lot of respondents try on a product in a store but ends up purchasing it online.

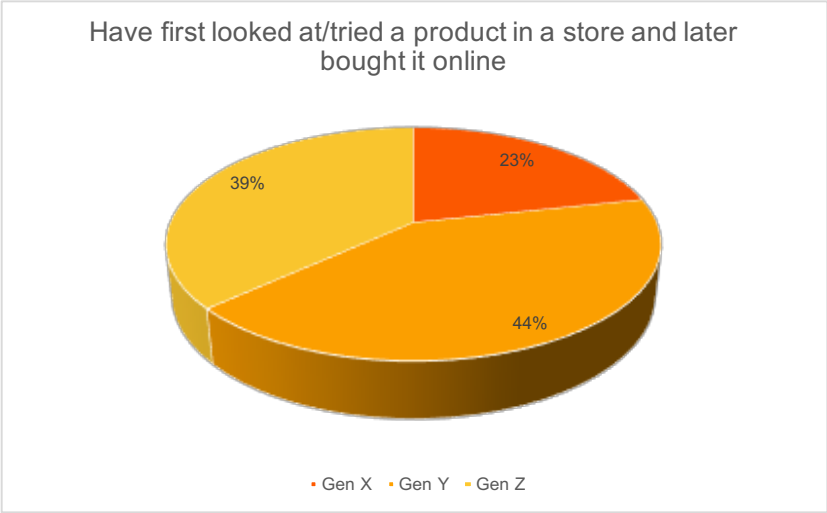

Figure 14. Distribution between respondents who answered the questions "yes".

It was more convenient for the respondents to first do research online about a product and later buy it in a store, as the results show in the figure 15 below.

Figure 15. Distribution between respondents who answered the question "yes".

Most of the Gen Z respondents (86%) have first done research online before buying from a store, as well as 70% of the Gen Y's. This means, that having clear information of products is important for e-retailers, since a lot of consumers are looking for product information online, as we can see from the figure 16 below.

When asked which offline channels affects the respondents online shopping the most, the responses were very equal. For the Gen Z's seeing the product in a friend and talking to friends and family (68%) affected their shopping the most, while for Gen Y's the biggest impact was seeing the product in a physical store (67%). Responses from the Gen X were equal between the alternatives.

Figure 16. Question: what do you look before purchasing online?

The results gathered were similar between generations, and for all of the respondents the main things to look before purchasing were product information, product options such as color and size, as well as price comparison with other retailers. That is important, since in physical stores price comparison is slowly and hard to do.

In the figure 16 above, we can see that 47% of the respondents answered that they look through reviews. However, when asking whether they give reviews, only 24% of the respondents answered "yes" or "maybe", where 9% of them were from the Gen Z and 15% from the Gen Y. 56% of the respondent spends on average around 50-100€ on one transaction, while the 5% who answered that they spend more than 200€ on one transaction were all males.

Males order less frequently (1-5 times a year) but spending more than females on one transaction. There were no differences on the amount spend by generation.

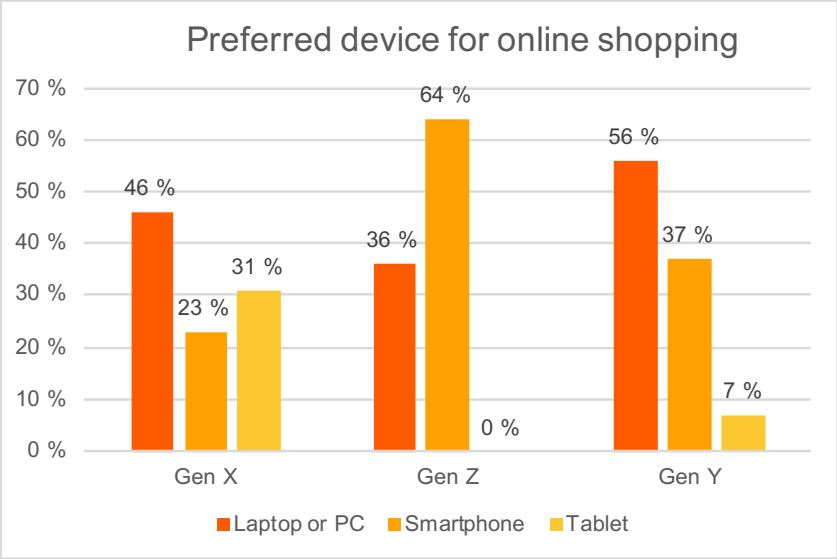

Figure 17. Preferred device for online shopping

In the figure 17 above, we can see which devices the respondents prefer for online shopping, and we can see a shift for smartphones towards younger generations. Where only 22% of Gen X's prefers a smartphone, over 64% of Gen Z's prefer to shop with a smartphone over a laptop or a PC. This means, there is a need for mobile friendly websites and shopping applications. Older generations are also using Tablets rather than smartphones, but these also requires a mobile friendly webpage.

As seen in the figure 18 below, only 5% of the respondents answered that mobile friendly webpages are important, even though most of them prefers to shop with their mobile. Most important for the respondents were that retailers offer free returns.

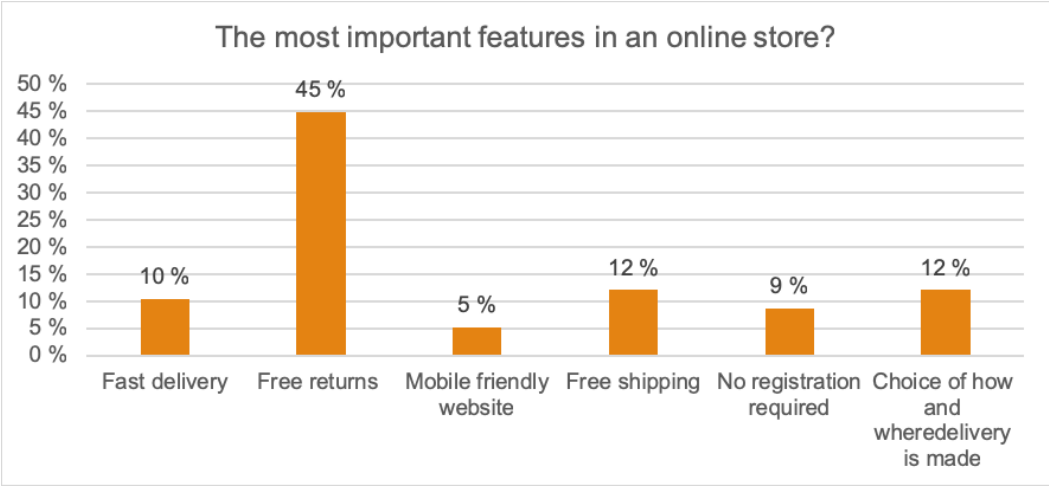

Figure 18. The most important features in an online store

To see the importance of free returns in more detail, the survey asked how important it is on a scale of 1-10, and 70% of Gen Y's and 77% of Gen X's and Z's answered that it is important or very important.

12% of the respondents answered that it is important that retailers offer free shipping, and when asked how important it is, 46% of Gen X's said it is important/very important, 41% of Gen Y's and only 31% of Gen X's answered its important/very important. There were a lot of differences on how many days the participants are willing to wait for their order. However, there were no differences between generations.

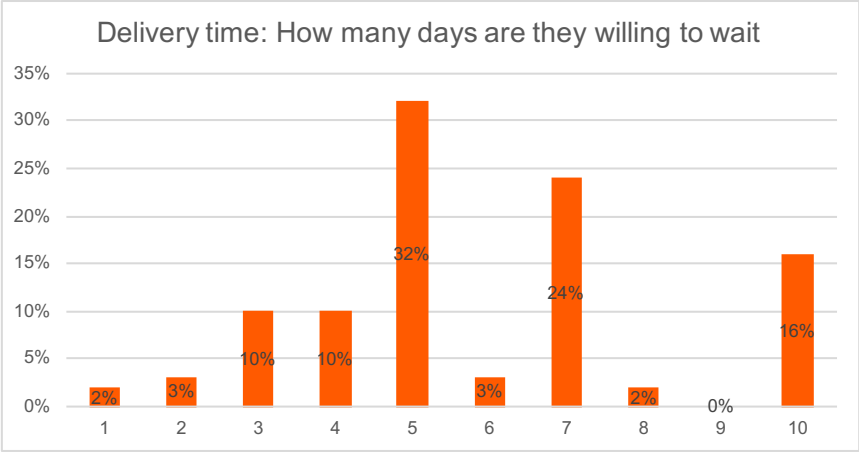

Figure 19. Delivery time

As seen in the figure 19 above, in average people are willing to wait between 3-6 days and 42% were willing to wait for more than 6 days for their order.

However, as seen in figure 17 previously, fast delivery is not so important for the respondents as free shipping and returns. For payment, all of the respondents prefer to use a Debit card or Invoice. Respondents from the Generation Y also prefers Using PayPal, while Generation Z respondents prefers using Mobile applications such as MobilePay and Swish.

In order to get to know what factors drives consumers to brand loyalty, the surveys asked what are the main factors that drives them to be loyal to a brand. The results are shown in the figure 20 below.

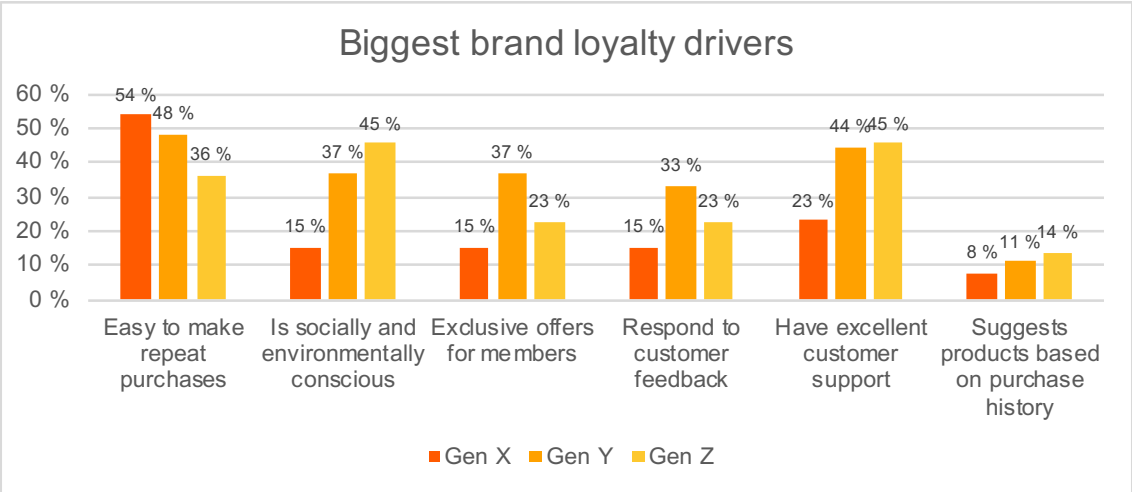

Figure 20. Biggest brand loyalty drivers

As we can see from the figure above, tree of the most important factors for all generations were that the retailers offer the possibility to make easy repeat purchases; they are socially and environmentally conscious; and they have an excellent customer support. For generations Y and Z, having exclusive offers for members and that brands respond to customer feedback, were considered to be important drivers for loyalty.

3.3.3 Social media and advertising

This part of the survey concentrated on which social media platforms the respondents actively use, and whether their use of social media affects their online shopping behavior. Also, few questions at the end will ask about their attitude towards online advertising and which channels of advertising they prefer.

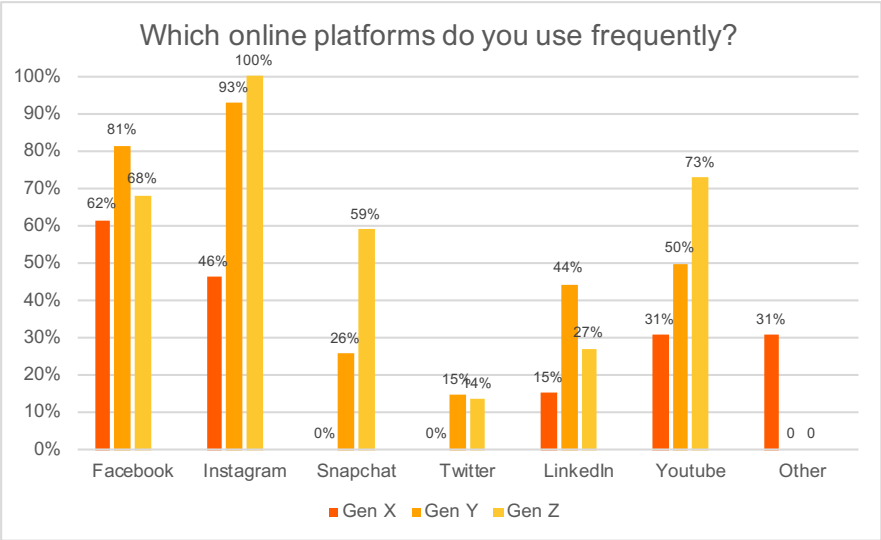

Figure 21. Question: which online platforms do you use frequently?

In the figure 21 above, we can see distribution between different social media channels the respondents are using frequently. Two of the biggest channels were Facebook and Instagram, as well as YouTube and Snapchat for the Generation Z. Twitter is no longer in the main use by any of the respondents and LinkedIn mostly by the Generation Y.

In order to understand how much impact these used channels have over the respondents, it is important to know how many hours a day they spend on these sites. These results can be seen in the figure 22 below.

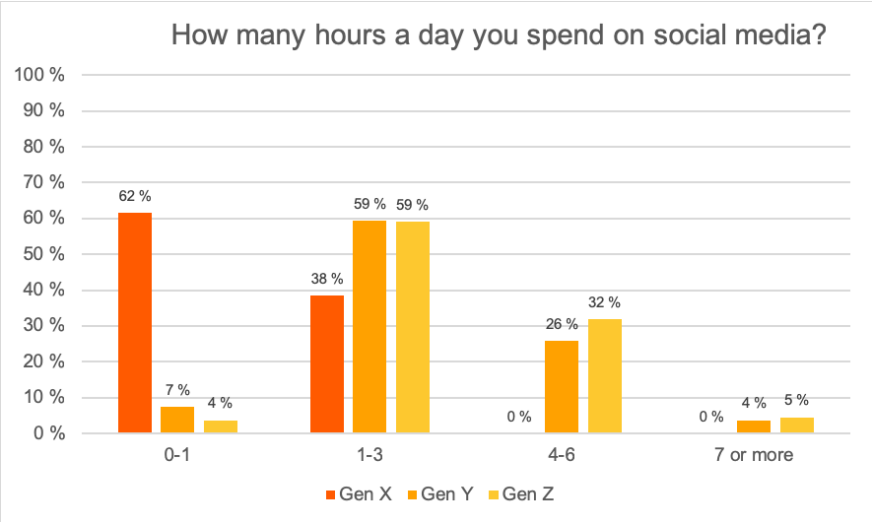

Figure 22. Hours spend on social media daily

Here we can see a clear difference on the use of social media between generations. The Generation X are using social media maximum 3 hours a day, where 62% of them less than an hour. Most of the respondents are using social media around 1-3 hours a day, however, we are seeing more newer generations using social media up to 4-6 hours a day, and 9% using social media more than 7 hours a day. One quarter of the respondents have bought something straight from social media, using for example the swipe-up functions on Instagram and on Facebook adds. The results were equal between generations, having 32% of Gen X' and Y's shopped straight from social media and 36% of Generation Z, and half of the respondents (52%) have bought something online in their phones in the past few months.

When it comes to the attitudes towards advertising, the respondents have distinct views. Shown in the figure 23 below, Gen Z's prefers their advertisement to be shown in social media, such as in Instagram or Facebook ads, or outdoors in metro and bus stops around the cities. None of the respondents from the younger generation prefers advertisement from the newspaper.

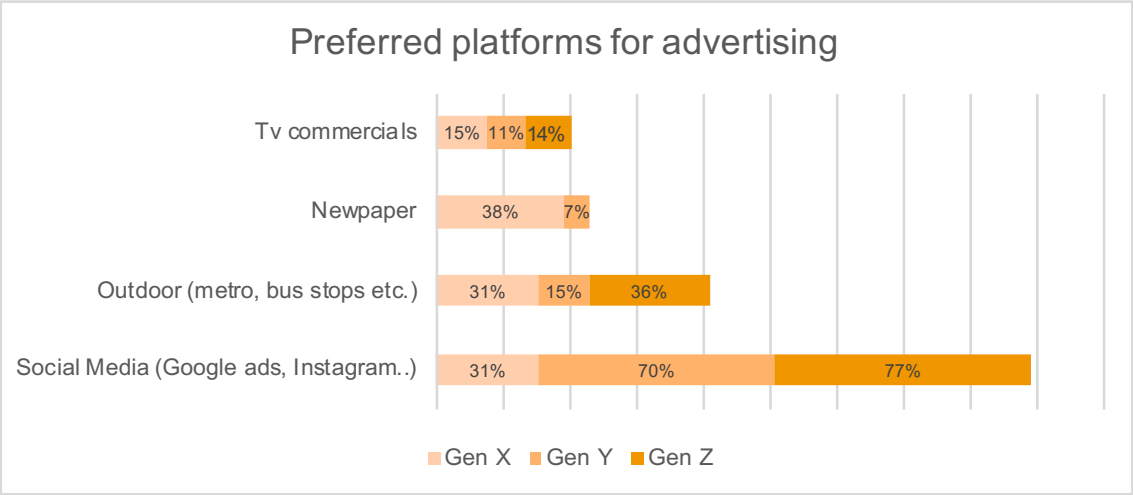

Figure 23. Preferred platforms for advertising

However, for the Generation X, newspapers are still one of the most effective ways of advertising, and they also prefer outdoor and social media advertisement over TV commercials. Generation Y also prefers social media advertisement over anything else. When asking whether the respondents block advertisement. 50% said "yes", and the main reasons where that adds annoy them or are not relevant to them.

As a lot of the respondents prefer social media advertisement over traditional forms of advertisement, such as TV and newspaper, the survey wanted to know whether the post made by celebrities trigger them to buy a product on social media.

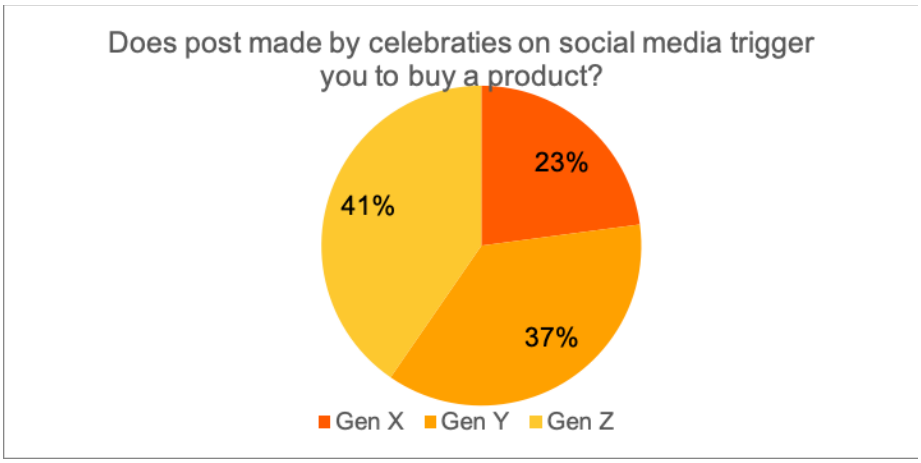

Figure 24. Percentages of respondents who are triggered by celebrity posts

A lot of the respondents are triggered by the post that celebrities do on social media, and the younger the consumers get, the bigger the impact on them. However, when asked which way they would like for a brand to advertise themselves, only 34% preferred influencer or celebrity content, whereas advertisement made on their own social media pages were highly valued (58% by all respondents).

4 Discussion and Analysis

The purpose of the survey was to examine the different consumer behaviors, attitudes and responses affecting online shopping and online advertising. The results will help e-retailers to understand the similarities and differences between generations and how they can effectively engage them both in Sweden and Finland.

Most of the respondents were either working full-time or part-time while studying, which means that all the respondents are important consumers with a strong purchasing power. What is surprising, many Generation Z participants are also working which makes them an important contributor to commerce despite their young age.

More than half of the Generation Z participants, and half of the Generation Y participants would rather shop online than in store. However, 44% of Gen Y and 31% of Gen Z would like to check the product in a store before purchasing online, meaning that physical stores are not losing their importance around the new generations either. The results are similar to the survey conducted by Accenture and PostNord in 2018, stating that consumers are shifting from straight purchasing online, to testing products before or doing research online, before purchasing in-store. This is an important finding, since it means that e-retailers need to consider having pop-up stores or at least one store available for consumers.

The main reasons to buy from an e-retailer were that there are more products available, more brands and cheaper prices. The E-commerce in the Nordics survey (2018) underlined these same factors as well as the convenience to buy whenever it suits for the consumer, and that was also important for the respondents. E-retailer need to offer differentiated products in order to attract new customers, since a lot of consumers are looking products online which are missing from the stores. Also, as 71% of the respondents ordered online since there are no products available in their city, a wide product portfolio is significant.

According to E-commerce Europe (2018), most of the online shoppers prefers to shop via desktop, and less than 10% prefers a smartphone or a tablet. The survey results are not completely on line with the previous research, as 64% of the Gen Z consumers prefer to shop with a smartphone over a laptop or PC, meaning that there is a need for a mobile friendly websites and shopping applications.

Payment and delivery are also important factors for consumers despite their age. On average the respondents were willing to wait around 4 days, which is similar to the results shown in the PostNord survey. Payment options are also mobilizing, and the new generations are looking for more convenient and faster payment options such as MobilePay/Swish, which are mobile applications for easy money transfer. Older generations still prefer using Invoice or their Credit/Debit cards for payment.

Only 15% of the respondents from the Gen X feels important that retailers are socially and environmentally conscious, whereas more than half of the Gen Z stated that it is important. As argued in the secondary research, Gen Z's are concentrated on the ethical and sustainable side of the fashion e-commerce. This means that fashion e-retailers need to be transparent and sustainable in their actions in order to attract the new consumers. Older generations value more excellent customer service, and the ease of making repeat purchases. Overall, all of the consumer groups are expecting the shopping experience to be simple, convenient and flexible.

Previous researches argued that social media platforms such as Facebook are not in trend with the new generations, however, in Finland and Sweden Facebook and Instagram seem to be the leading social media platforms and a lot of respondents (77% of Gen Z and 70% of Gen Y) prefer advertisement through these platforms. YouTube is a growing trend with the new generation Z, which can be a good opportunity for e-retailers to look at and create personalized and visual content.

Pointed out in the survey conducted by Accenture in 2017, Generation Z consumers are more likely to be triggered to shop by a recommendation from a friend or social media posts. The primary research shows that a lot of the respondents were triggered to shop by the post made on social media by celebrities, but the impact was bigger on younger consumers. Also, 68% of Gen Z respondents were affected by seeing the products on friends and family, as for other generations seeing the product in a physical store affected their shopping the most. So, the results from the previous researches are aligned and there is more influence on the younger consumers by friends and social media than before, and word-of-mouth can be a strong way to attract them. As customer attention is turning into new channels e-retailers need information to be able to align with their prospective customers' new values.

Overall, new consumer groups are expecting the shopping experience to be simple, convenient and flexible, and with the knowledge and use of social media marketing strategies and gained data from customers, retailers can make the adjustment necessary for succeeding in the future to fulfill the consumers expectations.

5 Conclusion

The importance of e-commerce in the Nordics and the access to digital content have reformed the consuming habits both in Sweden and Finland, and consumers are expecting more simple, convenient and flexible access to purchases.

Customers are using multi-channels to look for information before purchasing and their journey is not as predictable as before. Results shown in the secondary and primary data shows that consumer prefers to look for product in a store before purchasing online, which means that there is still a need for physical stores and pop-ups.

Most of the changes described are mainly due to the changes due to economic growth and growing trends, since Generation Y and Z seem to be much alike. However, there are some clear differences in the amount spend on social media and the preferred platforms, which means that e-retailers need to keep on track with these changes, as the Generation Z is growing to be the biggest consumer group in the near future.

Being on time with mobile-friendly applications and the use of right advertisement channels can minimize cost and maximize profit. Wide product portfolio, free shipping and returns, and fast payment options are growing their importance within the younger consumers. Retailers need to consider widening their social media presence to new channels in order to attract new customers. As previously mentioned in the analysis part, more than 60% of Gen Z value socially and environmentally conscious e-retailers, and therefore fashion e-retailers need to concentrate on creating an ethical and sustainable brand image.

Gillian Tett (2018) argued that even though the Generation Z has grown in the digital era, they are not necessarily digital natives nor have separate values than their parents and the results gathered from the primary research are aligned with this assumption. There is a clear shift for more convenient and digital shopping behavior as the results gathered are not fully distinct between generations. There are a lot of similarities in the consumer behavior between all generations, and most of the differences might be due to the changes in trends, on which the younger consumer group easier accept to their behavior.

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Figure References

Figure 1. Marketing process by *Kotler, P. and Armstrong, G. (2017). Principles of Marketing, European Edition. 7th ed. Pearson, pp: 5*

Figure 2. Hierarchy of needs by Maslow, A. (1943). *A Theory of Human Motivation*. 1st ed. Wilder Publications

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Figure 5-6. New circular customer journey model *by McKinsey & Company. (2009). The consumer decision journey*. [online] Available at: https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-consumer-decision-journey

Figure 7. Number of online shoppers in Finland *by Statista & E-commerce Europe (2018).* online] Available at: https://www.eshopworld.com/blog/finland-ecommerce-insights-2017/

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Survey Questions

Questions for 92 anonymous participants.

April 2019

Part 1:

Year of birth *

- 1961-1980
- 1981-1994
- 1995 ->

Gender *

- Male
- Female
- Other

Nationality *

- Finnish
- Swedish
- Other

Are you: *

- A student
- An employee
- Both studying and working
- Retired
- None of the above

Part 2: Online Shopping behaviour:

In order to continue participating in this survey, you need to have purchased something online in the past few months.

Do you rather shop online or in store? *

- ○ Online
- ○ Store

(If you answered 'store' previously) Reasons why you rather shop in store?

Lyhyt vastausteksti

Why do you buy from an e-retailer? *

- ☐ More products
- ☐ Convenience
- ☐ Cheaper prices
- ☐ More brands available
- ☐ Saves time
- ☐ Can shop whenever it suits for me
- ☐ Products not available in my city

How many times a year do you shop online? *

- 1-5
- 6-10
- 11-15
- 15-20
- More than 20

Where were the most recent purchase made? *

- Online-only retailer
- Retailer's website
- Brand's website
- Other

Have you bought products online from abroad at any time in the past few months? *

- Yes
- No

During the past few months, have you first looked at/tried a product in a store and later bought it online?

- Yes
- No

have you first done research online about a product that you later bought in a store? *

- Yes
- No

What do you look before purchasing online? *

- [ ] Price comparison with other retailers
- [ ] Product Information
- [ ] Reviews
- [ ] Product options (color, size)
- [ ] Store availability

What is the average amount spend on one online transaction? *

- ( ) 0-50€
- ( ) 50-100€
- ( ) 100-200€
- ( ) 200€ >

Preferred device for online shopping? *

- ( ) Smartphone
- ( ) Laptop or PC
- ( ) Tablet
- ( ) No preference

Which offline channels affects your online shopping the most? *

- [ ] Seeing a friend with the product
- [ ] Talking with friends and family
- [ ] Seeing it in a physical store
- [ ] None of the above

What are the most important features in an online store? *

- [ ] Free returns
- [ ] Choice of how and where the delivery is made
- [ ] Fast delivery
- [ ] Free Shipping
- [ ] Mobile friendly website
- [ ] No registration required
- [ ] None of the above

Delivery time: How many days are you willing to wait for your order *

	1	2	3	4	5	6	7	8	9	10	
1 day	○	○	○	○	○	○	○	○	○	○	10 days

How important is that retailers offer free returns? *

	1	2	3	4	5	6	7	8	9	10	
Not important	○	○	○	○	○	○	○	○	○	○	Very important

How important is that retailers offer free shipping? *

	1	2	3	4	5	6	7	8	9	10	
Not important	○	○	○	○	○	○	○	○	○	○	Very important

Have you purchased products using your cell phone in the past month? *

- ◯ Yes
- ◯ No

Payment: which of the following payment methods do you prefer? *

- ☐ Invoice
- ☐ Debit or Credit card
- ☐ Direct Payment with back
- ☐ Pay Pal
- ☐ Mobilepay / Swish
- ☐ Other

After purchasing, do you give reviews? *

- ◯ Yes
- ◯ No
- ◯ Maybe

What drives you for brand loyalty *

- ☐ Have excellent customer support
- ☐ Exclusive offers for members
- ☐ Respond to customer feedback
- ☐ Easy to make repeat purchases
- ☐ Suggests products based on purchase history
- ☐ Is socially and environmentally conscious

Part 3: Social Media and Advertising

Which online platforms do you use frequently? *

- [ ] Facebook
- [ ] Instagram
- [ ] Youtube
- [ ] Twitter
- [ ] Snapchat
- [ ] LinkedIn
- [ ] Other

How many hours a day you spend on social media? *

- ( ) 0-1
- ( ) 1-3
- ( ) 4-6
- ( ) 7 or more

Have you bought anything straight from social media (eg. swipe-up function on Instagram) *

- ( ) Yes
- ( ) No

Which platforms do you prefer for advertising *

- [ ] Outdoor (metro, bus stops etc.)
- [ ] TV commercials
- [ ] Radio
- [ ] Social Media (Google ads, Instagram..)
- [ ] Newspaper

Does posts made by celebrities on social media trigger you to buy a product? *

- ◯ Yes
- ◯ No
- ◯ Don't know

Which branded content you preferred *

- ☐ Branded events
- ☐ Social news feed
- ☐ Brand information (in their own social media pages etc)
- ☐ Celebrity content
- ☐ Influencer content

Do you block advertisement? *

- ◯ No
- ◯ Yes

Why do you block advertisement?

- ☐ Ads annoy me
- ☐ Ads interrupt me
- ☐ Slows down my computer/phone
- ☐ Ads are not relevant