TRANSFER CHINESE E-COMMERCE WEBSITE INTO GLOBAL
E-MARKETPLACES
CASE COMPANY: VANCL

Bachelor’s Thesis 2012
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Qianwen Ye, Kouvola, 5 September 2012
Clearly seen from the thesis title, the research focused on Chinese e-commerce website transferring into global e-marketplaces, which was the contemporary event. Thus it was worth studying on this subject. Narrowed down on B2C e-commerce, it was in regard to case company VANCL.

Conducting this research was aimed to examine and identify appropriate ways to transfer Chinese e-commerce website into global e-marketplaces by taking VANCL as the case company, and concerning the differences and challenges in global e-marketplaces. In addition, this research was intended to propose suggestions not only for case company, but also for China’s B2C online retailers.

Case study and survey were employed in this thesis, including the research methods of webpage observation, interviews and online questionnaires. Specifically, webpage observation was carried out in a comparative way; interviews were done in three different ways; online questionnaires were designed and carried out online.

The main conclusions indicated that differences and challenges on cultural aspects, legal issues, website design elements and features, and promotion strategies should be focused on and evaluated, e.g. the language and translation, currency, information, customisation, pictures, payment, etc. Besides, getting profit was a vital part in Chinese e-commerce website transferring into global e-marketplaces.
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1 INTRODUCTION

This chapter provides the introduction to this thesis. Background of the research is presented as the first part of this chapter. Then, research question, objectives and the structure of the thesis are explained as part two. Next, limitations are introduced in part three. Last, the profile of VANCL is described.

1.1 Background of the research

The development of world economics promotes the development of high technology, in return, high technology, especially the digital technology, impacts world economics a lot (Rayport & Jaworski 2003, p. 3). Nowadays, the Internet has created a new era taking human beings into a surreal but fantastic virtual world. E-commerce, brought by the Internet, has profound impacts on the world. Compared with traditional business, e-commerce is fast, efficient, convenient, economical, and creates the possibility of world integration. (Zheng et al. 2009, pp. 4-5.) As a major product of the digital technology and revolution, it enables businesses to increase growth and profit in the virtual world. What's more, it is also the fast and good way to make companies be global. (Turban & King 2003, p. 36.)

Van Slyke and Belanger (2010, p. 30) point out that both in developed and developing countries, majority of customers are showing the interests, and embracing the Internet and e-commerce. In China, e-commerce has been an essential and inevitable way to help China reach global market. In this way, China can keep the pace with developed countries and even pass them. As a result, plenty of e-commerce companies in China tend to expand the market to globe. All of them are concerning how to successfully transfer e-commerce into global e-marketplaces. (Zheng et al. 2009, pp. 4-5.)

Introduced by Chaffey and Smith (2008, p. 222-224), website acts as the door opened for customers and used by e-commerce companies to broadcast the information about products and services to acquire and maintain customers. Furthermore, e-commerce website helps to generate the main revenue to the company. However, in building and transferring e-commerce website, varieties of issues and problems should be paid attention to.
1.2 Research question, objectives and the structure of the thesis

Quinlan (2011, p. 4) acknowledges research question, or a statement in one sentence, is vitally important, which is the best way to explain the research idea and should be put forward before posing the research objectives. Research question should include all the concepts, keywords and phrases of the research. This is emphasised by Yin (2003, p. 7) when refining research question, estimated as the most important step in research, patience and sufficient time are essential as well. Thus, this research tries to find the answer of the following research question as indicated as the title of this thesis: “How to well transfer Chinese e-commerce website into global e-marketplaces, especially in B2C e-commerce domain?”

The objectives of the research are divided into following two aspects:

1) combining the literature review with empirical studies, to examine and identify the appropriate ways to transfer Chinese e-commerce website into global e-marketplaces by taking VANCL as the example, and concerning the differences and challenges in global e-marketplaces;

2) to propose suggestions not only to VANCL, but also to China’s B2C online retailers who are already doing or plan to expand e-commerce market to globe, such as tmall.com, womai.com, vancl.com, vija.com, yaodian100.com, 360buy.com, vipshop.com, okbuy.com, moonbasa.com, and dangdang.com.

The structure of the thesis contains 6 chapters, which is shown in figure 1 enclosed by the descriptions of the structure.

Chapter 1 contains introduction. This chapter is intended to describe the background of the thesis, research question, objectives and the structure of the thesis, limitations and the profile of VANCL.

Chapter 2 mainly introduces e-commerce. To be more specific, it consists of definitions of e-commerce, the development of e-commerce, B2C e-commerce, being global, which are intended to identify the reasons that why Chinese e-commerce companies want to be global.
Chapter 3 is focusing on e-commerce website, which is narrowed down on B2C e-commerce. It is including e-commerce website design elements, e-commerce website features, principal problems and website promotion strategies. This chapter is the core part of the whole thesis in literature reviews.

Chapter 4 introduces the methodologies chosen in this research, based on case study and survey.

Chapter 5 mainly presents the results of the research through analysing the results from webpage observation, interviews and questionnaires.

Chapter 6, the conclusion consists of summary of the thesis, managerial implication practices and further study. This chapter is of great importance to present the outcome of the research, to provide suggestions and hints for VANCL and China’s mainstream B2C online retailers, and further study.

The following is the structure of the thesis from chapter 1 to chapter 6 comprising four main parts.

![Figure 1 The structure of the thesis](image-url)
1.3 Limitations

There is no exception that limitations exist in this thesis, divided into three aspects: the focus, the information and the research methods.

The focus: nowadays, e-commerce website, its use and application in business are contemporary events and current topics around the world. Concerning the categories of e-commerce, it would have been too large to analyse e-commerce website transferring in general. Therefore, in this thesis, it is narrowed down on B2C e-commerce.

The information: in this thesis, new and updated information from the Internet is important, due to fast development of e-commerce around the world. For example, a lot of journals, the number of world Internet users, the number of world B2C consumers, and statistics about world online shoppers’ behaviour, these can be searched through the Internet. All of them would not be for 100% sure, because the change happens all the time, due to the updated data, statistics and even the opinions of authors. Anyway, it makes sense and shows the main trend. However, some of them are not available and free. As to me, some critical resources are too expensive to buy, such as Global B2C E-commerce Market Report, which was published in December 2011 and costs €5,450.

Research methods: one of the Interviews with the customer of VANCL, Lara has a good relationship with VANCL, so the result is subjective which would lead answers not to be objective. The interview with the representative of VANCL, the limitation is obviously seen. In order to keep secret and protect VANCL, he just answers questions about basic company information and what have been published to the public, but refuses to give replies to my questions related to the statistics about English version e-commerce website of VANCL and overseas market, such as the number and occupation of overseas customers among the total number. As a result, the useful statistics about VANCL is found only from what has been published to the public. Except these, the occupation of overseas customers would be proposed from some Chinese press and the published information. Since nationalities of respondents in this research are rather small than the number of shipping countries of VANCL, the results generated from questionnaires cannot be 100% accurate and efficient to be applied to
all the countries around the world on e-commerce website transferring. Anyway, it provides some constructive suggestions concerning the results generated from the involved countries in this thesis.

1.4 The profile of VANCL

VANCL Eslite (Beijing) Technology Co., Ltd. was established in 2007 as a specialty men’s shirt online retailer in China. Nowadays, it has extended its product ranges from only men’s shirt to men and women’s fashions, shoes, kids’ wears, make-ups, accessories, and other lifestyle goods, even mobile phones. And as the new star industry in China, it has become the No.1 Internet apparel brand. (VANCL 2012a.) In 2011, the customers’ number of VANCL was 27.22 million stated by China Daily ranking the fifth China’s B2C online retailers, such as Tmall.com, 360buy.com, dangdang.com and amazon.com (Chen 2012, p. 14).

From 2007 to 2011, VANCL acquired six rounds of venture capital funds of $ 422 million (VANCL 2012b). The aim of VANCL is getting fast development first, and then making profits (Hu 2011). Table 1 lists the yearly turnover indicating the fast development of VANCL.

Table 1 Yearly turnover of VANCL from 2008 to 2011 (based on Xie et al. 2011)

<table>
<thead>
<tr>
<th>Year</th>
<th>Yearly turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Over 100 million Yuan</td>
</tr>
<tr>
<td>2009</td>
<td>500 million Yuan</td>
</tr>
<tr>
<td>2010</td>
<td>2 billion Yuan</td>
</tr>
<tr>
<td>2011</td>
<td>3.5 billion Yuan</td>
</tr>
</tbody>
</table>

As a result, on 25th May 2011, the English version website of VANCL was formally opened to the public. Before this, VANCL opened the online shop on eBay, which was proposed to check the development potentials in international market reported by Zhao (2011). Since May 2011, VANCL has paid attention to English version website,
and has changed the number of shipping countries from 79 to 87. Hu (2011) states that, overseas businesses of VANCL are done by its own Business Department in Beijing.

About the attractiveness of e-commerce website in China, Ding (2012) checks China’s main B2C online retailers according to the average monthly number of web users and the average monthly browsing time of web users from January to November in 2011. In both, VANCL keeps the same rank as the top 5, which shows it has good Chinese version website to grasp customers’ attention and main customers’ interests.

Table 2 The profile of VANCL in 2011 (based on Chen 2012; VANCL 2012b; Xie et al. 2011)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Founded time</td>
<td>October 2007</td>
</tr>
<tr>
<td>Personnel</td>
<td>More than 10 thousand</td>
</tr>
<tr>
<td>Total Customers</td>
<td>27.22 million</td>
</tr>
<tr>
<td>Shipping countries</td>
<td>87</td>
</tr>
<tr>
<td>Overall sales</td>
<td>70 million pieces</td>
</tr>
<tr>
<td>Turnover</td>
<td>3.5 billion Yuan</td>
</tr>
</tbody>
</table>

2 E-COMMERCE

In the first part of this chapter, definitions of e-commerce are introduced before getting to know more about e-commerce. Then as the second part, the development of e-commerce is explained about e-commerce in China and in the world. The third part of this chapter focuses on B2C e-commerce, which is one of main e-commerce categories. The last part of this chapter introduces the issue of being global e-commerce.

2.1 Definitions of e-commerce

Concerning definitions of e-commerce, there are plenty of experts in this field from different countries posing their own point of view to define e-commerce, here taking
Turban and King (2003), Rayport and Jaworski (2003), Chaffey and Smith (2008) ’s understandings on e-commerce to present definitions.

Turban and King (2003, pp. 3-5) state that e-commerce is the abbreviation of electronic commerce, and it is also regarded as two capital letters: EC. Generally speaking, e-commerce is defined as the using of the Internet or computer networks to do commercial things, such as buying, selling.

Rayport and Jaworski (2003, pp. 3-4) identify and clarify e-commerce from four aspects according to its characteristics and essence. In brief, e-commerce is the exchange of information electronically, highly technical support and intra-and inter-organisation based, which is done between two parties, for example, between individuals or organisations.

In 2008, defined by Chaffey and Smith (2008, pp. 12-13, 397), e-commerce simply describes the ability to sell online, and means the real business being done between seller and buyer online, including e-tailing, online banking and shopping. Furthermore, they use a figure to demonstrate the relationship between e-commerce, e-marketing and e-business to help understand more about e-commerce in a direct and appropriate way. Compared with e-business and e-marketing, e-commerce doesn’t contain the marketing and administration aspects. Simply, e-commerce means selling online. The conclusion we can get is that e-commerce has the smallest scale compared with e-marketing and e-business, which is depicted in figure 2.

Figure 2 Relationship of e-commerce, e-marketing and e-business (Chaffey & Smith 2008, pp. 12-13, 397)
2.2 The development of e-commerce

Turban and King (2003, pp. 8-9) illustrate the development of e-commerce could be divided into three stages according to the time: in the early 1970s, in the early 1990s and since 1995. In other words, e-commerce has experienced stages of being unpopular, being popular, and being useful for now, even the future. In 21st century, this is the high development stage of e-commerce. It is impossible to underestimate the influences brought by e-commerce concerning the development of world economic globalisation and high technology, the needs of convenience and high life standards as well. Nowadays, an increasing number of businesses regard e-commerce as an essential part and necessity instead of market expanding strategy, due to its high efficiency and low costs consuming (Baršauskas, Šarapovas & Cvilikas 2008, pp. 71-72).

2.2.1 The development in China

In China, counting the years when e-commerce truly came into application stage to now, e-commerce in China only has a short history of less than 15 years, which is from 1998 to 2012 (Zheng et al. 2009, p. 11). The main reason that boosts the development of e-commerce in China is proposed as the joining the WTO in 2001. Specifically, an increasing number of Internet users and heightened competition in telecommunications industry make organisations to pursue low costs and high service quality in China. Companies and enterprises seek the opportunities to achieve the better performance to stand out of the business in China, even the scale of world. (Wong, Yen & Fang 2004, p. 68.)

Basic statistical information of China’s e-commerce development listed in table 3 is from CNNIC (2012a) and iResearch (2012a).

CNNIC, shortened from China Internet Network Information Centre, is approved by national authorities. It was established in 1997 as the management and service organisation. As the leading authority on China’s Internet statistics, it has great influences on national government and commercial organisations. Since 1998, it has successfully published 30 survey reports on Internet Development in China in January
and July per year. The latest one is the 30th Survey Report on the Internet Development in China 2012. (CNNIC 2012b.)

According to the latest Survey Report published on 19 July 2012 by CNNIC (2012a, p. 10), the number of Internet users in China until the end of June 2012 has reached 538,000,000. Compared with the number in October 1997 with 620,000, it is the 867 times than the number 15 years ago. It is an amazing and surprising development process in China. These are all the great potential web customers to e-commerce organisations. (CNNIC 2012c.)

Compared with CNNIC, iResearch has some similarities with it, but also has differences. iResearch, founded in 2002, is in the leading position on in-depth research in China’s Internet industry. The purpose is different. iResearch aims to increase their clients’ understanding on China’s Internet network, and enhance their profitability and competitiveness in the domain. CNNIC is served for the government and enterprises to acquire the knowledge of the development of China’s Internet network, and then they can make some strategic decisions in this field. To this point, CNNIC is more official and a non-profit organisation. iResearch provides products and services to help clients know more about China’s Internet industry and gain competitiveness. Moreover, the focuses of them are different. (CNNIC 2012b; iResearch 2012b.) The report of iResearch China Online shoppers’ behavior from 2011 to 2012 (iResearch 2012b) provides some useful data, such as age proportion, which indicates that younger generation is the main force on shopping online.

Table 3 Basic statistical information of China’s e-commerce development (based on CNNIC 2012a, pp. 10, 27; iResearch 2012a)

<table>
<thead>
<tr>
<th>Stat name</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet users</td>
<td>538,000,000</td>
</tr>
<tr>
<td>Online shopping users</td>
<td>210,000,000</td>
</tr>
<tr>
<td>Application rate (Online shopping users/Internet users)</td>
<td>39.0%</td>
</tr>
<tr>
<td>Age proportion from 18 to 30</td>
<td>60.8%</td>
</tr>
<tr>
<td>Proportion of students(students Internet users/Internet users)</td>
<td>28.6% (No.1)</td>
</tr>
</tbody>
</table>
2.2.2 The development in the world

Since the year of 2011, with the sluggish growth of Internet users in China, the growth of China’s online shopping users has slowed down (CNNIC 2012a, p. 27). Actually, in China, B2C e-commerce is not in a good condition, some of them are suffering a lot. But global B2C e-commerce is profitable, which is indicated by the e-commerce data of USA, UK and Korea, etc. B2C e-commerce has the big proportion in the world. For example, in USA, it has reached more than 73%. Being global means a lot, which helps e-commerce businesses expand to a new market and new businesses for the sake of making profits. (Hu 2011.)

Figure 3 displays world Internet users’ distribution by World Regions. Now the latest world data of Internet users is 2,267,233,742. The population in 2011 was estimated at 6,930,055,154. So according to the world Internet users and world total number of population, the penetration is 32.7% which is nearly one third of population and shows that the Internet has been widely used than that before. Since 2000, the number of Internet users has increased 528.1 times, which was 360,985,492 on 31 December 2000 and now is reaching at 2,267,233,742. (Internet World Stats 2012a.)

Covering over 233 countries, and 7 world regions, Internet World Stats is an international website focusing on updating world Internet statistics, e.g. world Internet Usage, Internet market research data, and population statistics, etc. All the pages on Internet World Stats were updated on 29 July 2012. All the statistics are useful sources. (Internet World Stats 2012b.)
Another research company yStats has similar features with Internet World Stats. Assessed by yStats.com (2011), in 2015, covering 68 global countries, Internet users will reach nearly 3 billion. And global B2C e-commerce is expected to develop fast with sales reaching USD 700 and 950 billion in 2012. What’s more, the share of Asia on global B2C e-commerce sales is also expected to be increased. Announced by Internet World Stats, the number of covering countries is different. Due to this difference, the data of Internet users worldwide is different, but they have the compatible relation with each other. In view of the covering countries, all of the data are reliable and valid, because all of these companies are pioneers in this domain. Here using this report of yStats is in order to show the high development potentials in world Internet and e-commerce domain.

In order to show specific development of e-commerce brought by the development of the Internet, here take U.S. as the example country to show the e-commerce development in U.S. Obviously, GrabStats, also the research company, gives details about U.S. e-commerce development in respects of the number of U.S. online shoppers, the number of U.S. online buyers, and average annual amount of U.S. online buyers spending online. All of the data are displayed specifically from 2007 to 2012.
Table 4 Basic statistical information of U.S. e-commerce development (GrabStats 2012)

<table>
<thead>
<tr>
<th>Stat name</th>
<th>Data</th>
</tr>
</thead>
</table>

2.3 B2C e-commerce

E-commerce has different categories, mainly containing B2B, B2C, C2C and C2B. The focus of this thesis is B2C e-commerce. B2C is the abbreviation of business-to-consumer, which happens between the business and individual buyers over the Internet. (Turban & King 2003, p. 7.) Indicated by Rayport and Jaworski (2003, p. 4), B2C e-commerce contains the exchange of digital and physical products or services. When it comes to the development prospects of B2C e-commerce, it is expected to take up big proportion of e-commerce in the future. Although nowadays, due to some limitations in light of its characteristics, B2C e-commerce just takes up a small part of e-commerce, it has great potentials. As known to all, various B2C e-commerce websites or B2C customer interfaces provide the good platform for businesses to sell plenty of goods and services to customers around the world. (Zheng et al. 2009, pp. 25, 27.)

There are two types of B2C e-commerce according to the business relations, such as seller (businesses, enterprises or companies) and individual buyers, individual sellers and buyers (businesses, enterprises or companies). The latter one is usually used in online job application. The case company VANCL belongs to the former one. In the category of the former one, it best describes B2C process between seller and buyers, which has three steps in transactional process:
1) seller opens an online store, which enables and facilitates customers to be informative and insightful about products and services what they want, and is full of information about their products and services, such as specification, price, measures and capability;

2) individual buyers choose goods, then place an order, and next is to decide to make an online payment or offline payment;

3) seller delivers goods to customers.

On the other hand, this is the result by providing a good website, called customer interface as well. (Turban & King 2003, p. 7; Zheng et al. 2009. P. 27.)

2.4 Being global

E-commerce keeps up with the trend of globalisation. Consequently, an increasing number of businesses get access to global e-marketplaces. (Turban & King 2003, p. 488.)

Actually, e-commerce is not done in ordinary marketplaces; instead, it is done in e-marketplaces (Chaffey & Smith 2008, p. 4). E-marketplaces, also called electronic marketplaces or marketspaces, are the product of IT. The emergence of e-marketplaces acting as the milestone to the business process, especially those e-marketplaces are Internet based. Here, people do business things electronically. There are some components constituting e-marketplaces, such as customers, sellers, physical or digital goods, and services. Nowadays, customers have been the main force in business. (Turban & King 2003, pp. 42-43.)

Getting access to global e-marketplaces means getting an opportunity to reach a larger market. What’s more, in global e-marketplaces, we can gain more mobility and flexibility. Despite of these advantages, Turban and King (2003, pp. 487, 488, 490-493) think it is not smooth to reach global e-commerce, and there still exist some potential difficulties to get access to global e-marketplaces successfully concerning some key issues. In ancient times, geographical borders are big problems for people to overcome due to poor transportation, but nowadays these are not problems anymore
due to the development of the Internet. Regardless of this, some key issues related to the local language, local legislations, local limitations, local currency, and local cultures, are becoming the most challenging parts. It’s hard to make a decision to enter into global e-marketplaces. But, when the decision has been made, strategies in regard of these issues should be ready there. In global e-commerce, website plays an important role.

3 E-COMMERCE WEBSITE BUILDING IN GLOBAL E-MARKETPLACES

Focusing on e-commerce website building in global e-marketplaces, this chapter briefly explains e-commerce website design elements first. Then e-commerce website features vs. general website features are explained as part two. Next in the process of being global, principal problems are introduced as part three. Last but not the least, main e-commerce website promotion strategies are explained.

3.1 E-commerce website design elements

Rayport and Jaworski (2003, p. 151) introduce the seven design elements, also called 7Cs framework, which best describe e-commerce website. In figure 4, we can see these seven elements.

Figure 4 The 7Cs framework of e-commerce website (based on Rayport & Jaworski 2003, p. 153)
Song and Zahedi (2005, pp. 1223-1224) think there are 46 website design elements after surveying 199 e-commerce websites. Moreover, these elements are distributed into five different categories, such as promotion, service, external interpersonal, ease of use and navigation, and purchase facilitation. All of them are clearly listed in Table 5, which are highly abbreviated in order to briefly introduce e-commerce website elements. Through this table, we can have a clear understanding on the features, components and information about e-commerce website.

Table 5 The categories of website design elements (Song & Zahedi 2005, p. 1224)

<table>
<thead>
<tr>
<th>Category</th>
<th>Website design elements (abbreviated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>Price comparison, price discounting, “what’s new”, gift certificate, free greeting message, product recommendation, receiving e-mail about new products</td>
</tr>
<tr>
<td>Service</td>
<td>Information about: security, customer’s privacy, guarantee/warranty policy, tracking order, feedback, sales rep. contact</td>
</tr>
<tr>
<td>External interpersonal</td>
<td>Product ration, customer comments, expert comments, sales rank, bulletin boards, testimonials, user group, discussion forum</td>
</tr>
<tr>
<td>Ease of use and navigation</td>
<td>Product cancellation, graphical information, colour-coded information, tabular form, price information in the product listing, not too many clicks from home page to order page, no crowded page, uniformity of design formats, levels of authorisation, storing personal information, audio interaction, providing personalised information for customers, no scroll down on the page, currency conversion, language translation</td>
</tr>
<tr>
<td>Purchase facilitation</td>
<td>Picture of the product, detailed product description, large picture of the product, payment options, shipping options, buy made-to-order, assemble components, test the product, links to other related websites, FAQ, search for the products</td>
</tr>
</tbody>
</table>

Website design elements displayed in figure 4 and table 5, although they are suggested by different authors, they have the correlation, and tell us what e-commerce website is.

3.2 E-commerce website features

It is necessary to distinguish the differences between e-commerce websites and
general websites (Likens 2009). Compared with general websites, e-commerce websites have their own commerce objectives and features. They are aimed at leading successful financial transactions and helping businesses make money. E-commerce website contains commerce features, such as registration system, product navigation system, electronic shopping cart, security, trust, search engine, payment system, shipping system and customer services. (Rayport & Jaworski 2003, pp. 180-181; Moradi 2011; Turban & King 2003, p. 45.)

Registration system: this enables customers to be the member, and then if customers place an order, they can enter into their shipping address and contact number, etc. (Rayport and Jaworski 2003, p. 181).

Product navigation system: it is proposed as the most important components of e-commerce website. Product navigation system enables and facilitates customers to find the goods and services they want in various categories on the website. What’s more, it shows the product categories to customers on e-commerce website. (Moradi 2011.)

Electronic shopping cart: this is the unique feature in e-commerce website and it facilitates customers when they want to store products what they choose. Furthermore, this enables customers to make some changes by clicking the mouse to delete what they do not want to buy ultimately during the shopping process. Electronic shopping cart for B2C e-commerce is simpler than it for B2B e-commerce. (Turban & King 2003, p. 67.).

Search engine: a search engine facilitates customers to search goods and services they want according to different product catalogues (Turban & King 2003, p. 45).

Product images: because of lack of touch on the products, product images play a significant role on e-commerce website. Highly qualified and clear product pictures promote sales volume and eliminate customers’ uncertainty. (Moradi 2011.)

Security: it is a kind of technology which enables all the financial transactions on the website to be done safely (Rayport & Jaworski 2003, P. 181).
Trust: online trust is the guarantee that makes financial transactions successfully done, which is reflected by the website design, especially in B2C e-commerce (Karimov et al. 2011, p. 273).

Payment system: payment options provide customers with the idea how they can pay the money for the things they buy (Turban & King 2003, p. 45).

Shipping system: it tells customers about the delivery services they can get or choose when they buy things on the website (Turban & King 2003, p. 45).

Customer services: they include order-tracking system, detailed information, personalisation, and return and exchange policy, etc. (Turban & King 2003, p. 45).

3.3 Principal problems

Being global, businesses will meet some problems and challenges. As a result, plenty of barriers need to be overcome. To some extent, solving these problems means a lot, especially in building e-commerce website globally. (Turban & King 2003, p. 488.) In order to cater to all customers, a global website is essential and critical to increase the e-commerce website accessibility; in order to cater to cultural differences, a localised website is significant to acquire and maintain customers’ interests and loyalty. It is not enough to just translate language, change currency, date and time formats if businesses want to be global. (A. Serengul Guven Smith-Atakan 2006, pp. 299, 302.) Likens (2009) stresses that e-commerce website should be simple. Besides, they should be full of comforts. He concludes that a good e-commerce website could provide customers with a pleasant browsing experience. To be specific, it is essential to have good product categories and timely updated information, no technical problems, trust and security, ease to pay, and various delivery options, etc.

Cultural differences: culture as the special product of a country, some customers drop out of purchasing on a foreign e-commerce website due to the cultural differences. In order to cater to customers worldwide, e-commerce website needs to be well-considered in building and transferring process into global e-marketplaces. These differences are various, such as language and translation. (Gong 2009, p. 94.) Language as the symbol and product of culture, various by countries, even by local
areas, which is explained as the most difficult problem in the world. Although English has been used worldwide, there still exist a lot of people who cannot speak English. As a result, businesses lose a lot of potential customers by using English-only e-commerce website in global e-marketplaces. Facing with this problem, multi-language options are provided on the website for customers to choose by clicking the mouse. (Turban & King 2003, p. 490.) Then translation should be taken into account. Language translation on the website needs money, the speed as well. To solve this big problem, automatic translation tools are becoming popular with the development of IT. The structure and grammar of some languages are totally different, and using automatic translator sometimes changes the meaning of words. Manual translations by human beings are recommended and estimated in highly accurate than automatic translation. (Turban & King 2003, p. 490.)

Payment: Turban and King (2003, p. 420) describe that payment online needs the using of electronic bank cards. In America, it is essential to have at least one electronic card. There are three types of payment cards including credit cards, charge cards and debit cards. Credit cards are mainly including Visa, MasterCard, and EuroPay. Second are charge cards. American Express’s Green Card is the typical example and has the leading position of this kind of cards. Then Diner’s Card and Discover Cards are also the good examples of this kind of cards. Debit cards are used by most people. People are familiar with debit cards, such as MasterCard, Visa and EuroPay, which are also the main debit cards. Totally different with American, Asian people tend to pay by using the bank cards from their own countries. For example, in Japan, credit cards are provided by Japan Credit Bank, which cannot be used widely around the world.

Security: according to Guynes, Wu and Windsor (2011, pp. 2-5), security is of great importance not only to businesses, but also to customers. It has different types. As to the impacts, it can protect the business network and systems, and keep financial transactions security and privacy from attacks between customers and businesses. Adequate information about security is necessary and critical on e-commerce website. In this way, customers can check that by them and increase their confidence and beliefs on e-commerce website. Security and privacy are technology-based on e-commerce website, which also need the help of customers. Most e-commerce
websites nowadays have the guidance on teaching customers about basic security practices for the sake of both sides.

Legal issues: different countries have different regulations restricting things posed on e-commerce website. There are a lot of organisations around the world engaged in these issues. In global e-commerce, legal actions are welcome, encouraged and protected by these organisations worldwide. (Turban & King 2003, pp. 488-489.)

Trust: initial trust on e-commerce website is important, which has the determinant impacts on determining the success or failure of e-commerce. Especially in the e-marketplaces, sellers and buyers are in the virtual world that they meet each other over the Internet, not face to face. When we shop online, we can just see the pictures of products instead of the real products. Especially the first time buying things of the company, we will concern a lot about the quality and delivery. So, it’s quite important to establish the trust with current customers and potential customers. Like some Chinese e-commerce companies tend to expand overseas e-marketplaces, big differences in culture, even the business, so trust should be established to make sure the success of business. As a result, visual and textual design of e-commerce website is crucial to establish perceived quality for customers. (Karimov et al. 2011, p. 273; Turban & King 2003, p. 156.)

Updating on time: “What’s new” is the best place to show updated information, such as promotions, new arrivals, which are useful and attractive information for customers. The information on the website needs to be updated timely. New, fresh information is needed. Taking out old news and information on time, it is not an easy process to run an e-commerce website. (Chaffey & Smith 2008, p. 226.)

3.4 Website promotion strategies

As Turban and King (2003, pp. 153-154) demonstrate, e-commerce gains the competitive advantage to have a better communication with customers then they could get what customers need and what they like.

Viral marketing: it is of great importance to e-commerce companies used on their e-commerce websites. It is highly informative which broadcasts information by
customers themselves. A lot of forms comprise viral marketing, such as a video, an advertisement, news and a message. People are willing to pass them on, which is an amazing phenomenon. Also, this is the main aim of viral marketing. As known to all, ways to do viral marketing are “word-of-mouth” and “word-of-mouse”. These two expressions have the similar pronunciation, but the ways to do them are different. One of them is done in the real world, and the other one is done virtually. Whereas, networks of people are important and critical to both of them, and people are the main force to pass the words. Furthermore, viral marketing also happens via social networks, such as Facebook, Google+, Twitter, and YouTube. (Chaffey & Smith 2008, pp. 328-330.)

Virtual community: it’s also called electronic community or Internet community, and is done over the Internet, which is the space where people would like to share something interesting to them. Virtual community is good to e-commerce companies from following aspects: customer loyalty building, sales volume improvement, customers acquiring and retention, the repeat traffic to the website increasing, and the new traffic to the website creation. Although the impact taken by virtual communities to e-commerce companies are slow, it is good and helpful in the long term. (Turban & King 2003, pp. 481-484.)

Personalisation: nowadays, companies take advantage of personalisation to enhance the relationship with customers, improving customers’ loyalty and brand awareness at the same time. Especially in e-commerce, e-commerce companies have the advantages that they can get customers’ database quickly over the Internet. They provide customers with personalised webpage to make them feel at their own zone when shopping online. However, personalisation software is costly so that companies use a simple website. Three main ways comprise personalisation: customisation, individualisation and group-characterisation. (Chaffey & Smith 2008, pp. 375-376.)

- Customisation: as seen from the word, it enables customers to do things by themselves. For example, they can choose the style in fixed settings they like to create the outlook of their webpage, just doing things according to their preferences.
• Individualisation: this is highly-personalised that customers could use and upload their own resources, such as pictures, songs, which just like providing blank papers for customers to draw. Once a web customer logins into his/her own account, he/she can use the webpage designed according to his/her preferences.

• Group-characterisation: it has been the common personalisation on the website provided by e-commerce companies. For example, when we shop online and observe an item, we can see some recommendations on the website for us. These recommendations are described as “people who have bought this item, also buy following things”. This kind of information is provided with the reason that these people are “like” you.

Web promotion activities are listed in table 5. The purpose is to acquire and maintain customers’ interests, especially potential customers. (Song & Zahedi, 2005, p. 1224.)

Customer services are also listed in table 5. Compared with web promotions, it provides customers with the idea about products and services, increasing the buying success rate by reducing uncertainty. (Song & Zahedi, 2005, p. 1224.) Turban and King (2003, pp. 166-168) demonstrate customer services as followings.

• Order tracking system: customers can find this service when they log into their web accounts. There they can check the order status, such as processing by the customer service, delivered on the way and completed.

• Detailed information is quite important for customers, such as the information about products, how to place an order, how to track order, and how to modify or cancel the order, etc.

• Size maps are helpful for customers to check the right size to choose the things they want to buy.

• Return and exchange policy is supplemented as a standard service in some countries, such as United States. It is a good choice for e-commerce companies to acquire and maintain customers, because return policies increase the trust and
loyalty among customers that they think if they shop on this website, which would be safe.

4 RESEARCH METHODOLOGIES

This chapter mainly introduces data collection methods and data analysis in this thesis. In this thesis, the basis is case study, but it has the survey element concerning the research objectives. Case study is introduced as a preferred approach to answer “how” or “why” questions, and it prefers contemporary events, which fits the research question in this thesis. Moreover, it is mostly used to contribute the knowledge of the individual, organisation, group and object, etc. Case study is the in-depth study which can help collect quantitative data or qualitative data, even collect the both at the same time. Survey is aimed at generating quantitative evidence. Case study and survey involve a lot of data collection methods, such as reports, interviews, observation and archives, questionnaires, etc. (Ghauri & Grønhaug 2010, p. 109; Quinlan 2011, p. 183; Yin 2003, p. 7.)

4.1 Data collection methods in this thesis

In this thesis, data collection methods are chosen based on case study and survey. Lots of data collection methods are familiar to us and used by us, such as observation, interviews, questionnaires, documents, records, archives, and scales. (Quinlan 2011, p. 217.) Thus, in this thesis, documents, printed materials, etc., webpage observation, interviews and online questionnaires are chosen and used as appropriate ways to collect data. Figure 5 clearly displays data collection methods in this thesis.

Figure 5 Data collection methods selected in this thesis (based on Quinlan 2011, pp. 217, 221-222, 224)
Quinlan (2011, p. 244) agrees that documents, printed materials and archives are the primary sources of secondary data. Secondary data are mainly gathered from various statistical reports produced by official organisation and research firms, such as China Internet Network information Centre (CNNIC), iResearch, Internet World Stats, GrabStats and yStats, etc. The collection of secondary data is intended to present the development of e-commerce in China and in the world, which is contained in chapter 2.

Webpage observation is the manipulation of direct observation believed by Quinlan (2011, p. 221) and it is divided into three different ways, such as the structured, semi-structured and unstructured way to explore the phenomenon. Research objectives of this thesis constitute and decide the observation through the webpage of VANCL. Furthermore, during the research, semi-structured way is chosen to carry out the webpage observation. With the listed prepared questions, take notes and records for the listed problems and even the unnoticed problems.

Interview is a good way to collect appropriate and valuable data, because it’s quick and easy to gather qualitative data. Four kinds of interviews are mentioned by Quinlan (2011, p. 222) with different characteristics. In this thesis, three of them are applied, including telephone interview, one-to-one interview, and online interview. Concerning the regional difference, online telephone and online interview are taken to manipulate the interviews in an inexpensive way. Through the interview process, a lot of in-depth questions are listed to get answers from the interviewees. Among three interviewees, one is the representative of VANCL in Media Interview Department, one is the customer of VANCL and one is experienced online shopper. Basic information is shown in table 6 of chapter 5. This is the most direct way to gather accurate answers.

Online questionnaires are using the Internet as the media to send questionnaires through web link, e-mail, online transmission or offline transmission, web link is used in this thesis (Quinlan 2011, p.224). All the respondents can get the questionnaire immediately and send back easily. Before sending the questionnaires, one key issue should be kept in mind in first stage: what are the scales? Questionnaires and scales constitute the survey research, which is used to collect the quantitative data from a quantitative number of respondents (Quinlan 2011, p.322). Respondents are mainly younger who are aged from 18 to 30. Moreover, most online shoppers have
undergraduate degree or are graduated from college, occupying 42.5% and 26.4% respectively. (iResearch 2012a.)

4.2 Data analysis in this thesis

As mentioned above, there are four data collection methods in this thesis. Three of them are used not only to collect data, but also to analyse data. They are webpage observation, interviews and online questionnaires. Quantitative data and qualitative data comprise the empirical evidence in this thesis. Webpage observation and interviews generate qualitative data, and online questionnaires generate quantitative data in this thesis.

Quinlan (2011, p. 380) describes that quantitative data are also called numerical data. The analysis of quantitative data is using statistical methods. Quantitative data in this thesis are exploited out mainly in line graphs, pie charts and tables. All of these figures and tables are created by Microsoft Office 2007 Word. As we can see from figure 7 to figure 17, from table 11 to table 15, they are numerical data, which are resulted in online questionnaires.

On the contrary, qualitative data can’t be transformed into numerical data. Qualitative data do not need to be analysed into figures, charts or tables by using statistical methods. They lead a deep thought and help to find out the insightful phenomenon. Compared with quantitative data, the analysis process of qualitative data is not just simply describing statistics seen from figures or tables. There are four stages in qualitative data analysis. The first stage is to describe data, which is an easy stage to find out what we can see directly from the data. The second stage is to interpret the data. In this stage, we need to discover what is in the data instead of the evident things. The third stage is to summarize data just like making some conclusions. The fourth stage is to find out the correlation between the data and literature reviews in this thesis. Generally speaking, this stage is intended to help to find out whether the data fit the literature review parts or not. (Quinlan 2011, pp. 352, 420.)

As mentioned above, qualitative data collected from webpage observation and interviews are used to be analysed. According to these four stages, specific data analysis is presented in chapter 4. Data from webpage observation are analysed
according to chapter 3, which are focused on e-commerce website design elements, e-commerce website features, principal problems and webpage promotion strategies. Qualitative data analysis from interviews is focused on the in-depth questions, which is also presented in chapter 5.

5 RESULTS OF THE RESEARCH

This chapter provides results of the research. First is webpage observation, focusing on e-commerce website of VANCL, comparing two different version websites, and finding out the differences between them. Second are interviews, generating qualitative data by analysing answers from in-depth questions. Third are online questionnaires, mainly concentrating on quantitative data analysis.

5.1 Webpage observation

Chinese version and English version e-commerce websites of VANCL are viewed on 10 August 2012. Through webpage observation process, the aim is to get an idea on their organisational structures. In a comparative way, similarities and differences are examined and identified depending on website design elements as mentioned above.

Prior to presenting the results of webpage observation, it is necessary to identify the reasons why two different version websites of VANCL are compared. Seen from thesis abstract, “transfer”, as the keyword, plays an important role in explaining the reason that why these two version websites are compared and analysed in this thesis. As mentioned in the introduction part of the thesis, Chinese version website is quite good to maintain customers in China. Through the comparison and analysis, first is to examine the things what have been changed compared with Chinese version website; second is to identify the things what are not good as that on Chinese version website of VANCL. As a result, weaknesses on English version website will be found and paid attention to, and then measures will be taken to make progress.

These web links are:

- Chinese version: http://www.vancl.com/ is built in 2007;
Through the website links, it is easy to find out that the official website of VANCL is Chinese one. Now, VANCL does not set a global version website as its official e-commerce website, and does not have localised e-commerce websites either. Clearly shown in figure 6, VANCL now offers international shipping to 87 countries. All the countries here are grouped into five continents, including Europe, Asia-Pacific, South America, North America and Middle East. Apparently, Europe is the biggest target market with 41 shipping destinations; Asia-Pacific is in the second place with 28 shipping destinations; South America is in the third place with 14 shipping destinations; North America has 2 shipping destinations, Middle East as well.

![International Shipping](VANCL 2012b)

**Figure 6 Shipping countries of VANCL (VANCL 2012b)**

1) Product navigation system

Similarities: both websites provide vertical and horizontal navigation system. On the homepage, they provide a horizontal navigation menu. When choosing one category, there is a left vertical navigation menu. Moradi (2011) thinks that a left vertical navigation menu is popular, and suitable for companies who have plenty of product categories.

Differences: on the homepage, English version has a simpler navigation menu with a few products catalogues compared with Chinese one. Chinese one has
detailed product catalogues. Another big difference in Chinese one, detailed product categories are shown in the centre of the homepage under featured products.

2) Search engine: they provide the same search engine, which is highly visible and placed in a salient place on the top of the website. Customers can search for things by entering into key words. What’s more, near the search engine, there are hot search words provided for customers.

3) Electronic shopping cart: Moradi (2011) says that a clear and functional shopping cart is important on e-commerce website.

Similarities: the shopping carts in both of them are displayed in a table format. They provide the item image thumbnail, product description, size, quantity box, product price, total price, and actions. Quantity box and actions can be operated by customers themselves; on top of the shopping cart, the purchasing operation process is clearly shown in a figure; they provide two options under the shopping cart, containing “continue shopping” and “check out”.

Differences: Chinese version website provides more elements, such as the plus points, discounts, and favourites collection; below the shopping cart, in English version website, there is a shipping court provided to customers, including standard shipping and expedited shipping, which cost $5.00 and $15.00 respectively. Now it offers free shipping, so if the customer chooses the standard shipping, it will be free on shipping. There is nothing about shipping below the shopping cart in Chinese version website; compared with Chinese version website, in “check out” options, there are options provided as “Check out with PayPal” and “Express Checkout with using VISA card, MASTERCARD, Discover card, American Express card” or “Check out”; under the shopping cart, in Chinese version website, there are some special offers recommended to customers. And the products reviewed history, products recommendation and the favourites; when clicking the button of “add to bag”, before entering into the shopping cart webpage, in Chinese version website, it provides the showing picture with the information, such as “someone like you buying other things that you will like” and two options provided early to choose “continue shopping” or “check out”.
4) Featured products: e-commerce companies highlight these new or on sale products, and they always take the homepages of the website (Likens 2009).

Similarities: both of them put the featured products in the salient place on the webpage.

English version: there is a big picture with texts showing the new products. This one is taking the centre stage of the homepage. Under this big picture, there are several small pictures with texts. Then, some product pictures with the information of “selected items for you” are provided to customers under these small pictures.

Chinese version: some new and on sale products have an image slideshow at the top of the homepage. Under these, there are plenty of navigation menu with various product categories in detail occupying the main part of the homepage, such as hot sales, new arrivals, seasonal recommendations, and supper offers, etc.

5) Product filter: in both version websites, customers can use filter to sort products by “what’s new”, “best seller”, and “price”.

Differences: Chinese version provides one more sorted by “customers’ reviews”. English version enables customers to change the webpage view by clicking a button near the filter, including “design view” and “pattern view”.

6) Product pictures: both of them provide the same way to customers to check the products. Product pictures are attractive and clear enough. When customers browse product pictures, they can see details and use the mouse over the pictures. About the models in both version websites, it is the combination of foreign models and Chinese models used in products pictures.

7) Language and translation: on the homepage of English version e-commerce website of VANCL, under the search engine, there is a language option setting in down-up menu, but only 9 languages are provided to customers. If transforming the language from English into Russian, there is a Microsoft translator popping up on the top of the webpage. Then the website will be translated into Russian,
except the entire texts on pictures are still in English. Down-up menu is set on the translator. When dragging the mouse on Russian, varieties of languages are shown with 38 options. When choosing the language of Arabic, the organisation structure changes to the left, which caters to the culture of Arabic countries.

8) **Currency**: near the “language option”, there is an “international shipping option” for customers to choose as displayed in figure 6. At the end of this, 17 kinds of currency are given. For example, you select your country, and the currency will be automatically changed to match the currency of your country. Then if I choose the shipping to Finland, the currency will be changed to euro. When clicking one product, USD is still the standard currency to value the price, under that, for instance, there is a note of “approximately EUR 22.62”.

9) **Viral marketing** is applied to both Chinese and English websites.

<table>
<thead>
<tr>
<th>Website</th>
<th>Viral marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinese version website</td>
<td>Sina micro blog</td>
</tr>
<tr>
<td>English version website</td>
<td>VANCL blog in WordPress, Facebook, Twitter and YouTube</td>
</tr>
</tbody>
</table>

10) **Virtual community**

Chinese version website: talents of VANCL, forum of VANCL. English version website: on the website of VANCL, there is no virtual community provided for customers.

Talent of VANCL is the space where customers can share and post pictures about the things they bought in VANCL. Furthermore, customers can be the models. This is another way created by customers to show products on the website of VANCL to reach the promotion target by using this kind of virtual community.

11) **Customer services** on English version website: information about shopping, ordering, shipping, my account, returns & exchanges, and contact us.
Table 7 Information about customer services (based on VANCL 2012b)

<table>
<thead>
<tr>
<th>Customer service</th>
<th>Information about</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopping</td>
<td>products, currency &amp; country, size guide, registering to buy, chromatic aberration</td>
</tr>
<tr>
<td>Ordering</td>
<td>Placing orders online, payment methods, billing questions, using gift cards, checking gift card balance, order confirmation, cancelling &amp; amending orders, problems with checkout, taxes and duties</td>
</tr>
<tr>
<td>Shipping</td>
<td>Shipping prices and rates, processing time &amp; delivery schedule, signature &amp; tracking confirmation, international delivery information, international time zones information, missing items, received incorrect order</td>
</tr>
<tr>
<td>My account</td>
<td>Registration, signing in, changing password, forget my password, view purchase history, personal information security, writing product reviews, encountering issues with website</td>
</tr>
<tr>
<td>Returns &amp; exchange</td>
<td>Returning of an item, shipping costs for returns, refunds, return &amp; exchange policy, items under promotions &amp; sales, not eligible for returns/exchanges</td>
</tr>
<tr>
<td>Contact us</td>
<td>Contact us, wholesale, marketing &amp; corporate</td>
</tr>
</tbody>
</table>

12) Service extra: compared with Chinese one, PayPal, MIC, EBay and Amazon are introduced and provided as service extra and partners.

13) Refund and return policy is available.

Chinese version website: within 30 days after signing and accepting, refunds or exchange goods are available except some special products. Depending on the place, some places enjoy the door service, and some customers need to send the products back, the charge for post will be refunded into customer’s account. Refunds depend on the customer’s payment when buying the product.

English version website: within 7 days, this is carried out through e-mails to
contact@vancl.cn from customer’s purchase account. Customers take charge of return costs, which does not apply to defective, incorrect or missing orders. Customers will get refunds back in 7 to 14 days to their PayPal or credit cards.

14) Shipping system

English version website: shipping costs are not included in prices. VANCL provides two delivery methods: all orders enjoy standard shipping, adding $15 to use expedited shipping. There is a notice on only standard shipping to Brazil. Expedited shipping takes 7 to 10 working days, while standard shipping takes approximately 20 business days, which reduces the risk charging by local customs. If orders are too large and you are using standard shipping, VANCL will separate the parcels into two or three deliveries to you.

Chinese version website: domestic and overseas shipping comprise the shipping system. If one order is over 59 Yuan, the shipping will be free instead of charging 5 Yuan. Shipping period is depending on the place to ship, some places need 1 to 3 days, and some places need 3 to 5 days. VANCL is famous in China due to its short delivery time.

15) Means of payment are distinguished into two types as online and offline payment.

Table 8 Means of payment in Chinese and English version websites (based on VANCL 2012a; VANCL 2012b)

<table>
<thead>
<tr>
<th>Website</th>
<th>Means of payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinese version</td>
<td>Cash on delivery, Online payment, post office remittance, using gift certificate card to pay, using virtual account of VANCL to pay</td>
</tr>
<tr>
<td>English version</td>
<td>PayPal is recommended as the third payment platform, Visa, Master card, Discovery, American Express</td>
</tr>
</tbody>
</table>

16) Size map is provided to customers to check in both websites.
17) Promotion activities

Website promotion activities are listed in table 9 in regard to Chinese version and English version e-commerce websites of VANCL.

<table>
<thead>
<tr>
<th>Website</th>
<th>Promotions</th>
</tr>
</thead>
<tbody>
<tr>
<td>VANCL Chinese version</td>
<td>Discounts, plus points, gift certificate, free shipping, special offers</td>
</tr>
<tr>
<td>VANCL English version</td>
<td>Discounts, gift certificates, free shipping, special offers</td>
</tr>
</tbody>
</table>

Table 9 Website promotion activities (based on VANCL 2012a; VANCL 2012b)

5.2 Interviews

Three different interviews are taken regarding this research; they are telephone interview, online interview and one-to-one interview by interviewing three different interviewees.

The purpose to interview the representative of VANCL is to collect basic information about the overseas market of VANCL and English version e-commerce website of VANCL. There are 8 questions in this telephone interview. Briefly, this interview is intended to get to know the time and the reason that VANCL expands the market from China to globe, the number of overseas customers (refused), the big differences between these two websites, the person who takes charge of English version website, advantages and the future plan in expanding the market of VANCL. Through this telephone interview, the aim is to have a clear idea about the case company on the topic that I do the research.

The purpose to interview the customer of VANCL is to gather the valuable comments and feedback of the customer of VANCL. It is critical and important know VANCL from customer’s view by asking questions concerning its English version e-commerce website, because customers are very honest and they would like to tell you the bad things and good things about the company, which would help the company make progress. I search for the customers of VANCL through the Facebook, because
VANCL opens an account on Facebook. I find some customers of VANCL on Facebook, some of them have a good relationship with VANCL, but others are not. They leave comments and questions on Facebook. However, I send the request to ask their permission to have this interview, and I just get only one valid reply.

Then about the purpose of doing the one-to-one interview, it is aimed to gather the feedback from an experienced online shopper. From his point of view as the beginning visitor of VANCL, suggestions and comments are important to be used to examine and identify the criteria on e-commerce website building.

Table 10 lists profiles of interviewees. The representative of VANCL asks to keep his name in secret due to it’s a personal interview instead of an official one, and concerning his job principle and company rules.

Table 10 Basic information of interviewees (n=3)

<table>
<thead>
<tr>
<th></th>
<th>Online telephone</th>
<th>Online</th>
<th>One-to-one</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>**</td>
<td>Lara Krystle Novales</td>
<td>Sami Hulkkonen</td>
</tr>
<tr>
<td>Age</td>
<td>unkown</td>
<td>23</td>
<td>34</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>Country</td>
<td>China</td>
<td>Philippines</td>
<td>Finland</td>
</tr>
<tr>
<td>Profession</td>
<td>Representative of VANCL</td>
<td>E.S.L. teacher and Weight Less Blogger</td>
<td>Master student and engineer</td>
</tr>
<tr>
<td>Location</td>
<td>Beijing, China</td>
<td>Philippines</td>
<td>Kouvola, Finland</td>
</tr>
<tr>
<td>Others</td>
<td>Media Interview Department</td>
<td>The customer of VANCL</td>
<td>Experienced online shopper</td>
</tr>
</tbody>
</table>
5.2.1 Telephone interview

It was done on 1 April 2012 and 24 July 2012 by online telephone. In regard to the research, 8 questions compose the main line of this interview. Among these questions, the representative of VANCL refuses to answer some of them concerning English e-commerce website of VANCL and overseas market, such as the number of overseas customers. These 8 questions are enclosed in appendix 1 both in Chinese and in English, and questions which are refused having been marked. Questions are answered by the interviewee in Chinese and translated as followings.

VANCL representative mentions that although VANCL does not have a long history, it develops fast and has become the top online fashion brand in China, which is also the goal in expanding overseas market.

He says that in 2011, VANCL opened its English version e-commerce website, and started to expand the market to global e-marketplaces.

He mentions the reason that why VANCL expands the market from China to globe. Overseas market is of great importance with giant and potential market which will bring about unexpected revenues to VANCL. Being global is one of the goals and desired achievement of the company. Now, VANCL is at its basic level in expanding overseas market. Thus, plenty of aspects need to be taken into account and made progress, and it is still the long way for VANCL to expand the overseas market. For example, the website in English is charged by technical employees who are in Beijing.

Then he tells me that the main target customers’ group of VANCL is these customers who are aged from 18 to 40 in general. Anyway, some products cater to all ages of people, such as T-shirts. As the superstar product of company, they don’t have the age limitations. And VANCL also provides products for kids that parents would like to buy.

VANCL has its own advantages in global e-marketplaces. The products of VANCL are in good quality and low price, which are attractive. On English version website, it has detailed information about the return & exchange policy, privacy, security, etc.
Free shipping is the biggest advantage to maintain customers’ attention in overseas business.

As to the future plan, the representative stresses that VANCL has already employed some overseas foundries in order to gain the competitive advantages, such as the one in Bangladesh. These countries enjoy some preferential policies, including free of duties and quota-free. In view of this, VANCL can provide some promotion activities for overseas customers, such as free shipping and gift certificates. This can help the company to reduce the costs, increase the value to products and improve the brand competitiveness in overseas market, and gain the competitive advantages to compete with other overseas online retailers. Besides, prices of products are attractive and cheaper to acquire overseas customers, and products of the company are in good quality.

5.2.2 Online interview

It was done on 3 July 2012 by sending via e-mail. From the point of view as the customer of VANCL, Lara Krystle Novales answered 9 questions. These questions are enclosed in appendix 2. Answers are below.

Lara Krystle Novales thinks that it is quite often for her to purchase in VANCL. The first time she got to know it through the advertisement on the Internet. Then some of her friends recommended her to shop in VANCL as they shared the things they bought.

In her opinion, the general level of the website of VANCL is good. To be more specific, concerning the website design of VANCL, one thing is worth mentioning, “my account” space on the website of VANCL when she log in, there she can check her payment history and so on, but she thinks this one is not so good. She says it is easy for her to register in by entering her e-mail address and set the password. There exist some technical problems. For example, the language translator is useless and sometimes it does not work well. The size map in VANCL is helpful. It is quite easy to write the comments about the products that she has bought.
She likes the web promotions in VANCL. Free shipping in VANCL is attractive which eliminates the shipping fees even it is the overseas transactions. It is very easy to check out when she buys something in VANCL on its website. As to the payment, she does not like to pay duties if she buys some products from a foreign online shop. VANCL does well, as it provides the standard shipping which reduces the risk of being charged by the local customs, although it takes almost 20 days shipping period.

She shops in VANCL because its customer services are remarkably great and the quality of items is always up to par and better than other online shopping sites in Beijing, and VANCL comes in both English and Chinese version. So she would like to share the information about VANCL to others on Facebook, twitter, and her blog.

She also gives suggestions for VANCL: it would be great if the Chinese version of VANCL has a “true” English site. Because right now the English version of VANCL sells different and minimal items as the Chinese site, other than that she can pretty much navigate the Chinese site well enough to make purchases.

5.2.3 One-to-one interview

One-to-one interview is done by Sami Hulkkonen, who is an experienced web customer with the shopping experience more than 10 years. This was taken on 24 July 2012 in Jukolantie, Kouvola. Focus is placed on his view on the website of a foreign online shop, taking the website of VANCL to examine and clarify the first impression. 6 questions are asked and are enclosed in appendix 3.

Sami Hulkkonen poses that there are several reasons for him to shop online. It is easy to get something. Especially in Finland, things are not always available, then he will visit foreign e-commerce website. He d’ like to mention the price, which is attractive. He means that he can find the same quality but cheaper things compared with that in Finland.

Then he mentions that it is impossible for him to buy things through a foreign e-commerce website at the first time, because he does not trust it. Actually, he does like to buy things from other countries, such as China, because the things are really cheaper and not bad. But he gets to know products from China through eBay. Then he
would be reaching its own site introduced through eBay. He likes to use PayPal to pay the money by using his credit cards, which is safer and easier.

After checking out the website of VANCL, he thinks the refinements are necessary applied to this website, because it has various product categories. In regard of this, he cites an example that Amazon is a good one. He also advises that advanced search engine is also a good web tool for customers.

As to some details in website transferring, he gives some suggestions and ideas. It doesn’t matter to see Chinese models in pictures. The size map is important, and he can check that by himself. Because different countries have different standardisations, the size map should be informative for every customer who is coming from different countries. Tired of looking at so many pages to find out the things that he needs, this is the big disadvantage of VANCL.

5.3 Online questionnaires

Online questionnaire collections started on 4 July 2012 and ended on 6 August 2012. Among these 34 days, 73 questionnaire web links were sent through Facebook with the covering letter, which introduced my purpose on taking this survey, and resulted in 45 valid replies. Online questionnaire is carried out by SurveyMonkey recommended by Quinlan (2011, p. 224).

The followings are links to the questionnaire:

- http://www.surveymonkey.com/s/9JY65KB
- http://www.surveymonkey.com/s/9JJKL56

These links were opened on 4 July 2012 and not available on 6 August 2012.

The questionnaire adopted in this study consists of three parts. General questions comprise the first part, which are easy with providing single choice and multiple choice questions. Rating scales and open questions constitute the second part, a bit of difficult. Sensitive questions about basic information of respondents are set as the third part, about their gender, age and nationality. The covering letter and
questionnaire paper are enclosed in appendix 4 and appendix 5 at the end of this thesis. In designing the questionnaire by using SurveyMonkey, skipping one question is not allowed which ensures to collect valid replies by each respondent. Totally, there are 16 questions in the questionnaire. All the results of 16 questions are presented below.

All the respondents are chosen from my friends list on Facebook. Majority of them are college students and university students. Among 45 respondents, there are 29 female respondents and 16 male respondents, taking up 64% and 36% respectively as shown in figure 7. This is contained in question 15.

<table>
<thead>
<tr>
<th>Gender distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 Female (64%)</td>
</tr>
<tr>
<td>16 Male (36%)</td>
</tr>
</tbody>
</table>

Figure 7 Gender distribution (n=45)

All of these respondents as the target group have been chosen depending on the target customers of VANCL and the main Internet users’ group. Thus, there are four groups: 10-19 years old, 20-29 years old, 30-39 years old, and 40-49 years old. It is set as an open question about age. Clearly shown in figure 8, there is one respondent in the group of 30-39 years old. Two respondents are in the group of 40-49 years old. Different with these two groups, it is evident that the group aged from 20 to 29 years old occupies the biggest proportion, reaching 75.6% with 34 respondents. Then, 8 respondents are younger who are in the group of 10-19 years old accounting for 17.8%, ranking at the second place. As a consequence, mainly the results of online questionnaires are coming from these respondents who are 20 to 29 years old. This is
contained in question 16.

![Age distribution chart](image)

Figure 8 Age distribution (n=45)

The table and figure below describe the nationality distribution and continent distribution, which are contained in question 17. All the respondents are coming from 18 countries. Table 11 draws detailed information about the name of the country in pink column and the number of respondents in blue column from each country. Conveyed in figure 9, majority of them are from 9 European countries, with 29 respondents reaching 64.4%. 13 respondents occupying 28.9% are from Asia-Pacific, containing 6 countries. There are 2 respondents from North America while 1 is from Africa.

Table 11 Nationality distribution (n=45)

<table>
<thead>
<tr>
<th>Country</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>9</td>
</tr>
<tr>
<td>Russia</td>
<td>8</td>
</tr>
<tr>
<td>Netherland</td>
<td>3</td>
</tr>
<tr>
<td>France</td>
<td>2</td>
</tr>
<tr>
<td>Switzerland</td>
<td>2</td>
</tr>
<tr>
<td>Czech</td>
<td>2</td>
</tr>
<tr>
<td>Italy</td>
<td>1</td>
</tr>
<tr>
<td>Germany</td>
<td>1</td>
</tr>
<tr>
<td>Ukraine</td>
<td>1</td>
</tr>
<tr>
<td>America</td>
<td>2</td>
</tr>
<tr>
<td>Vietnam</td>
<td>5</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>3</td>
</tr>
<tr>
<td>Singapore</td>
<td>1</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>1</td>
</tr>
<tr>
<td>Thailand</td>
<td>1</td>
</tr>
<tr>
<td>Nigeria</td>
<td>1</td>
</tr>
<tr>
<td>China</td>
<td>3</td>
</tr>
</tbody>
</table>
As expected, all of them are Internet users. Time consuming is counted in hours, which is categorised as presented in figure 10. Then “other” option is worth mentioning in the question, which is provided to those who cannot find a suitable option and can write down something, for example, if they never surf online.

Not surprisingly, 13 of them surf the Internet over 25 hours in a week accounting for 28.9%. Then, 9 respondents spend 16 to 20 hours online, taking the second place occupying 20.0%. Next, groups of 5-10 hours and 11-15 hours, they have almost the same number of respondents by taking up 13.3% and 15.6% respectively. Groups of < 5 hours and 21-25 hours, have the same proportion of 11.1% with 5 respondents. This is a question about the weekly time consuming on the Internet, which is asked in question 1.
In regard to “how popular the online shopping is”, question 2 “Do you shop online?” is set. From the results in figure 11, 39 respondents take up a big proportion with 86.7%. However, 6 respondents don’t have the shopping experience. It is proved that online shopping has been an important part in our daily life nowadays.

Taking a further explore on the frequency of monthly shopping online, 21 respondents taking up 46.7% choose “sometimes” as the rating scale to describe their preferences. In the second place, 33.3% of respondents rarely shop online in a month. There are
still 6 respondents accounting for 13.3% who do not have the experience shopping online. This is shown in figure 12, which is set as a question in question 3 to get this result. Compared with these, few respondents often shop online with only 1 respondent and very often shop online with 2 respondents.

![Figure 12: Rating the frequency on shopping online in a month (n=45)](chart.png)

Combining figure 10, figure 11 with figure 12, and as listed in table 12, the weekly time respondents consuming on the Internet and high shopping online rate are not necessarily resulted in high frequency on shopping online in a month. 28.9% of respondents are surfing the Internet more than 25 hours in a week, and 86.7% of all the respondents shop online, but the result is that nearly half of respondents sometimes purchase online in a month. Concerning this result, it would be the main reason that the group aged from 20 to 29 years old occupies the biggest proportion, reaching 75.6% with 34 respondents. Majority of them are students who do not have the regular working income, as well as those who are aged in 10 to 19. Anyway, in figure 8, respondents who are close to 29, aged in 30 to 39 or 40 to 49 would have the high probability to choose “often” and “very often” options on shopping online in a month.
Table 12 The highlights in figure 10, figure 11 and figure 12

| Weekly time consuming on the Internet | >25 hours | 28.9% |
| Do you shop online? | Yes | 86.7% |
| The frequency on shopping online in a month | Sometimes | 46.7% |

Considering language preferences in a foreign e-commerce website (question 4), 40 respondents like English when they shop in a foreign e-commerce website, occupying 88.9%. Mother tongue is also the favourite of 27 respondents shopping in a foreign e-commerce website. Compared with these, web translator is not welcome by respondents with only 1 taking up 2.2%.

![Language preferences (multiple choice)](image)

Figure 13 Language preferences (n=45)

Currency differs from countries or continents around the world. As the key issue, it is asked to check the preferences (question 5). As mentioned above, most respondents are from European countries, there is no doubt that they choose euro as their favourite, 33 of them taking up 73.3%. Besides, 12 of them like to pay by USD, 26.7% of respondents engaged in. Home country’s currency is in the third place chosen by 9 respondents. It cannot be ignored that 6 of them think it does not matter that the bank will transfer it automatically. However, pound is less popular.
Respondents tend to enjoy the website with pictures more than texts (question 6). Thus, 26 respondents make this choice. Valuable information provided from 4 respondents in “others” option; they suggest that it is better to combine both pictures and texts in balance. It is worth mentioning that no one like an e-commerce website only with texts.
Online shopping promotions are aimed at increasing sales and gaining more profits for companies. Taking these into account, respondents have different preferences from their point of views. Apparently, free shipping is most welcome as 36 respondents prefer it, taking up 80.0%. Similarly, 33 respondents enjoy discounts occupying 73.3%. Special offers take the third place chosen by 21 respondents. Gift certificate is less popular that 15.6% of respondents like it. As to others, 2 respondents propose the promotions, including plus points and special offers for students. This is in question 7.

![Online shop promotion preferences (multiple choice)](image)

Figure 16 Online shopping promotion preferences (n=45)

One response gives a specific answer regarding the criteria when choosing an online shop. This respondent remarks that information on e-commerce website concerning shipping, delivery items and terms, insurance, payment methods, return policies and product guarantees must be clear and be found easily. In his/her opinion, it would never happen by buying anything from China with the help of Google Translation only. The online shop must have already served global customers. For example, the website has all the information in English and has a list of delivery prices to Europe.

From table 13 to table 15, these are results from rating scales questions. The questionnaire paper is enclosed in appendix 5. Question 8, question 9 and question 10 are rating scales questions. Question 8 is asking about “How important are the following criteria when you choose an online shop concerning its e-commerce
website?”, which is with the rating scales “1=not important at all”, “2=not so important”, “3=neutral”, “4=fairly important”, and “5=very important”. Question 9 is asking about “How important are the following web customer services of an online shop to you?”, which is with the rating scales “1=not important at all”, “2=not so important”, “3=neutral”, “4=fairly important”, and “5=very important”. Question 10 is asking about “To what extent do you agree or disagree with the following statements concerning the foreign online shop website”, which is with the rating scales from “totally disagree” to “totally agree”.

About the criteria to make these rating scales questions, they are according to the literature reviews in chapter 3, concerning the e-commerce website design elements, e-commerce website features, principal problems and website promotion strategies. Although my research work is not commissioned by the case company VANCL, the representative of VANCL gives me some suggestions by designing the online questionnaire.

In a word, the rating scales criteria are given by what I have mentioned above, which are according to the theoretical part and the suggestions from the representative of VANCL.

45 respondents give valid replies, so all the percentages listed in table 13, table 14 and table 15 are calculated by the number of respondents choosing the scale divided by the total number of respondents.

Table 13 clearly displays the outcome of 45 respondents rating the criteria of e-commerce website when choosing an online shop. Customer security and privacy information is of great importance to respondents with 34 respondents taking up 75.6% choosing this option. More than half of the respondents rate “fairly important” in regard of web customisation and choose “very important” on return and exchange policy. Nearly half of the respondents think webpage design and webpage promotions are fairly important, and think the perceived quality from products pictures is very important. It is “not so important” that e-commerce website should have the linkages to other resources.
Table 13 Rating the criteria of e-commerce website when choosing an online shop (n=45)

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Number of respondents</th>
<th>Percentage</th>
<th>Rating (chosen by respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Webpage design</td>
<td>22</td>
<td>48.9%</td>
<td>fairly important</td>
</tr>
<tr>
<td>Linkages to other resources</td>
<td>14</td>
<td>31.1%</td>
<td>not so important</td>
</tr>
<tr>
<td>Customer security and privacy information</td>
<td>34</td>
<td>75.6%</td>
<td>very important</td>
</tr>
<tr>
<td>Web promotions</td>
<td>22</td>
<td>48.9%</td>
<td>fairly important</td>
</tr>
<tr>
<td>Customer reviews</td>
<td>18</td>
<td>40.0%</td>
<td>very important</td>
</tr>
<tr>
<td>Web surfing experience</td>
<td>25</td>
<td>35.6%</td>
<td>fairly important</td>
</tr>
<tr>
<td>Return &amp; exchange policy</td>
<td>25</td>
<td>55.6%</td>
<td>very important</td>
</tr>
<tr>
<td>Currency</td>
<td>17</td>
<td>37.8%</td>
<td>fairly important</td>
</tr>
<tr>
<td>Language</td>
<td>20</td>
<td>44.4%</td>
<td>Very important</td>
</tr>
<tr>
<td>The reflecting quality from products pictures</td>
<td>22</td>
<td>48.9%</td>
<td>Very important</td>
</tr>
<tr>
<td>Web customization</td>
<td>25</td>
<td>55.6%</td>
<td>fairly important</td>
</tr>
</tbody>
</table>

Web customer services contain several elements as mentioned before. Table 14 lists some key elements on the website in rating scales for respondents to choose. The outcome is shown below. Return and exchange policy is fairly important that 57.8% respondents choose this scale. To be informative is very important, especially the information about customer’s privacy and security with 51.1% and 28.9% of respondents respectively. 20 of them accounting for 44.4% hold the point of view that it is very important to have the tracking order systems on e-commerce website. And one third of respondents have the idea that after-sale service contact is of great importance.
Table 14 Rating the importance concerning customer services (n=45)

<table>
<thead>
<tr>
<th>Customer services</th>
<th>Number of respondents</th>
<th>Percentage</th>
<th>Rating (chosen by respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information about security</td>
<td>22</td>
<td>48.9%</td>
<td>very important</td>
</tr>
<tr>
<td>Information about customer’s privacy</td>
<td>23</td>
<td>51.1%</td>
<td>very important</td>
</tr>
<tr>
<td>Tracking order systems</td>
<td>20</td>
<td>44.4%</td>
<td>very important</td>
</tr>
<tr>
<td>After-sale service contact</td>
<td>15</td>
<td>33.3%</td>
<td>very important</td>
</tr>
<tr>
<td>Returns &amp; Exchange policy</td>
<td>26</td>
<td>57.8%</td>
<td>fairly important</td>
</tr>
</tbody>
</table>

Points listed in table 15 are intended to seek the views of customers using rating scales. Rating scales are made up of totally disagree, somewhat disagree, neutral, somewhat agree and totally agree. There are more than 40% respondents totally agree with these points that “search engine is important to get what they want”, “product catalogues are quite important”, “it’s important to have a global version website”, “size map should be accurate”, “other customers’ reviews are helpful”, and “product pictures need to be vivid”. One third of respondents keep the idea that models in product pictures are important. For example, they think the size do not suit them when they see Chinese models.
Table 15 To what extent do you agree or disagree (n=45)

<table>
<thead>
<tr>
<th></th>
<th>Number of respondents</th>
<th>Percentage</th>
<th>Rating (chosen by respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search engine is important to get what I want.</td>
<td>18</td>
<td>40.0%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>Product catalogues are quite important.</td>
<td>20</td>
<td>44.4%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>It’s important to have a global version website.</td>
<td>19</td>
<td>42.2%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>It is necessary to have my home country website version.</td>
<td>15</td>
<td>33.3%</td>
<td>Neutral</td>
</tr>
<tr>
<td>Size map should be accurate.</td>
<td>19</td>
<td>42.2%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>Product pictures need to be vivid.</td>
<td>20</td>
<td>44.4%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>Other customer’s reviews are helpful.</td>
<td>21</td>
<td>46.7%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>It is necessary to have a good space of my own.</td>
<td>16</td>
<td>35.6%</td>
<td>Neutral</td>
</tr>
<tr>
<td>Selected items are good reflecting of customisation.</td>
<td>16</td>
<td>35.6%</td>
<td>Somewhat agree</td>
</tr>
<tr>
<td>Models in product pictures are important, for example I think the size does not suit me when I see Chinese models.</td>
<td>15</td>
<td>33.3%</td>
<td>Totally agree</td>
</tr>
<tr>
<td>It is better to shop by third party payment platform.</td>
<td>16</td>
<td>35.6%</td>
<td>Somewhat agree</td>
</tr>
</tbody>
</table>

Checking the brand acknowledgement of VANCL among 45 respondents, question 17 “Do you know VANCL?” is asked before sensitive questions. Obviously depicted in figure, 40 respondents don’t know VANCL. There are only 4 respondents have heard about it and 1 respondent is the customer of VANCL.
In order to get to know the details about who have heard about it and who is the customer of VANCL, I open the SurveyMonkey to check the details. 3 overseas Chinese respondents know about it, and 1 respondent from Singapore is the web customer of VANCL.

It is demonstrated from this results, VANCL are not successful in expanding market to globe, due to the lack of brand awareness among these respondents.

Figure 17 Do you know VANCL? (n=45)

Question 12 is set to ask respondents about the online shops they usually visit. The results from this open question show that majority respondents are likely to surf Amazon.com, eBay.com, H&M and local online shops to purchase instead of shopping on a foreign website.

Then question 11 about the reason why shop on a foreign website, they all agree with the products are in low price and good quality, things are not available in their countries. What’s more, web promotions, such as free shipping, discounts are mentioned again in this question. Reliability and availability are another key issues they judge a foreign e-commerce website. Detailed information is fairly important.
6 CONCLUSIONS

Conclusions are drawn in this chapter. First is the summary of the research, which is aimed to make a summary about the content and the process of doing this research, and explain the reliability and validity of this thesis. Then managerial implication practices are suggested as prove and outcome of this thesis, and in another way to show the achievement. Further study is another important issue presented at last but not the least, giving some advice and hints for further research on this domain for other researchers.

6.1 Summary of the research

After spending half a year on thoroughly studying through literature reviews and empirical study, I would like to say that I have gained insight in how to transfer Chinese e-commerce website into global e-marketplaces, especially the results generated from webpage observation, interviews and online questionnaires.

In this research, getting an idea and settling down the topic of my thesis are the first step to me, which help me to know the direction and focus on doing a research. Then preparation work is difficult at the beginning to get familiar with “what is a research” and “how to do a research”. Know the objectives of doing this research by stating a research question as the second step to me. Then read books, journals, newspapers, website documents and others to draw on the main outline of my thesis and decide the methodologies to use. Majority of them, used as references in this thesis, serve for the theoretical part from chapter 2 to chapter 3. Use books in regard to research methods to find out appropriate ways to carry out empirical studies. A lot of statistics used to show the development of the Internet network and e-commerce in theoretical part are mainly from various statistical reports and website documents on the websites of research firms. Most of them serve for the government, such as reports produced by China Internet Network Information Centre (CNNIC), iResearch, yStats, Internet World Stats and GrabStats.

Case study and survey ensures the reliability and validity of this thesis, including the research methods as mentioned above. In a comparative way, observe Chinese and English version e-commerce websites of VANCL concerning website design elements,
which is mainly intended to figure out the similarities and differences between them. Three different interviews generate enormous qualitative data served for my research. Questionnaire survey takes me 34 days, which is intended to gather more valid replies from respondents.

6.2 Managerial implication practices

In this thesis, suggestions are identified and summarized from theoretical and empirical studies. All of those suggestions are served not only for the case company to help to make improvements, but also for all China’s B2C online retailers who are already doing or have the plan to transfer their e-commerce websites into global e-marketplaces.

6.2.1 Suggestions for VANCL

Prior to evaluate e-commerce website transferring of VANCL, website design elements are introduced in this thesis. Before posing suggestions, SWOT analysis of VANCL is crucial and cannot be underestimated.

Table 16 SWOT analysis of VANCL

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free shipping, discounts, gift certificate, return and exchange policy, detailed information, customers’ comments, low price, good quality</td>
<td>Language and translation, currency, virtual community, discussion forum, Chinese models in product pictures, customisation, the lack of global version and localised version websites</td>
</tr>
<tr>
<td>Opportunities</td>
<td>Threats</td>
</tr>
<tr>
<td>Giant and potential web customers</td>
<td>Competition in global e-marketplaces</td>
</tr>
<tr>
<td>Viral marketing</td>
<td></td>
</tr>
</tbody>
</table>

The focus is placed on the weaknesses of VANCL in SWOT matrix.
Language and translation: Microsoft translator is kind of boring on the website. The language would be changed according to the shipping country chosen by customers on the shipping options of the website. Human assistance in language translation is appreciated due to cultural differences.

Currency: it differs depending on the country. Although it has been set on the website, the standard price is still valued in USD.

Virtual community and discussion forum: both of them are not set in English version website. There is only one board provided to customers to leave comments about products. Attention should be paid to these, because they impact a lot on increasing sales and maintaining customers’ loyalty.

Chinese models in pictures: plenty of Chinese models in product pictures lead the wrong impression to customers. They would think products of VANCL do not fit them. This is the perceived feeling before checking the size map.

Customisation: on the English website of VANCL, customisation is not good as that on Chinese one. For example, “my account” webpage of customers, selected items, and “someone like you” are not good enough, which need to be improved.

The lack of global version and localised version websites: Turban and King (2003, p. 133) remark the final purpose of doing business is to make profits. Most marketers know the truth of doing business is to make money. However, most of them take risks of losing the profits to expand the market and gaining more customers. As a result, the businesses will suffer a lot and even go bankrupt. VANCL is not making profits yet said by Mr. Chen Nian, the CEO of VANCL. It is risky for VANCL to investigate a lot on English version website building now. But in terms of long distance, it would be better to build global version and localised e-commerce websites.

6.2.2 Suggestions for China’s B2C online retailers

Besides the suggestions for VANCL, I’d like to put stresses on several other respects for China’s B2C online retailers.
Although these companies already have a good Chinese version e-commerce website in China, it does not mean that they are 100% sure on successfully transferring the existing one into global e-marketplaces. Cultural differences, legal issues and any other problems will lead companies in dilemma. Thus, hints concluded below are crucial and useful for them.

To the technical part, webpage design should cater to cultural differences, such as the language, currency, product images and colours, other features as well, providing a smoothly and good shopping experience online. Information about: security, customer’s privacy, guarantee/warranty policy, tracking order, taxes and duties, and sales rep. contact, all of these should be informative on the website. It is better to have some partners, such as PayPal, which increase the trust among customers. They would like to purchase and pay. Web promotions and featured product, such as discounts, special offers, “what’s new”, gift certificate, free shipping, are welcome, which help to increase sales, gain attention and maintain customers. Viral marketing, virtual communities and personalisation on the website help to persuade customers, build trust and enhance the loyalty of customers. Credit cards are preferred by customers to pay for the money. If companies have a good financial condition, global version and localised version e-commerce websites are critical to increase the usability and competitiveness in the world.

6.3 Further study

Based on this research, further study could be taken into different directions. In other words, there are still some subjects or options to do on this research.

As mentioned in this thesis, in regard of the categories of e-commerce, this thesis is narrowed down on B2C e-commerce. B2B, C2C or others would be the focus taken in further study, which is different with this thesis.

Few researches on this topic can be found focusing on Chinese e-commerce website transferring or any other countries’ website transferring. However changes happen all the time, further researchers would have the opportunities to get access to tremendous and valuable resources about this topic taken by different experts and scholars.
Getting this potential advantage is possible and gives researchers the possibilities to carry out a quite good research.

Case company is changeable, as there is no one can predict the development of e-commerce. The showing up of other case companies would be one day becoming your case in your research.

This thesis is lack of some critical statistics about the case company, because the company wants to keep them in secret. Thus, it would be better to be commissioned by case company. Then all the archives and data are becoming to be available.

Statistical reports on e-commerce, some of them are expensive online. If the further research gets the financial assistance, it would be nice to buy the data.
REFERENCES


Telephone interview questions (in Chinese)

1. 凡客是什么时候开始开拓海外市场的？

2. 为什么要开拓海外市场？

3. 凡客的主要目标客户群是谁？

4. 从中国日报上看到一个数据，截止去年，凡客的客户数量已经达到 2722 万，那么海外客户的占了多少？（拒绝透露相关数据）

5. 和凡客的中国网站相比，您觉得英语网站怎么样？

6. 现在谁在管理凡客的英文网站？

7. 您觉得凡客开拓海外市场的优势有哪些？

8. 关于海外市场，能谈一下凡客在 2012 年的计划和目标吗？
Telephone interview questions (in English)

Interviewee: the representative of VANCL

1. When did VANCL start to expand global e-marketplace?

2. Why do VANCL expand the market from China to globe?

3. Who is the main target customers’ group of VANCL?

4. Seen from China Daily, the total number of VANCL customers is 27.22 million, how about overseas customers? (refused)

5. Compared with the Chinese version e-commerce website, what have been changed on English version website?

6. Who is taking charge of English version website?

7. What are the advantages of VANCL in global e-marketplaces?

8. What are the future plan and target of VANCL in expanding global e-marketplaces?
Online interview questions

Interviewee: the customer of VANCL

1. How frequently do you purchase in VANCL?

2. Where do you get the information about VANCL?

3. How do you rate the general level about the e-commerce website of VANCL?

4. How do you evaluate the webpage design of VANCL?

5. How do you think about web customer services level of VANCL?

6. How about the check-out process on the website of VANCL?

7. Concerning the duties, would you like to pay online directly to VANCL, then VANCL could pay that to your countries’ customs directly?

8. Could you explain the most important reason that why you choose VANCL?

9. Would you like to give some advice to VANCL about its e-commerce website?
One-to-one interview questions

Interviewee: an experienced online shopper as a beginning visitor on VANCL

1. Why do you shop online?

2. How long have you been shopping online?

3. How do you trust a foreign e-commerce website?

4. What kind of payments would you like?

5. By visiting the website of VANCL, how do you think about the website?

6. Will you think the products may not fit you, if you see Chinese models in the pictures?
Covering letter of the questionnaire

Questionnaire

Covering letter

July, 2012

Dear friend,

It’s my honour to ask your permission to complete this questionnaire from Internet user’s view. The purpose of this survey is not only for my bachelor thesis, but also for Chinese B2C e-commerce companies to well transfer e-commerce website into global e-marketplaces.

This questionnaire is concerning e-commerce website, aimed to collect valuable information. Your responses provided in this questionnaire will be strictly confidential and will not be shared by any outside parties.

There are two web links to the questionnaire as followings:

- http://www.surveymonkey.com/s/9JY65KB
- http://www.surveymonkey.com/s/9JJKL56

And the questions in each link are different. Please click the corresponding option, or write the answer in the space provided. I am looking forward to your kindly response!

Thank you for your time and suggestions!

Sincerely,

Qianwen Ye

Finland
Questionnaire paper

1. How many hours do you spend on surfing the Internet in a week?
   A. Less than 5 hours
   B. 5-10 hours
   C. 11-15 hours
   D. 16-20 hours
   E. 21-25 hours
   F. More than 25 hours
   G. Others, what __________________

2. Do you shop online?
   A. Yes
   B. No

3. Please rate yourself by how frequently you shop online in a month.
   (1= Never, 2= Rarely, 3= Sometimes, 4= Often, 5= Very often)
   
   Never 1 2 3 4 5 Very often

4. The language you would like when you shop online in a foreign e-commerce company website.
   A. English
   B. Your mother tongue
   C. It doesn’t matter that I can use web translator tool
   D. Others, what ________________

5. The currency you would like when you shop online in a foreign e-commerce company website.
   A. $ (US dollar)
   B. € (euro)
   C. £ (pound)
   D. Your home country’s currency
   E. It doesn’t matter, the bank will transfer it.
6. Which do you like concerning pictures and texts on the website?
   A. Only pictures
   B. Pictures much more than texts
   C. Only Texts
   D. Texts much more than pictures
   E. It doesn’t matter.
   F. Others, what __________________

7. What kind of online shop promotions would interest you? (Multiple choice)
   A. Discounts
   B. Special offers
   C. Gift certificate
   D. Free shipping
   E. Others, what __________________

8. How important are the following criteria when you choose an online shop concerning its e-commerce website?
   (1= not important at all, 2= not so important, 3= neutral, 4= Fairly important, Very important)

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Not important at all</th>
<th>very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Webpage design</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>B. Linkages to other resources</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>C. Customers security and privacy information</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>D. Web promotions</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>E. Customer reviews</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>F. Web surfing experience</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>G. Returns &amp; Exchange policy</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>H. Currency</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>I. Language</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>J. The reflecting quality from products pictures</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>K. Web customisation</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>L. Web surfing experience</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>M. Returns &amp; Exchange policy</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>N. Others? What_______________________________</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>
9. How important are the following web customer services of an online shop to you?
(1= not important at all, 2= not so important, 3= neutral, 4= Fairly important, Very important)

<table>
<thead>
<tr>
<th>Service</th>
<th>Not important at all</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Information about security</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>B. Information about customer’s privacy</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>C. Quick and polite response to questions and problems</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>D. Track order system</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>G. Returns &amp; Exchanges policy</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

10. To what extent do you agree or disagree with the following statements concerning the foreign online shop website.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Totally disagree</th>
<th>Totally agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>O. Search engine is important to get what I want</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>P. Product catalogues are quite important</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Q. It’s important to have a global version website</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>R. It’s necessary to have my home country website</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>S. Size map should be accurate</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>T. Products pictures need to be vivid</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>U. Other customers’ reviews are helpful</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>V. It’s necessary to have a good space of my own</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>W. Selected items are good reflecting of customization</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>X. Models in products pictures are important, for example</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I think the sizes doesn’t suit me when I see Chinese models</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

11. When you buy some physical goods on a foreign website and you have to pay duties, for what reasons would you like to choose that foreign online shop?

_______________________________________________________________________

12. What online shops do you usually visit?

_______________________________________________________________________

13. Do you know VANCL, the Chinese largest online own label fashion apparel retailer?
A. No, I do not know.
B. Yes, I’ve heard about it.
C. Yes and I am the web customer of VANCL.
D. Others, what ____________________________

**Background questions**

14. Gender
   A. Female
   B. Male

15. Age ___________ years old

16. Nationality __________