Agnese Darvina

E-Commerce, today's fastest growing business: the main impulses and how to stabilize them.

Thesis Spring 2014 Business School International Business Administration



SEINÄJOKI UNIVERSITY OF APPLIED SCIENCES

## **Thesis Abstract**

Faculty: Business School

Degree programme: International Business Administration (BBA)

Specialisation: Business Administration

Author: Agnese Darvina

Title of thesis: E-commerce, today's fastest growing business: the main impulses and how to stabilize them

Supervisor: Isaacs Cory

Year: 2013/2014 Pages: 62 Number of appendices: 4

This thesis was written on basis of commissioning company which is working only in e-commerce, over the Internet. In this work, e-commerce is explained in its essence and the most important things are revealed, i.e. how to build a successful virtual business store. Development is necessary at this company in order to gain more revenues while spending less, to be more efficient. The key is to have continuous development, without it, an Internet business quickly loses all the success gained. Information changes every day, and there is no time to be lazy. The main objective of this thesis was to get to know what information is the most crucial for the customer, where regular updates are needed, and what is not that important. It necessary to always keep updated information, and this will help increase clients' visiting rates and satisfaction.

## TABLE OF CONTENTS

Tł	nesis Abstract	2				
ΤÆ	TABLE OF CONTENTS					
Ta	Tables and figures4					
Abbreviations						
1	INTRODUCTION	7				
	1.1 Background	7				
	1.2 Objectives of the study	.11				
	1.3 Research methods	.12				
	1.4 Thesis structure	.13				
2	BUSINESS ENVIRONMENT	18				
	2.1 Biggest successes	.18				
	2.2 Competitors	.23				
	2.3 Partners	.25				
3	KEY-INFORMATION	27				
	3.1 Multinational and multilingual website	.27				
	3.2 Contents	.29				
	3.3 PC, tablets and mobile phones	.32				
	3.4 Currencies	.34				
	3.5 Colours and Symbols	.36				
	3.6 Market specification	.39				
4	RESEARCH RESULTS	40				
	4.1 Questionnaire	.40				
	4.2 Comparison of competitor websites	.42				
	4.3 Second survey	.51				
5	CONCLUSION	.55				
	5.1 Further research	.57				
BI	BLIOGRAPHY	.58				
APPENDICIES						
, ,,		50				

# Tables and figures

Illustration 1: Colour wheel16
Table 1: Top 4 industries which are spending the most in Google advertisement in
year 201121
Illustration 2: Message Company wants to show with emotions of colour
Illustration 3: Colour associations to humans mind, how it is used to change
customers behaviour
Table 2: Results from surveys of what are the main products people buy in
internet40
Table 3: Distribution of preferences between different websites. 41
Table 4: Currently most used Web Browsers in the World
Table 5: Different options on what makes people to choose on site over another.46
Table 6: Survey questioning is customer service important factor to return back to
web-page
Table 7: Shows the most influential information sources when choosing new e-
shop52

## **Abbreviations**

- DARPADefence Advanced Research Projects Agency, packet-<br/>switched network, to communicate between different<br/>computer systems at research institutions.
- SEOSearch Engine Optimization, used to be in higher place in<br/>search engines without additional advertisement.
- **BBS** Bulletin Board System is considered as the first collaborative tool available for the personal computer platform.
- IPO Initial Public Offering. First sale of stock by private company the public.
- IATA The International Air Transport Association is the trade association for the world's airlines, representing 84% of total air traffic.
- ABTA The United Kingdom leading travel association, with purpose to help Members to grow their businesses successfully and sustainably and to help their customers – the travelling public – have confidence in their travel experience.
- **3G** 3rd generation in mobile phone technology which provides possibility to use high-speed data service and connect to Internet.
- 4G Newest generation at the moment, mobile phones able to use as fast internet as any computer device, anywhere where it is provided – needed special network update.
- HTTPS Hypertext Transfer Protocol Secure communications protocol for secure information exchanges over computer network.

- SSLSecure Socket Layer, secured information exchange<br/>between two computers over Internet.
- URLAddress that identifies particular place on the Internet.Consists of protocol and domain name.

### **1 INTRODUCTION**

#### 1.1 Background

Since the beginning of computers' world in 1960's, businesses are sending documents from one network to another. In that time computer technologies were in the size of the room, but it was possible to run it with one operator and cost 120 thousand Dollars. The first modems were used as land-line phones, they were used to call to another service, and it was possible to send information over those lines (computerhistory.org). Later on, in late 70's, the specific protocols were created (DARPA), and sharing of common files were possible (Cisco.com). This can be considered as the beginning of e-commerce, at stage of creation between two businesses – B2B, because consumers could not afford the computers of that price and size; and at that time almost all information was exchanged between Universities and research institutions ARPANET. This created network protocol in United States of America Defence department sub-project - Advanced Research Project Agency (ARPA), and they were more interested in communication between research institutions' super-computers, than military informations, but each of them were located in great distance from each other (Stanford, Utah, California). The first system BBS, which people can connect to another computer via phone line, was lunched in Chicago in 1978 by Ward Christensen and Randy Seuss. The very first web site was registered in 1985 March, and the site name is symbolics.com (David Carlson Internet timeline).

After 1990, when the World Wide Web was firstly introduced, rapid growth of users were registered. First web-browser, as we know today, was released in 1993, and it was called Mosaic. This application gained success and popularity, because it created possibility to insert graphics, combine text, and became viral, in the peak stage this program was downloaded more than 5000 times per month, in accordance to tchnewsdaily.com. This program is still used, but as a guideline for today's web browsers. According to nethistory web site and article written by lan Peter, the first real e-commerce was Amazon, with the original name of cadabra.com, concentrating solely on selling books in 1994. By 1998 more than

750 thousand commercial sites were lunched in the Internet. Before the Millennium there was a rapid increase of e-retailing and IPO. The share sales went viral, and every third company managed to increase their share price two times in one day, before the actual site was lunched. This manipulation was used in different e-commerce fields, and after 2000 people started to back out from this marked, and most of these artificially endorsed companies went bankrupt leaving only 16% of companies in 2001, for example Webvan.com, which survived only 2 years and in its peak was worth 1.2 billion dollars, and it went bankrupt after 18 months of existence (cnet.com). Most of these companies did not last for long time, because in short time they wanted to be a global sites, and building huge warehouses from the beginning, and spending a lot more than the incomes they earned. In this period most of the companies lost their stock value from hundreds to only couple of dollars per share.

In the year 1999, there were 457 IPOs, most of which were internet and technology related. Of those 457 IPOs, 117 doubled in price on the first day of trading. In 2001 the number of IPOs dwindled to 76, and none of them doubled on the first day of trading. (Investopedia.com, 2002)

This period is called dot-com bubble, and when it was started, co collapsed and everything changed. Companies, in order to survive, had to re-build their market strategy and adapt to the new situation in the market, which was more alike to usual commerce.

One of the biggest successes at that time was created in 1999, when the PayPal was firstly introduced. Quickly, in half of a year, they had gained 1 million users, and a lot of these newcomers were because of the partnership with eBay in January 2000. Many more joined at a time of marketing actions, when people could get 10 Dollars at signing up. Today PayPal is used by 90% of eBay users, not including all the other e-retailing in the world.

In January 2000 PayPal quickly changes its business to enable eBay payments. The eBay community embraces the service and PayPal grows to 100,000 accounts. (PayPal history section).

Since then, this payment method has been used in e-commerce, regardless what company is selling – products, services or information. Today every enterprise, which sells something on the Internet uses ether PayPal, credit card or both services, a possibility to make payments this way. Today, according to PayPal website, more than 140 million active accounts are using PayPal for sending money over e-mail or buying something. Western Europe and America is already used to this payment method, but Russia still does not know whether it is safe, or simply do not know, but according to their press releases out of 70 million people in 2012, who makes purchases on the Internet, only 3 million accounts are open, and 1 million is actively using it. For that reason, entrepreneurs should have alternative in mind, perhaps online payment with credit/debit card, and the next step can be American express, if they are working in market where these cards are actively used.

Search engines and hierarchies of other web sites gained incredible strength in short period of time, considering that they are around 20 years, and people do not even search for alternatives. In 1994 Yahoo and in 1995 Google was introduced to the world, and since then they both have gained their market shares and popularity all over the globe. On the Internet one can also find similar projects, which are more successful in certain regions like Yandex in Russia, mainly because of language barriers, but other reason can be political restrictions for example China or South Korea, there due to political reasons, lot of western Internet pages are banned. If in the world there are more than 250 million websites, and every year joins millions more, then it has to have some kind of system, how to find those sites, and search engines are doing that. Searching engines, like Google, is adding their individual search terms for ranking and placing them in specific order those found web-sites - activity, keywords, usage, HTML, content, links in other sites and so on. In each country and on global level, companies provide their service for writing the content (SEO Content Providers) so that company web-site is ranked higher and is easier to find, because those web-sites could be found in first search result pages.

Some sites are unique, because they have information, which is rare to find, usually containing scientific information, for example - medicine, or very specific

technology, which is run only by handful companies, like ship motors (Kimeisa, 2013). Such companies do not need to worry about their location, because, people who are looking for specific information will easily find it, if they have simply described their work field, then key-words will match.

Others, and the most common part in e-commerce is that companies are competing against one another and the product may be the same or really similar. The only way how they are able to compete is the way of giving information has to be different in various fields – customer service, warranties, feedback collection, design or simple goals for success. Everyone has their own method to gain clients of their interest, and to keep them as regular customers. Preforming in good quality level that people return and bring someone with them is really difficult, because Internet is global supermarket in people's hands, and if something they do not like, it is possible to go to different shop in couple of moves.

Every e-commerce has their own way of running the business, while one is selling existing products, providing more sales then stores only (Dell, Apple), others are retailers, buying products and selling them on the Internet (Sports-Direct). Some of businesses are based on information selling to clients, when compiling different providers of the same business, inter-mediator like booking.com, Expedia or priceline.com. Customers more often look for search engines like Google, in order to find the product or service they like for the price, which is acceptable. The companies, which are searching multiple businesses, which offer similar products are called aggregators; one of them more widely known is Kayak.com.

#### 1.2 Objectives of the study

Aim of this study is to put all the ingredients of the e-commerce in one place – how did it began, as it was briefly described above, what is needed to start a business, how to gain market share and to be more efficient. Everyone can start some kind of e-commerce, but it takes hard work, a lot of research, experimenting and, of course, enough financial aid to actually become successful. After this stage, next objective is to find, what the customers want, and how to provide these services with less expenses, is it the search engine optimization (SEO) the placement in search engine, correct site planning – navigation and design, or is it advertisement which gives the most profit? How to build that excellent site which can bring profit, and customer satisfaction for the future success?

As one of author exchange program teachers Marc Van Rompaey said, that it takes team, and a plan to set up business, which can survive. Team is needed, because one person cannot do all the things and does not know everything, and the business plan needs to be re-read and revised in order to see the progress and to check, if the business is still on the track and reaching previously set goals. The same rule can be addressed to e-retail, that continuous updates, and system checking is necessary, in order to fix all the flaws, and become successful. Many retailer business basic principles can be applied to e-commerce success. These are – business thinking, vision, leader with eye on the goal, thorough competitive investigation, and financial analysis and correct marketing. Stable infrastructure – technological and physical are equally important in both types of business, the difference is in implementation, for one it is more about the location, and how to run it sufficiently, but for e-retail it is about technology, its development and design (Turban, King, Lang, 2009).

Author's commissioning company is considerably young e-commerce, started to develop in 2011, and provides car rental services; searching for the cheapest possible option in client desired location. Discover Car Hire is an intermediately company constantly developing and adding new information, becoming more professional. More a year in this company has given deeper insight as 20 weeks internship normally would do. This thesis is meant to create supportive work for the company and give some insight also in other similar companies.

#### 1.3 Research methods

In this thesis both quantitative and qualitative research methods have been used. Firstly, to understand, how many use Internet businesses, what kind of services do people look for, and why and when do they purchase them. Out of these results author receives information to understand, what people look for in Internet, what do they want to buy, and then try to understand who these people are, and at what age. After analysing these results, author can move to second step, and have more specified questionnaire to selected customer market – youth, who are purchasing things over Internet, to get to know, what their preferences in website are, is there any specific things they are searching for. Try to understand, what the most important thing is for customer, when entering a website – design, quality, discounts, price, service, speed or simply because they have the thing they need.

Secondly, qualitative research would be applied, with intention to understand deeper, how to manipulate the business, in order to increase the trustworthiness of the web-page, and what key-information is necessary for client to be admitted as being secure or safe.

Meanwhile these questionnaires have been collected and combined, in the thesis the author has explained, how work on design and content impacts the visits, and how does that increase customer flow. Provided information for the necessary tools that has to be on the site, in order to reduce bouncing rate, and increase finished order amount. The author will compare several businesses offering the same service, mainly working in Europe, each of them having some differences in the design solutions. What additional cooperation may be necessary to achieve these goals?

The biggest gain of combined research is to have deeper understanding of customer habits, and routines. When business owner has this information, this person has a power in their hands, and it is only up to them, if they use this information wisely. The difficult part may be that implementation of these extras on the time schedule and budget, because e-retail takes quite a lot of IT resources for maintaining or upgrading the catalogue section, due to the fact that it is bringing money for paying everything, and developing.

#### **1.4 Thesis structure**

In this thesis most of information, which has been included, is on business in the Internet, starting from the biggest successes in service providers, continuing with secure payment methods, which are available in current time, then moving to different types of marketing and finishing with system platform, what is necessary to have on the web site and how it needs to be presented to the customer. The research is going to give insight on - what do people value the most in the web-site, why do they choose one page over another, and is it possible to change one's mind with changes of looks in the design of site.

The author is working in commissioning company, who is intermediary between customer – traveller, and partners, which are providing cars for rent in different countries and cities all over the world. Main attention that is being paid - is how to gain more consumers, draw their attention, while not spending all money only on marketing advertisements. It can be done in several ways, which are explained in this thesis, which are compared to various similar e-commerce, starting from the past, what is already explained in the first chapter - "Background". This chapter shows. How did the Internet develop to the stage, where e-commerce was possible, and who were the first pioneers. That section shows, what has happened in Millennium, what were the consequences, and something worth noticing, if company wants too quick growth in short period of time.

Second chapter gives insight on the environment of business, giving samples of great successes over time, for companies, which have been growing and gaining the knowledge of brand, e.g. Amazon, eBay, PayPal and Google. Comparison on revenues, in order for one to see, how successful Amazon and eBay are, and what the tendency is, when considering net revenues in past 5 years. PayPal was already described previously, but the benefits from their security improvements are described in the second chapter. Search engines are explained in this section, as well showing how big the field is, and how do they gain most of the incomes, case Google.

Biggest opponents of commissioning company are introduced in this "Competitors" sub-chapter, providing insight of their work method and popularity. Good tone of

competition is to have accounts in different review centres, giving possibility for customers to rate the company. In every extra possibility, or application there always are two parts, the good one and the bad one. Good, which comes with review centres - is popularity, possibly to rise company's prestige and trust, increase location ranking in search engines, and many more. On the other hand there are also negative things, for example - many competitors try to decrease rating of other enterprises, or few bad reviews, can easily change the status on someone's eyes, and improving the rate is really hard. Another thing to be careful about, is that bad publicity is also a way of lifting position in search engine, if too much negative results are shown, it is necessary to avoid that specific company.

In next section partners of car-rental field are described, mentioned the largest ones, and insight to which companies has been provided, what are the most international and the largest companies. How these companies have been combined, and does it change anything, when doing business with every single of partnership. In this chapter mentioned, what is the best way to get to know new partners, and the same applies to existing cooperation's, that it is very important to have face-to-face contact at least once a while, have been mentioned. Good place for meeting of those people is exhibition, for every field, there are different exhibitions, but in travelling industry the biggest and most known are ITB Berlin, and WTM (World Trade Market) London.

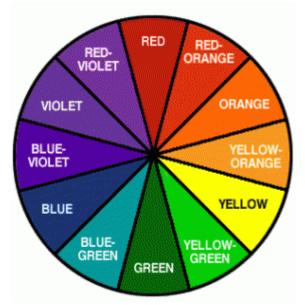
Third chapter describes most important things that should be considered, when creating homepage, and maintaining it. 5 different things have been described in this part, from which the most important one is about the content of e-business web-site. If the language used is considered as understandable to the target market, then it is only one part. Next step is to make this text logical, and in accordance to the page name, because every page has their own unique URL and it is considered to have a good style, if it's address is emphasizing the body of that link, for example, if the story is about travelling in Finland, then in URL, the keywords should include words like travel and Finland. Giving these specific, text related keywords increase the location in Search list, which leads to better chance to be found by client, and possibly for less money to be spent on advertising.

For enterprise to become more international, it should consider usage of more languages in their home-page, so that people from those countries could easier understand, what information have been provided in the web-site, or what the rules are. All specifics, why it is necessary, are written in third paragraph, there is also explanation, why operators should be selected by their language knowledge and interests. Similar reasons apply for having possibility to switch currency, as it is easier to have local currency showed to customer rather than Euro or Dollars, depending on where they want to travel. The author in her commissioning company has noticed that Russian and English people do switch the currency 90% of the time to their own, accordingly – Russian Rubble and British Pound. Similar tendency has been noticed with US Dollar, that people are so used to their currency, they do not even consider that there can be any other than their own money.

Third part in this chapter has been devoted to design – symbols, colours and design used. Research have showed that more than 52% find web-page design important, in order to stay in that page and continue shopping. Symbols and short animation or videos are easier to understand, than large text, as L. Kimeisa in her book has said that people are lazy of reading big texts, they rather scan that text, and if they find something interesting then they do read it more carefully. That is why small pictures or illustrations are popular, they are standing out of the text, and many icons are known to every user (envelope for e-mail, Twitter bird, Facebook logo, etc.) so by showing that pictogram only, people know, where they will be taken, if clicked, or where they can find extra information about the company.

Colour in company's web-site is as important as design, and in some way it is combined together with it. Scientists have made research of how colour influences people, when they see it. This applies to physical design as much as to virtual. For housing design and for clothes there are different professionals and these people study the art of combining colours. The same thing might be applied to virtual business store, there can not be too much colours or bad combinations, because people unctuously notice it, and feel that something is not right. Each colour brings emotion, and this feeling is tied to company's message. For this reason, usually professional artists are welcomed to draw the layout, which later on can be improved. General understanding about the colour combination is that there should not be too many of everything, 2-3 main tones are enough, and easily enough opposite hues goes together well.

Below the author has inserted colour wheel, where the main colours – red, blue and yellow, make all other 9 tones, which makes the basic pallet of tones, from which all other ones are possible to be created, with exception of black and white (no colour).



http://artslab.shopfront.org.au/2011/05/the-colour-wheel-why-am-i-drawn-to/ Illustration 1: Colour wheel.

In key-information section the author has added information, which is starting to be currently especially important to e-commerce. The new field where entrepreneurs should look is definitely adjusting their internet stores to smaller screens, so that they can fit in tablets, and new generation mobile phones – smart phones. World tendency in past few years, starting from 2012 and still continue to change. Desktop computers and laptops are rapidly losing their market share to mobile devices, some market researchers are guessing that by 2015, mobile devices will be more than PC's (pcmag.com).

Second part have been devoted to research results from company comparison. Four biggest competitors were selected – rentalcars.com, economybookings.com, Atlaschoice.com carrentals.co.uk; and commissioning and company discovercarhire.com. Their web-sites were compared and then concluded, what is in-common, and where product diversification can be provided, giving chance of having additional extras, which gives the company leading hand. After conclusions of this comparison was made, all three queries were analysed. Firstly, to check, what do people buy on the Internet, and how often the purchases are being made. Secondly, how people mostly travel, through sea, land or air. Weather people travel often, business or vacation, this was not divided. Third and last subject questioned is – what are the main drives for choosing one web-store over another; what they are used to, and what information they are looking for, before making purchase. The results are displayed in fourth chapter, approving previously said that people search for cheap, fast service, where security protocols are provided, and the web-site has to be up-to-date.

## **2 BUSINESS ENVIRONMENT**

#### 2.1 Biggest successes

Today's biggest successes are companies, which has survived dot-com bubble, like Amazon, eBay and Google, these are the ones, which are widely known all over the world, and on this big scale almost no one can compete, but this does not mean that the new players have no place in the market. The truth is the other way around, there is plenty of space, but the question in innovations and hard work still remains. The newest success stories can be seen on every day basis, like Instagram, Twitter, and other social services and blogs, including Facebook, which has started to sell shares and it is number one social network in the world, except 10 countries, where local networks are still more popular, according to Best VPN'z site, posted in October 2013. Even though social networks are not directly selling goods or services, they are still working as great tools for users and businesses, to communicate with each other and, if used wisely, they can bring great benefit to commerce, as well as individual entrepreneurs. IBM studies has showed that social networks raise only by 5% the sales, but the main benefit from these sites is to raise awareness about the company. The increase of sales by word-of-mouth is significant 68%, according to practicalecommerce.com. Information released in social networks should be more entertaining, and communicating, than selling, because that is not, what people are looking for in those sites. The exception could be the discount coupons or some kind of lottery, for example for uploaded photos.

The Market-watch website information shows that eBay sales revenues in past 5 years has grown from 8.54 billion USD in 2008 to 14.03 billion USD in 2012 giving net income increase from 1.78 billion USD to 2.61 billion USD in the same time period. In comparison, another company – Amazon has much more revenues 19.7 billion USD in 2008 and 61.09 billion USD in 2012, but the net income decreases from 645 million USD in 2008 to 39 million USD in 2012. When comparing only these two companies, it is possible to see that Amazon is selling more, but also spending a lot, and this is one of the reasons for price per share decrease, while eBay is gaining the share value. Gained or created sales amount is huge in both

e-commerce, if on average one book is 20 USD, and game 40 USD, then it is so that at least 4 million people buy something in Amazon each day, and that even beats to most of the face-to-face businesses. Even though the 2012 has been better, if comparing to previous years, still the sales amount for both compared businesses has decreased significantly. On the other hand there are some businesses, which always seem to grow and get bigger. The main reason for such increase is that companies like PayPal and Google are in continuous development, and well timing gives possibility to be used all the time. By regular updates and new system features, which can be used in every-day life leads to the fact that these guys has established their place as stabile and one of the kind or at least the biggest in the WWW.

**PayPal.** It has been generally recognized as the most secure way to pay in ecommerce, without giving personal credit card details to third parties. Every year many professionals, who are designing different internet security systems or keeping them up-to-date, are asked to help improving PayPal system, one of them were Defencely. PayPal company has been named as the creator of different security keys, for example, CAPTCHA – an security check which approves that the login try-out has been made by people, because of manual letter or number sequence input, which computer can not understand (Captcha.net homepage), and settings acquired VeriSign's Payment Gateway, but the highest achievement is that the biggest small merchant collider, and also the smallest individual ecommerce has an account and is using PayPal provided services on daily basis.

**Google.** This is another successful enterprise from the mid-90s, when they were one of first search engines that helped people to find what they were looking for, in the World Wide Web. Today it is not the only place, where one can find an information, but also successful business, where person can search for news, businesses, pictures and videos, and furthermore, can receive helpful navigation, e-mail, information-clouds, and trends of searches. For businesses, the most important provided feature is – the possibility of advertising and analysing the site, visits and traffic. Ad-Words are the option, where company can boost their marketing, and is paying per-click to Google. In year 2011 they have received 39.9 billion USD in revenues, from which 96% came from advertising.

The most valuable keywords, according to word-stream, are: Insurance, Loans, Mortgage, Attorney, Credit, Lawyer, Donate, Degree, Hosting and Claim. When looking to those searching words, the author was looking for tourism field, but they were found only in next ten places. Out of top 20 most expensive keywords only words which are close to travelling are in fifteenth place – "Transfer"; eighteenth – "Rehab" and nineteenth – "Treatment".

These words can be used together with airport transport or coaches, then rehab and treatment as Spa's and resorts, places, where to stay. Giving to the fact that these three keywords are in the top 20, and each of them costs between 29 and 37 Dollars per-click, it gives proof that a lot of people are travelling, and searching accommodation on the Internet more than using tour operators with full vacation packages. According to Turban; King and Lang tourism, on-line has been very successful, and in 2006 has estimated sales 73.4 billion Dollars, which was 30% of total travel spending. Continuing, Anton Bogdanovych with et al. has made research on - what is better, to use travel agencies or to book on the Internet, and which one do people prefer. According to this research, made in 2006, people still trust and attend tour operators over online booking, and the reason is that they still prefer face-to-face contact, and e-commerce was not that detailed in 2006. Online booking gives broader and more vivid experience, it is possible to compare the prices on their own, and decide, where do people want to go, and what to do for the budget they have. In 2013 the things have changed, especially after the world recess in 2008, the situation has become different. Most of young adults, according to survey, approximately 90%, has bought something in Internet. Some people buy electronics, others flight tickets or some accessories; simply because it is cheaper, and is delivered to the doorstep, or at least to the closest post office. Online trade in the United Kingdom is so active, that the forecasts are showing that by the 2018 every fifth store will be closed. This prognosis is made from fact that in 2012, sales in online rose by 21% increasing average spendings on the Internet from 56 to 113 GBP per month, according to thisismoney.co.uk.

There are a lot of different advertising companies, depending on the target market location, for example, in Russia more popular is search through Yandex.ru with

total advertising revenues in 2011 of 19.6 billion RUB (436 million EUR) even though it is not as successful as Google.com.

In 2011 top 10 most advertised industries in exact order were: Finance & Insurance, Retailers & General Merchandise, Travel & Tourism, Jobs & Education, Home & Garden, Computers & Consumer Electronics, Vehicles, Internet & Telecoms, Business & Industrial and Occasions & Gifts, on total people spent more than 37.9 billion USD (27.6 billion EUR) in Google only.

1	1. Finance &Insurance - \$ 4 Billion			3. Travel & Tourism - \$ 2.4 Billion		
					Hotel booking accommodation provider, part of priceline.com, also has car rental project –	
State Farm	\$ 43.7 Million	All insurance types in USA, Illionis	Booking.com	\$ 40.4 Million	rentalcars.com	
PROGRESSIVE	\$ 43.1 Million	All type insurance in USA, Ohaio	Expedia	\$ 28.9 Million	Worldwide agency providing full travel packages, or parts of it – Flights, car rentals, hotels.	
Geico	\$ 23.7 Million	Movable property insurance in USA, New York	КАҮАК		Best travel offer comparison for flights, hotels, car rental and deal packages.	
Quicken Loans	\$ 21.1 Million	Short term loans in USA	Marriott	\$ 20.9 Million	Running Hotel chain across the USA	
eHealthInsurance	\$ 20.6 Million	Health insurance in USA	priceline.com	\$ 19.6 Million	Worldwide agency providing full travel packages, or parts of it – Flights, car rentals, hotels. Negoiates the deals if necessary.	
		al Merchandise - \$ 2.8 Billion	4. Jobs & Education - \$ 2.2 Billion			
amazon.com	-	Started as book retailer, now general	University of Phoenix		Classical University in USA, in Business, Education, Health, Criminality etc.	
eBay	\$ 42.8 Million	Retailer of small businesses helping to find customers.		\$ 29.9 Million	Technical Institute in USA, providing studies in Engineering, Computing, Audio & video etc.	
macy's	\$ 35.6 Million	Home and personal appear merchandise	DeVry	\$ 19.7 Million	University in USA tended to strongly busy people, sports, military career people, providing variety of study fields	
sears		Physical and Internet Marketplace, in USA and internationally		\$ 17 Million	20 year old University in USA, offering Business, Education, Health care etc. studies	
jcpenney	\$ 30.9 Million	Company retailer in USA delivering worldwide	classesUSA	\$ 16.3 Million	Study guide in USA just like studyinfinland.fi	

#### http://www.wordstream.com/articles/google-earnings

*Table 1: Top 4 industries which are spending the most in Google advertisement in year 2011.* 

Industries with the biggest spending in advertisement are shown in this table, in each of them top 5 companies, with annual expenditures. In third place Travel & Tourism is, even if on total this field has not paid the most for advertisement Pay-Per-Click, some of the companies do spend greater amounts than more paid fields. For example, project booking.com, which provides information on - where to stay overnight, anywhere in the world, - is paying more than 40 million USD for advertising only, as it is shown in Table 1. This company is sub-project of priceline.com, which was originally known as "Name your price" negotiating company for travel deals; one of the biggest commerce in the travel industry in the United States.

Today this giant company has another project, car rental service rentalcars.com. This company has gained big success, in 2012 they gained 1.42 billion USD in net income. When searching for car, they are always in Top 3 places in Google advertisement locations – good site content, and a lot of commercial investment, 1.3 billion USD in 2012 (priceline.com annual report).

#### 2.2 Competitors

Commissioning company discovercarhire.com is a mediator between car rental provider and customers. E-commerce like this have different car hire partners in most popular, if not all, tourism countries, and start cooperation with different car providers, negotiating prices with them, and putting commission on top of partner provided price. Quite often, companion companies agree on full payment, and then the amount of commission is impossible to differentiate, what is fixed price, and what is the cost of service in current web page.

Today's biggest and most known car rental brokers in Europe are: rentalcars.com, economybookings.com, carrentals.co.uk, atlaschoice.com. These companies were selected, because of their considerably long experience in broker's field, as well as review centre popularity listings. Expedia and Priceline are known as bigger tourism companies and normally provide also other services, like booking flights, hotels and car-rental, but most commonly full travel packages, and are considered as competitors. Good tone in service e-business is to be registered in some sites, where people can evaluate the service, and give feedback, the best for travelling is tripadvisor.com and reviewcentre.com as people trust more to what other people and friends to choose one company over another, for some reason, even if the price is higher, but service - better. Every company, who works as mediator, has the same basis of work; each sets a partnership with car or other service providers and compares the prices, providing best offers for clients. These companies also negotiate for the best deals with partners, and compares with competitor prices, calculating, whether they are the best real around or not. Some of these competitors are known worldwide, and for such young company, as authors commissioning company, can only take an example. Meanwhile, others have similar sales revenues as recently started business.

Each car rental agent has the possibility to be recognized by several details, like on first page, usually is a list of partner logos on their website, quite often they are located close to the search box. This information list of companies usually shows cooperation's, with whom they are working, showing the biggest ones, but hiding smaller companies and provides, who will give the car until final confirmation. In some cases commerce has an open source web-site, they do show, which car is being provided by which provider, if they are in relevantly large scale, but small and local companies will be hidden, until the purchase is made.

Another option is keywords, comparable travel associations like IATA, ABTA or other national travel relations. Through these associations, one may easier obtain new, worldwide known partners, for example, Hertz international, as they have separate section for those cooperation partners.

#### 2.3 Partners

While working in this field, author noticed that partners are always the most important in intermediary business. This is especially important in cases, when it comes to travelling - cars, flights, place to stay or any other activity. It is impossible in short time period or with average size capital, for example 100 thousand EUR to build car rental fleet, which would cover several countries, because on average one new car of compact class, for example VW Golf would cost about 20 thousand EUR, according to market prices, then maximum possible to be bought would be 4 cars, because, other services are also necessary garage, repair shop, salaries, offices, software etc. In automotive world, if the goal is to become international, not to stay local, then it is crucial to cooperate with both - small, local companies and big, global vehicle providers. The ten biggest car rental companies are: Enterprise, Thrifty, Hertz, Alamo, Budget, Avis, Dollar, National, Ace (toptenreviews.com). Another big company is SIXT. Even though in some countries National and Alamo are working in one project; and Avis Budget work as one of the branches. Dollar and Thrifty have merged together, and in year 2012 Hertz acquired this cooperation, covering more than 10400 locations in 150 countries. These three companies exist as their own groups, and one can find their rental desks all over the world in mayor airports, and popular travel destinations (hertz.com). When checking Dollar website, and comparing it to Thrifty, the author noticed that their constructions of the site are really similar, and, when selecting location, both of these providers showed the same addresses, where to receive car, even redirected to other website, if car was not found.

In some countries each of these are represented as different, in other as joint companies. There are several international companies, which are available all over the globe, but the problem is that many of them have high demands to become a partner. With each and every big company there are different deals for starting cooperation, some needs minimal amount of weekly reservations, others need to have certain minimal revenues from broker. In order to start cooperation with big ones, firstly, it is necessary to get business going, by increasing incoming reservation requests to at least 30 per day, and that is possible to do with local car rentals. Attending tourism exhibitions, and meeting people is important in acquiring

partners, even though it is possible to have business on the internet and phone, though it is completely different than face-to-face communication, and this is still more preferred. The bigger broker company gets, the easier it is to receive new partners and many of them offer their services to mediators, because they are small, and local. These small companies are hard to find, because they might not have own web-site, or extra publicity, even though they might provide exceptionally great service with individual attention for each client.

Every year there are several international exhibitions, in Berlin, London, Moscow, and then there are a lot of regional travel trade exhibitions. ITB Berlin is international exhibition, which provides possibility to meet partners, and held conferences on tourism. Industry, usually it is held in the beginning of March. This exhibition is mainly contributed to B2B platform (itb-berlin.de). MITT Moscow, is held at the end of the March. This exhibition is more open, as customers may attend it, and is not that business oriented as ITB (mitt.ru). In every mayor exhibition, no matter where it is held, a lot of partners are eager to participate, in order to gain new partners, as well as discussing existing business development.

WTM London is being held in the beginning of November. This is mainly open for business-to-business deals, and is working similar as ITB Berlin. It is held on the end of the year ,and partners can compare, what has been done and what the future plans are, or specific deals are for the most booked time in winter – Christmas (wtmlondon.com). All these exhibitions are massive in size, at least 1500 participants, and many more visitors, probable future partners, who can not afford stand or simply is not there all exhibition days.

## **3 KEY-INFORMATION**

#### 3.1 Multinational and multilingual website

In classrooms one has been taught that, in order to have a successful business, it is necessary to have a team. This group has to be compiled of different professionals – finance specialist, business operation manager, who communicates with partners, platform programmers, and sales operator, who connects with clients. If a new player enters the market and has a lot of money, they can buy ready platform with integrated web-services and several partners in this service, for example carsolize.com.

Multinational employees are beneficial to company, these people are proven to be bringing in their local know-how and give insight of their national market specifications. For example Russian person knows the language nuances, and how business is handled in his region, what is the key-information for customer to prefer one company over another. Additional bonus is that in every country there can be demand for usage of second language, Latvians tend to know Russian, because Russian minority population is more than 32% from all Latvian inhabitants (Mercator), but German and English are most commonly be taught languages in primary school. Russians historically have a tradition of studying French; more than 290 thousand Finns know Swedish as Finland is bilingual country, and Swedish-speaking Finn inhabitants are approximately 5% form 5.4 million citizens, in addition to it, all government employees need to know both languages (stat.fi). Mandarin (more than 1 billion speakers as first or second language in China), English (508 million speakers, and most widely spread) and Spanish (392 million) as well as Hindu (497 million) and Russian (277 million) are the most used lingual communication in the world, if counting by people, who speaks in those languages (List-verse homepage).

For European market sales site should include multilingual menu depending on the market, where company is operating. Working in this field, the author has noticed that many of the travellers are Germans, Italians, Russians, French, and English, after then all other nationalities can be calculated. According to UNWTO – United Nations World Tourism Organisation shows, that in 2009, nations, who spent the most abroad were Germans – spending 80.8 billion USD, Americans – spending 73.1 billion USD, English – spending 48.5 billion USD, and Chinese – spending 43.7 billion USD. In this top following countries, who spent the most abroad, were: France, Italy, Japan, Canada, Russia, and Netherlands. This statistic shows that the web-site could be translated and maintained also in these languages. Generally web-site itself does not need to be translated in every possible language, but the most widely used. On the other hand the people, who answer to clients through phone should know many languages, in order to cover the biggest possible geographical field, because it is easier to read foreign language than to speak one.

#### 3.2 Contents

The content for specialists like Linda Kimeisa, who is e-commerce consultant, she writes in her book (Pārdotspējīgi teksti interneta mājaslapām, 2013) that the content and goal are the most important things in the web-page. The text has to be written smartly and in unified form. If web-site has multiple languages, then in other languages the text has to be translated accordingly. For some languages there are different forms of second personal pronoun - "you". One address is direct, used to friends, or close acquaintances, and another form used for more formal and higher standing person or stranger. The author in her research has noticed that people tend to like more being addressed in indirect, formal form; for Russian speaking persons it is around 83%, for Latvian speaking 74%. The tendency can be seen obviously. The content needs to be short, straight to-the-point and saying, what exactly client needs to do, because today users of the Internet are lazy readers, they scan the text, the shorter, the better – bigger chance of reading through information.

For easier capture of text, illustrations are crucial, as well as photos and links to reviews, providing more trust to the site, that it is not in fact a scam. Internet design is somewhat similar to offline stores – people are attracted by nice design, to be more specific: infrastructure, layout and visual presentation. These both types of businesses together with the design provides the feeling and message that entrepreneurs want to give, and is crucial for checkout process (Dennis, Fenech, Merrilees; 2004). Videos are the easiest way to provide information, visual materials that provide information on actions, which have to made, are more suitable for the user than long explanatory text. Clear message with the language that is understood by the target audience is the key to get more customers, who purchase something, or at least they can receive the information they are searching for. The language has to be designed for the target customers, giving message that makes one believe that the client satisfaction is the most important aim in the enterprise, not the money (Kimeisa, 2013). Thinking how to do better for the client and not the company as primary goal gives benefits; for example, if the customer is satisfied with the service, goods and communication – understanding, forthcoming, explanation and the person gets positive feelings; then it is likely that the individual will return, and possibly will bring friends along. Content with all, what includes in it, is a possibility to have better SEO giving more visitors and, if designed well, more customers, who actually purchase the product in web-site. In case of the opposite, if content is out of date, then 82% of people feel annoyed by it, and that is increasing the risk that client will leave and never return, furthermore they can leave bad reviews (Laudon; Traver, 2009). Bad publicity brings the ratings down easily, but restoring the work, takes 10 times harder, because satisfied people do not leave as much good reviews.

**Optimization.** For some of the biggest companies' additional market researchers and psychologists are working on the reaction of clients. Big part of research is, it is possible to follow site visitors, where do they look, and what click on to. Today on the Internet are several projects that allow owners to look, how visitors use the site, does their work in the web-site, and if not, then it is possible to see and follow up in the HTML code. Some of the developments are "Lucky Orange", "Inspectlet", "Ghostrec" and other similar projects, even though they are for extra charge, it is still a good investment for research, on how well does the website work in eyes of visitor. Authors commissioning company also uses such kind of fallow-up program, and after the layout changes were able to catch several mayor flaws, which did not give possibility to search for location, the first step of search. With the correct statistics, managers can forward the information to the IT specialists, who can either fix the problem, or change particular faulty bug completely. Actually site development should be continuous - the information needs to be updated, checked, and re-checked over and over again. The unwritten law is - always make sure that the content is looking as good in live mode, as it was planned, when the information was typed, did the formation is as planned, photos are in correct size and guality, and does the videos and animations work. All little things are that matters the most. In order to make sure, if nothing is left unnoticed, the best thing to do is to give the same text to several people to check, if grammar is correct and language is understandable. When the design is developed, uploaded into webpage, add information, all the URL addresses are written smartly as keywords, not random sequence; then company can move to next point – advertisement.

**Advertising.** Most popular e-commerce advertising is Pay-Per-Click (PPC), with usage of Google Ad-Words, or similar projects, but the basis are the same. When entering keywords in search engine, some spots are advertisement, in Google it is Top 3 locations and right side of the page, and each time someone clicks the link to be directed to their website, the owning company pays certain amount of money, which can be from 5 cents, till hundred dollars. In beginning of 2014, Yandex – Russian main search engine and Google have integrated their advertisement platforms, giving each other the possibility to enter in new market, and gain more revenue (Searchenginewatch.com, 26.Feb, 2014).

The author commissioning company started work in 2010, but real sales were made only in 2013, boosting business 3 times, from less than 10 reservations to 30 reservations per day, with help of supplementary investments in PPC advertisement. This shows, how important it is to have advertisement in first place, but in order not to lose all investment, site has to be well structured, with encouraging attraction and well-designed mapping. The positive side of labyrinth of options is having various follow-up tools that can help to sort by the keywords, and understand, where to put higher stakes, where lower, and is the advertisement working at all – Ad-Word analytics. In no time, PPC can spend hundreds of Dollars without actual revenue income, or make sales. More traditional approach that can be used is advertisement, for example, sponsoring some event, or web-site, giving promotions is a good option, in order to increase the sales. Sponsoring is not overly aggressive way of advertising, but in long term very beneficial, in 2007 sponsorships made around 535 million USD (Laudon; Traver; 2009). If an ad is provided in smart form, client may return and become frequent service purchaser. The only limit is imagination and the budget, even though sometimes it does not ask budget, just time, as it is with social network. Time is required for creating image in social network as a trustworthy company with the values that each enterprise has, and the goals each is trying to reach. This process is time consuming and continuous. The more often information is being provided to the site, the better it is for statistics, clients and search ranking. Based of work experience in commissioning company, who has profiles in Facebook, Review-centre, and blog in WordPress, after lunching of new article, immediate increase in activity was noticed, but after two days it had gone.

#### 3.3 PC, tablets and mobile phones

World today has rapidly changed since the time, when the first e-commerce was released. There has come mobile phones with possibility to connect to Internet, and smaller version of laptop – tablets, which first success came around 2010, even though there has been previous releases.

Mobile phones has been in the market since 90's, and has become as great marketing tool, even though people tend not to give their private information, but once they do, the outcome of smart advertising brings increase of revenues. For instance in 2002, English research group Enpocket created study called "Brand Performance of SMS Advertising" gave amazing results that there is 36% increase of sales by text ads, and raised response rate by 15%, which is two times better than direct mail or e-mail advertised, and builds brand awareness better than TV or radio. These results were made, when mobile internet was really in the beginning phase; when special applications for website needed to be made, to reduce all the big graphics, and simplify things in order to be able to open site with phone, and as addition there needed to make adjustments to fit the small screen (Barnes and Scornavacca, 2007). As another example in 2004, BBC Radio 1 created SMS campaign to understand, how many would respond. There possibility to take over, what is being played in this radio for 10 hours, was given. And they generated more than 150 thousand responses (Michael; Salter, 2006). The moral is that SMS advertisements works really good, if people have a chance to receive something in return.

Since then there have been quite few changes, and smart-phones are taking the lead, as cellular phones are so rare nowadays, and, if the tendency of phones will not change in future, then soon everyone will have touch screen phones, with big screens and so many possibilities that computers will not be needed any more (PCmag.com). In order to fit the small screen, programmers should take in consideration of different scaling, so that the phone would not open the whole site in small text, but be normal and the unnecessary text would be left out in order to have easy navigation possibilities.

It is considered that in 2013 so called post-PC era started and will continue in the future, when the usual computing devices start to lose the sales shares to portable devices. Desktop computers, at the moment, are still in demand, but the mobile devices, like tablets and especially mobile phones, are taking over the communication process. After Apple success of smart-phone – iPhone and first tablet device iPad the world have streamed away from desktop devices, as it used to be. Now mobility and easy access is the most important, and the mobile phone generation, which enters in the market, is so complex that it easily outruns many PC's. Second technology, to be taken in consideration, is tablet computer or hybrids, they are usually 7 to 10 inches in diameter, so this gives smaller space to work on, in comparison with usual computers. Even though the scaling is not that big of the issue, but there comes touch screen and many other extras, which have to be taken in consideration, when formatting the web-page.

Today internet is available anywhere, in home, in cafe, as Wi-Fi, and also in the mobile phone, the cellular operators provide not only option to call and send text messages, but with the same towers provide mobile internet connection, 3G and, in some places, even 4G, which is as sufficient as home Internet connection. Depending on the location, where the service is provided, the Internet speed can be up to 1 Gigabit per second to device, which is enormous amount for mobile phone and great speed for tablets. E-commerce owners have to be versatile, and follow all the technological tendencies, and adjust the business consequently (diffen.com).

#### 3.4 Currencies

Depending on the country or region, where business is held, there might come several default monetary system's – Euro in European Union or US Dollar in United States of America and South America. Today's banks automatically can make exchange necessary currency, in accordance to the rate, determined by national bank, plus their commission, this gives more time than to convert manually and possibly better rates. 95% of car rental companies, who are partners of commissioning company accepts only credit cards, because debit cards have several bank set limitations, and are electronically used. Main restrictions is for check of identity and rental offices need the possibility of blocking deposit, which may take up to 2000 EUR or even more, if luxury cars are chosen. Another problem of having debit card, is that company needs to do a credit check background and not all of them this possibility is possible (wikihow.com). These credit cards are almost always accepted: Master card, Visa, American Express, and only few allow payment by cash for rental and/or deposit. Payments with credit card give almost immediate access to funds, and a guarantee for clients' identity and purchasing power. This provides security to car renter to check, if the client is actual claimed person and in case of any damages or fines, is possible to charge them accordingly.

On another point selling web-site should preferably have multiple currencies – EUR, USD, GBP, RUB, since these are the most common, requested and used in the Eurasia and once company wants to grow — world currencies should be added and followed with the exchange rates in the world bank. Every day money exchange rates change, but some of them are fixed to one existing currency. For example, USD and GBP have floating exchange rates to EUR, while Euro zone has fixed rate to other European countries with own currency, like Denmark and Lithuania, as well as the countries obligated to join Euro zone in the future. US Dollar is pegged to these countries' currencies: The Netherlands Antilles, Aruba, Jordan, Bahrain, Lebanon, Saudi Arabia, United Arab Emirates, Barbados, Maldives, Belize, Venezuela, The Bahamas, Hong Kong and several Caribbean Islands (matadonnetwork.com). Some other currencies are pegged to other, but

then all the other are under question of change on daily basis. One must check Central bank every day for changes of currency.

## 3.5 Colours and Symbols

Scientists worldwide has researched, how colours play various roles in peoples' minds, while one colour group cams down, other one arouses the senses. Statistics has shown that for choosing exact product around 93% the visual appearance and that colour of the product has been the primary reason to choose it, for 85%, according to kissmetics.com. Every colour has its message. Black colours tend to be used with elite and luxury products (http://www.autofirm.com/default.aspx), especially underlined with golden or silver colours. Green is the colour of grass, and money, for e-commerce people tend to like this colour, this seems to be more trustworthy, if the buy button is green then it might be clicked more.

Depending on the message, company wants to send, their company colour of logo differs, here is an illustration showing examples divided by colour and emotion:



http://socialmediatoday.com/pamdyer/1401166/role-color-marketing-infographics Illustration 2: Message Company wants to show with emotions of colour. Not only the colour of logo is important, but also the web-site itself, with noticeable accents, because every detail is important, it has to look good and feel right in order to be chosen. The emphasis for correct colours and design in e-retailing is so important, because this is the only way how to communicate, or address client, unlike in offline shops, there is no sales person, who can give additional information immediately (Dennis; Fench; Merrilees, 2004). Today car rental brokers are in various forms and places, so the new company has to be well designed and with distinctive feature – some are working to be the cheapest car rental provider (Dollar and Thrifty), others most exclusive with luxury cars (PrimeRent) and service.

Second option, to be more original over another company, is to use easy-tounderstand symbols. They can take all forms and shapes, depending on the webdesign more or less strict – rounded, oval or straight lines, everything, what suits the overall look and improves it. Most commonly used signs are, for contact section – envelope or @ symbol, for contact phones – old style phone, social media has their own logos (Facebook, Twitter, and LinkedIn). Next step are shopping carts, and quite commonly used flags as language choice; but with those should be careful, because of one language as English is used not only in UK, as well as several countries have two or even more official languages. Commonly known symbol is hyper-link – text usually gets blue and underlined; it is used to give a link location in either e-mail or web-page, any HTML file.

Today everything is possible to set up with ready templates, some provide ready web-page system (Shopify), while others provide vectors to buy all in one style (freepik), everything depends on the start-up finances, does the new entrepreneur is willing to take something almost ready, which cuts off time and probable starting expenditures as well as loads of mistakes, but spending certain monthly fee. More original approach is to have someone with programming skills and necessary unique base, as well as behind of the web-site know-how, and tailor everything from zero. Third option is to order web-designer artists, who would create all the icons, background locations of tools. At the end it all comes to finance planned to use in design, and to other features. In any choice, options should be chosen

smartly and according to the goals, as well as message, picking the correct colours and tones, the best suggestion – opposites work well together.

Here is table of emotions, with examples which shows what colours move customers to what emotions:



http://kelseysconsumerbehavior.wordpress.com/2011/10/27/how-does-color-affect-consumer-behavior/

Illustration 3: Colour associations to humans mind, how it is used to change customers behaviour.

#### 3.6 Market specification

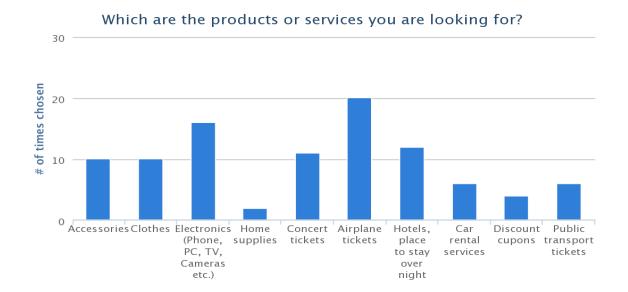
Every business has its specific things to consider – when buying fruits, everyone has noticed that there are times when they are tasty and ready and times when they are nowhere to be found in the market. The same thing is with travelling seasonality. In some countries peak season is only few times a year - summer, and Christmas and some of these countries are – Spain, Greece, Italy, Latvia; but other locations are so big that the demand to visit that country is high all year, for example, France, United States of America. There are multiple reasons for travelling to certain region in every given time, it can be good weather for relaxation or sports activities, and also there can be big nation or even worldwide events, like Olympic Games, prestigious cycling competition – Tour De France, Wimbledon Tennis Championship, and Football World Cup. Other reasons can be music festivals, cultural weeks in cities, or must-see traditions (Oktoberfest in Munich, Venice Carnival). Some of the events are possible to see in travel sites, where they give practical information, for example "Lonely Planet" or "Trip Advisor", who also distributes books, they create top of must see countries and cities each year depending on events in those regions.

Working more than year in the company, who has recently started sales in bigger amounts, 7-10 thousand reservations per year, give understanding that in European common market most of the sales – about 60-70%, were made in summer season, which also includes late spring and early autumn (April to September), and the rest are for winter sports season – mid-November till January. Based on authors experience, the most quiet months are October and February, when there is time to make changes and updates that are needed in order to connect more partners into the system and clear the website from errors. This all is necessary to be done at all times, but in these months all attention can be addressed to making changes. This is beneficial to make sales in future seasons.

## **4 RESEARCH RESULTS**

#### 4.1 Questionnaire

In the first introducing query the author asked people, what do they buy in the Internet and what web pages do they use, then other questions regarding frequency, occasions, and for comparison of age groups and genders. Results gave similar distribution between men and women, mostly in working age 20-40 years. Study showed that 75% of people bought something online at least once a month; it means that people do trust virtual shops, moreover they find it secure enough to do it regularly. Cpcstrategy.com show that 80% of all Internet users has bought at least once something online. Out of these 50% has been shopping several times. Questionnaire showed the most popular things bought in internet are: flight tickets, hotels, where to stay overnight, electronics and concert tickets. Another popular things bought in internet are clothes and accessories where the least popular is foodstuff.



*Table 2: Results from surveys of what are the main products people buy in internet.* 

Based on this research, one can determine that the most popular way to find the product or service, which is wanted, is through search engines, mostly Google and only after that some specific sites – eBay, Amazon and booking.com. Looking at these results, it made sense, that no matter how well web-sites are advertised, the companies, who are in the business, the longest period of time or the biggest publicity will be chosen first. After that, for all other inquiries the search engines are used. On the other hand, new generation trusts more to other people's opinions, and then in details of design and security protocols combining all questionnaires data.

In the second survey there was question - which search engine people use the most, and as the responses were mainly from Europe, they all admitted that they use Google rather than any other alternative. Strong results were showed by well-known eBay and Amazon and Booking.com.

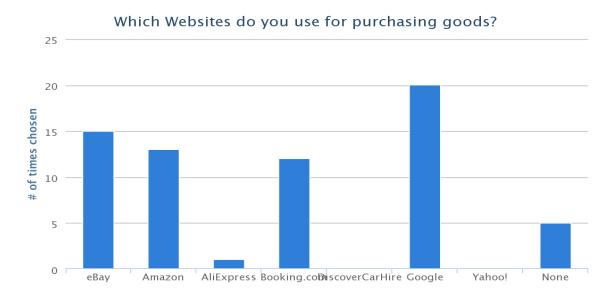


Table 3: Distribution of preferences between different websites.

#### 4.2 Comparison of competitor websites

Taking all the competitors, who are mentioned previously – Rental-cars, Economybookings, Car-rentals and Atlas-Choice, comparison was made with the commissioner company. The main questions for evaluation were selected from Atahouse Website, using their rating criteria, and then adding some adjustments by the author. The research was created from, what is included the website and how it is designed. These questions are based on – shopping experience, performance and usability, web-design, customer service, catalogue organization and transaction processing. In each of those themes the author asked several question points, which were used for comparison, and as result, to be truly good and selling web-site all of those points should be included at some stage. There are several, previously mentioned fields, which has to be developed better than others – performance speed, and design.

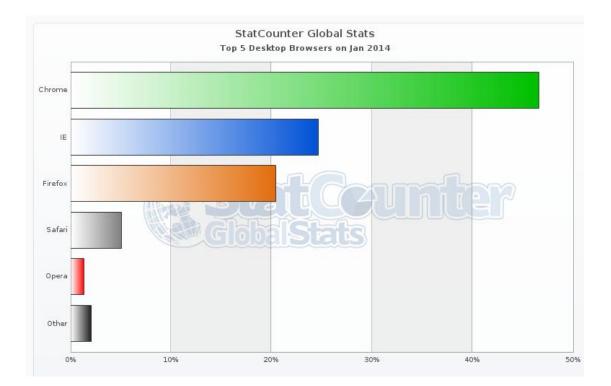
Every car hire company has a possibility to simply choose and rent the car that client likes, but only few of them has the possibility to browse for potential destination for vacation. The opportunity to include SEO text is skipped and also some amount of clients are lost due to lack of persuasion to travel somewhere. Furthermore, none of these websites had an offer for different age group packages - group tour travellers, youth - several friends, young families, seniors, and businessman. Each company provided cars, sorted by price and car-class, providing possibility to filter out the cars, which are not suitable for desired trip. The only exception for the groups was Luxury cars, they were separated in some cases. Major diversification was in the catalogue filters – most provided filer to choose by class, transmission others included comparison by price to car type; and added extras – provided information on rental terms, payments, as well as provided the possibility to buy "Security deposit payback extras", which promises to return deposit amount in case of cancellation pre-payment amount or some minor damage. All other extras the car provider gives and the price depends on the company, from which the car is rented from.

All companies provide as clear and simple language in process to choose and buy the car rental service as possible, but when it comes to terms of usage, not always they are easy to find or the colour of text is chosen so that it is hard to read. For example, car-rentals terms of usage were not available from any point, one needed to search for them under "Team" section, and rental-cars had grey letters on light background, which in certain settings is difficult to read normally.

When the comparison came to multilingual extras, 2 out of 5 companies had possibility to choose multiple languages, as well as each language possibility had a corresponding country flag. These language flags are in good use, but it can not be accurate, because some languages, like English is used not only in the United Kingdom, but also for example in the United States of America, while other countries could have more than one official language - there always need to be use explanation of which language is meant, and, maybe, if the company operates not only European level then most widely used language could be shown as International. Those 3 companies (rental-cars, economy-bookings and carrentals), which had the possibility to choose different languages, they have to be careful, because in site there was a mistake in translations. For Rental-cars there was mistranslated working hours, leaving in English version Latvian words; Economy-bookings has terms & conditions of car rental in English, no matter what the selected language is, even though the rest of the web-site is translated quite well. Having website translated in several languages is difficult, because of all the small things and features, in order to have everything in place, someone needs to check and re-check information in every page all the time. It is close to impossible to have site translated in all available languages without making any mistake, because on average in every car rental website, there are more than 600 locations, and all extras, terms of use, as well as general terms. Simply too many things are hidden under each button. Some details are difficult to follow up even in one language, because of constant information update in the web-site, especially in partner car rental terms of use.

**Web browser.** The next important thing is - weather the page is running well on all mayor browsers – Explorer, Chrome, Firefox, Safari and Opera. If the answer is yes, that is great, if not all browsers can obtain this particular web-page, then a lot of problems are caused especially, if the faulty browser is Explorer, even though it is the slowest and easily crashes because of many security and additional option flaws, it is still the most used in many countries like Greenland, China Republic,

South Africa, Switzerland, and at the current moment is still the second used browser in the world according to Stat-counter. Depending on, which Operation System is client using different browsers show the best result, for the best results on Internet Explorer is necessary the most up-to-date Windows only operating system, while others are more open source systems and running on basically all OS. The problem arises, when customer do not have the newest versions of internet browser, while the e-commerce has more complex codes than the previous versions can operate without bugs, and in this place the errors and problems arise.



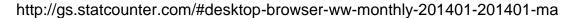


Table 4: Currently most used Web Browsers in the World.

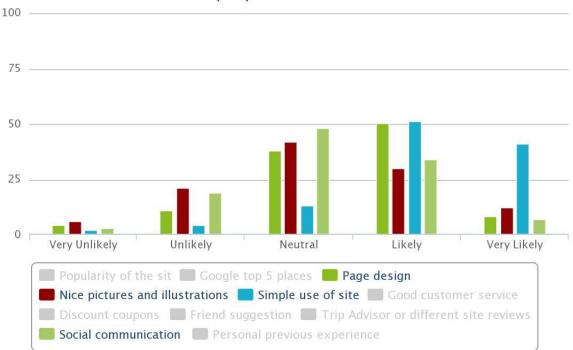
**Mobility**. All of compared websites were working on Smart-phone, using Android 4 operating system, but one – rental-cars -- actually adjusted the size, leaving out all the unnecessary things and giving more easy usability with device, while

economy-bookings, and car-rentals offered application to download and use this way.

According to the comparison of the site, only one is already adjusted web-site to small screens, and shows only those features that are necessary. Two more companies provide application, but it is not that meaningful for people, who try their service for the first time; they are trying new site, and if it does not work great, they simply move to the next site, which is working. Such update, of adjusting web-page resolution, should be created in closest time, the sooner the better.

Good performance is really important, but good and modern design gives trust to the web-site, it gives healthy company's image, vision that client can believe that service provided will be in good quality. The more advanced and well used design and graphics the more trustworthy it feels and from compared sites the most sufficient looked Rental-cars, then Economy-bookings, and then Discover Car Hire. Third company web-site still asks for a lot of development, but it definitely looks more advanced than other two web-pages. It is not the most difficult thing to insert different animations small icons or videos and maps, but the hard part is to make it look unified, like it consists of one style and use, not like collage with different bits and pieces.

Statistics has shown that people trust more to well looking sophisticated web-sites than plain and simple sites. This table is great example that people, mostly student aged, do consider that the most important is to have simply usable web-site, and then the design, good use of illustrations brings great importance to choose one service or goods provider over another. That is one of the reasons that mayor car hire providers have really simple site, in fact so simple that site map is not necessary.



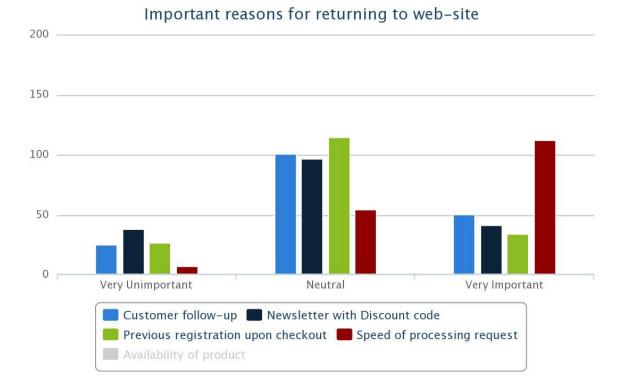
What makes people to choose e-commerce

*Table 5: Different options on what makes people to choose on site over another.* 

**Customer service and privacy policy.** Privacy policy and terms of use are meant for customers' safety, in what cases and when they can return the product or service in how long time, is there possibility to receive refund and in what size. This information must be easily accessible from any point of website and should be checked for any mistakes, because this is legal information, and in case of some dispute this information can either save or give everything to customer, even though there are liabilities to partner companies as well. Car-rental was the least clear on these terms, because it was hidden and not available on the home page or any given place, but it was available through 3 clicks if guessed well. All other web-sites have accessibility to terms of use from home page definitely, but Economy-bookings did not have possibility to find these terms from any other point of web-site.

Customer service is hard to check while comparing web-pages. All of them has available phone line, and service website, most of them has also contact section on the site, but it is not possible to check how quick the response is unless there is an active reservation on the web-site. Usual response is within 24 hours on working days, but not always such reaction happen, there are delays. Usually reply speed depends on time when written e-mail and how relevant it is to booking service and money questions. Following by the commissioners' company example, some e-mails are easy to answer, but some of them are required additional information from Partner Company and this takes time, but the client does not want to wait, so there should be written some letter back, informing that the answer to given question will be provided after certain time. Another customer service is in speed of processing reservations, each of the companies give time window, in which they promise to confirm the reservation, for example Discover Car Hire promises to confirm reservation in 72 hours, others may promise 24 hours, but this is possible if there is unified system between company and several their partners – Web-service. Such delay is given for processing the request and in case of unavailability there would be time to find another provider.

The table below shows that the response speed of reservation is the biggest factor for returning to enterprise. Without the speed the next most important thing is customer follow up, which mean that company reminds that the client has a reservation, and also after the trip sends an e-mail asking weather everything was all right, otherwise only unsatisfied clients send feedback that they are feeling cheated in some way. People do consider a great advantage if business sends them a newsletter with relevant information and possible discounts.



*Table 6: Survey questioning is customer service important factor to return back to webpage.* 

**Product catalogue.** In the Car rental business nothing much can change when providing the offers, client chooses location (Country, City, Location) and clicks search, then the results are shown starting from the lowest price and smallest car group, then going to more expensive, and bigger cars. It is possible to filter cars, either by car group, or transmission, seat count in the car. Such filters and the catalogue itself is provided by every single compared company, only offer as it is in details was changed and Carrentals.co.uk provided possibility to choose between other brokers. Some improvements can be done with the pictures in some occasions, but all 5 sites were quite similar, mostly giving possibility to buy and get out while the survey showed that 5% more like to browse, to search information for destination location, in compared web-sites this possibility was cut to minimum.

The payment security, this stage varied quite a bit. The companies, who have been around the system for a while had they own secure getaways of payment, while the newcomers were directed to bank payment page. In both occasions the payment made is safe, but customers do not trust such sites, unless it is their home bank, which they recognize by previously made payments, logo of the bank. Most of compared websites had full pre-payment, and because of this option they did not provide possibility to make payment with PayPal, except for Discover Car Hire.

Authors' observation is that many people do not trust with credit card data, and if the person is not sure of the product or service provider they do not give this information to the provider company. Many people leave because of some problems in payment section and the reason can be of any kind – did not like the form, took too much time, gave error multiple times, because of timeout system made to re-enter the whole personal information sheet again from scratch or missing one field clearing all the other ones. People find it annoying and because of multiple failures decide to try another provider, who may not have such error at the time. Many errors happen because of bank communication abroad, sometimes some banks cannot cover some payments periodically, they give out an error, so that client is unable to use the card in any way for some time, it can be couple of minutes or several hours. Banks sometimes when some bigger error arises warn previously that the possibility to make payments may be limited on certain days or time, and the reason may be of any kind, for example in Latvia's case the currency change from Latvian Lats to Euro on the night to 1st January, 2014.

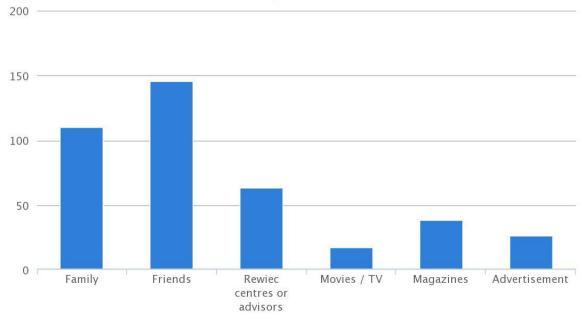
Overall best aesthetics based on comparison, at the current moment has Rental-Cars, then Economy-bookings, and Discover Car Hire. These three look modern and are easy to understand and use, there is nothing extras unnecessary, and of course each of them has some flaws to work on, things to develop. Each one of them has strengths that other does not have at the moment. The other two compared sites Car-rental and Atlas Choice seemed to have outdated IT development, and not interesting enough to speak up new, young age customers. When analysing reviews author noticed that several companies has provided so great evaluations that it did not feel correct, when comparing with what is on the website, but true they could say that they are in top of this review web-site. For example Atlas choice in review centre the newest 14 messages was nothing but good, and speaking more about the cars and close locations (partners cars and their location) rather that the customer service and the speed of approving reservation, finalising it.

#### 4.3 Second survey

The second survey was based on the habits of internet user, trying to understand why people choose to buy to one e-merchant rather than another. When selecting some Internet shop, there are two types of people, the ones, who know what they are looking for and the ones, who are browsing for information, something, which makes decision for people. Interesting enough that the second type of people are 5% more than the ones, who simply get in and get out. By browsing and searching information is meant that person would like to buy something but they do not know what exactly. This is where some inspirational text about the product or destination comes in hand, and gives possibility to give juicy, sellable text. This text may help as well to improve SEO rankings. When returning to comparison, all the additional information for the locations was mainly well hidden and not seen by the client, mainly working on first type of customers.

Results confirmed that people look for simple, easy to understand, sophisticated and up-to-date website, which will provide information to the user and will help if necessary in any shopping stage. When the question arises, who is the main influence, the most common answer was that the family and friends, who know about that site and probably has tried most likely will suggest the company. Previous personal experience gives the best advertisement - word-of-mouth, every enterprise studies teach it, and the survey approves this fact. The third most popular way how people check if the company is trustworthy - trough different review centres; there are several for each industry or in whole, and even though it is a great reference site where people leave their experiences, but people should be careful about them because quite often there are a lot fake evaluations either too good probably from the company itself, either horrifying from competitors, either heavily disappointed clients. There are also some occasions when bad reviews are with intention removed. The best solution would be to check in several advisor centres like Trip-advisor, Review-Centre, Trust-pilot or any other depending on the market, to compare the quotes and make own evaluation weather it is worth choosing that company or not.

Here is table with all popular sources of information, and this approves the power of close people opinions and persuasion. Strange enough but magazines are right after review sources and also give noticeable influence to try new company in Internet.



What information source do you trust to use new e-commerce?

Table 7: Shows the most influential information sources when choosing new e-shop.

When person has entered into web-shop, it is next task is to keep them from leaving. Main stimulant for keeping client leaving is the price; people tend to look for lower, affordable price. Right after the cost of product or service people want information to be easily accessed, they want to get it on plate, with good formation because many do not want to read all the text but some parts, what is in their interests, either size, or delivery, different possible additional costs. As previously mentioned that people are lazy in reading they tend to scan text rather than actually read it. The great extra is that web-site makes all calculations on their own, just like flight booking system – Ryanair and Air Baltic they in each step add the chosen extras to the final price and at the checkout has total and full sum, no payments are made upon check-in. This field is probably the best designed and developed market field in e-commerce, giving smooth performance at checking-out stage, while offer and catalogue part is always in development.

Next significant aspects what makes client to stay on the page are the loading speed and security certificates. Both of these things are about the code, that it has to be sufficient and effective, without any unnecessary extensions, to have encrypted web-site and have HTTPS protocol, which encrypts browser and server information, giving some protection against use of personal data. Behind the front page there are several security protocols, which increase its competence depending on where in the page person is. In fact many security protocols are as standard and not seen on the design web page but in the code of web-page. For example SSL protocol is transparent, which provides encrypted information channel between server and end user, the only place where it is noticeable, somewhere on the browser padlock is seen either on the bottom panel or in URL address box. This is most commonly used in e-mail and bank services. Any extra step for securing web-page is beneficial in long term, because Internet itself is very insecure place, and there has to be security layers in order not give personal and private information to everyone, who knows how to collect data. Some companies provide ready package, which is easily implemented in the webpage making business of making safer Internet environment.

After security people were looking at the locations where they can receive the purchased service, and weather the pictures in catalogue are in good quality, well looking, which stimulates the appetite of receiving such good service as provided in web-site. The importance of design has already explained previously and survey underlines that is not just a marketing trick, but they indeed feel more confident of choosing some business if it is showing what they have at the best quality and preferably fast.

The least importance was given to designed special packages for families, or groups, apparently people choose different services for such offers, they can be travel agencies, or they simply know what they need in order to get to the desired place. People, who are shopping in Internet do not search for such group beneficial packages.

All other extras and details, like warranties, multi-lingual site, multiple currency selection, additional payment possibilities and Google search reservations brought somewhat important significance, as the majority respondents gave neutral and to

the side that it is important to them to have these things on site, but they will not leave the site, because it is not there. If they are there it is beneficial for the company especially if working in international market and have possibility to provide most popular currencies, so that client can easier understand how much exactly the strange money is. Google searches are much more important than the people think, because most of the advertisement goes through search engines.

## 5 CONCLUSION

E-commerce as we know it today, has not changed significantly, but has become more sufficient, more advanced, and secure. The first websites were very simple because of technology and speed limits, but today there are so much possibilities that actually almost everything happens in internet. After the huge dot-com bubble entrepreneurs understood hot to create it better and on budget so that people would be satisfied and web-site would be efficient.

The main categories on what today's web-sites are built are the secured web protocol, with clear enough code, so that there would be as less errors as possible, but the website to customer would look attractive, and modern, with good quality design, simple mapping and understandable language. By simple mapping is meant the layout should be made so that any information is available in 3 clicks, as it is considered optimal amount of work to get to desired info. The better language, and often updated, it gives better positions in SEO as well as gaining many people trust by providing useful information.

The provided information has to be clear, simple and also intriguing, making people to buy provided service or good. Giving short messages about the extras, which they gain by choosing exact thing should be visible, it plays a great role in decision making. If client has something unclear, there always has to be provided information to someone, who could help either by phone or mail, and the help needs to be fast and efficient, but most of all helpful and with intention to help client. Small things bring great meaning, and if company makes some changes from whom client gets some satisfaction, the trust will grow and so will the company.

Entrepreneur has to know how wide market do they want to collect, are they working in one country, or region, maybe continent or worldwide. In every of these steps there are some specific things, but more widely it goes the more additional extras website requires – language, currency, phone support, operators with knowledge of different languages.

When summing all up, e-commerce has similar strategy as usual business, but with much more information technology specification, for building such enterprise there are necessary specialists, who will be able to create the platform, either someone on the team either pay for creating one. Everything depends on the idea, and how many has had similar idea, how unique or with what strengths is the new idea starting to grow. Constant development is necessary, in order to keep-up with everyone else in the market, because the information changes so rapidly and if new idea is based on computer platform only it could be already outdated, because the new era of tablet computers and smartphones is beginning is huge speed, and maybe in five years there will be only some kind of hybrids and movable devices that desktops will be gone from everyday life.

### 5.1 Further research

While making studies of e-commerce and all related businesses, author noticed that mobility and mobile commerce has not been researched as thoroughly as the importance arises in second decade of millennium. Author suggest to make studies of what is more relevant, adjust web-sides to considerably small screens or create applications for services. As post-PC era is beginning, mobile phones and tablets will become more often visitors to e-commerce, and the main question is how to prepare to welcome these devices in market properly.

## BIBLIOGRAPHY

- First Internet protocol and mostly used protocols in Internet today <u>http://www.cisco.com/cpress/cc/td/cpress/fund/ith2nd/it2430.htm</u> [8. March, 2014].
- Networking history, different stages how Internet was created <u>http://www.computerhistory.org/timeline/?category=net</u> [9. March, 2014].
- History of online time line http://iml.jou.ufl.edu/carlson/1980s.shtml [10. January, 2014].
- ARPANET explanation what it is and what are the goals http://www.webopedia.com/TERM/A/ARPANET.html [9. March, 2014].
- Ian Peter, http://www.nethistory.info/History%20of%20the%20Internet/web.html [16. November, 2013].

First modern web-browser - <u>http://www.technewsdaily.com/16513-mosaic-web-</u> browser-turns-20.html [9. March, 2014].

- Biggest loses of dot-com bubble burst after year 2000 http://www.cnet.com/1990-11136\_1-6278387-1.html [10. January, 2014].
- Changes in market after dot-com bubble burst http://www.investopedia.com/features/crashes/crashes8.asp [6. March, 2014].

PayPal usage in eBay -<u>http://netforbeginners.about.com/od/ebay101/ss/paypal101.htm</u> [8. March, 2014].

History of PayPal - https://www.paypal-media.com/history [17. November, 2013].

- PayPal information about the amount of clients https://www.paypal.com/sg/webapps/mpp/merchant [8. March, 2014].
- PayPal enters Russian market, and the statistics about it <u>https://www.paypal-forward.com/leadership/paypal-goes-live-with-13-merchants-in-russia/</u> [7. March, 2014].

eBay financial lookup -

http://www.marketwatch.com/investing/stock/ebay/financials [23. November, 2013].

Post PC-era the changes of technological devices are clear http://www.pcmag.com/article2/0,2817,2419614,00.asp [9. March, 2014].

Efraim Turban, David King, Judy Lang; 2009 – Introduction to Electronic Commerce, 2. Edition, 3. Chapter.

Gain of social network in ecommerce -<u>http://www.practicalecommerce.com/articles/61594-Does-Social-Media-Impact-</u> <u>Ecommerce-Sales</u> [10. March, 2014].

PayPal bug bounty wall of fame, people and companies who help to improve security - <u>http://defencely.com/blog/defencely-recognized-paypal-security-expertise-2/</u> [10. March, 2014].

Map and main data about usage of Facebook in the world in 2013 - <u>http://www.bestvpnz.com/best-vpn-for-facebook/</u> [5. March, 2014].

CAPTCHA homepage, explanation - http://www.captcha.net/ [5. March, 2014].

Priceline and booking.com annual report -

http://ir.priceline.com/secfiling.cfm?filingID=1075531-13-14&CIK=1075531 [10. March, 2014].

Dell web-store -

http://www.dell.com/us/p/deals.aspx?c=us&cs=19&l=en&s=dhs#!cid=specialdeals&hp=1? [6. March, 2014].

Apple official web-store - http://store.apple.com/us [6.March, 2014].

Sports-Direct web-store - http://www.sportsdirect.com/ [6.March, 2014].

Google ad revenues - http://venturebeat.com/2012/01/29/google-advertising/ [25. November, 2013].

Word-stream research for the most expensive key-words <u>http://www.wordstream.com/blog/ws/2011/07/18/most-expensive-google-</u> <u>adwords-keywords</u> [20. December, 2013].

Anton Bogdanovych, Helmut Berger, Simeon Simoff and Carles Sierra – Travel Agents vs. Online Booking: Tackling the Shortcomings of Nowadays Online Tourism Portals.

Online shopping boom in the UK -

http://www.thisismoney.co.uk/money/news/article-2332104/Online-shoppersspending-twice-did-10-years-ago-report-warns-fifth-UK-shops-go.html [10. March, 2014]. Currency converter - http://www.xe.com/ [9. December, 2013].

Yandex revenues for 2011 -

http://ir.yandex.com/releasedetail.cfm?ReleaseID=690435 [9. December, 2013].

Top of biggest car rentals and their quality of service - <u>http://car-rental-services-review.toptenreviews.com/</u> [21. December, 2013].

Hertz acquired Dollar Thrifty Group -<u>http://www.dtag.com/phoenix.zhtml?c=71946&p=irol-home</u> and <u>http://www.hertz.com/rentacar/abouthertz/index.jsp?targetPage=investorrelatio</u> <u>ns.jsp</u> [10. March, 2014].

Biggest travel exhibitions – ITB, MMIT, WTM and their websites - <u>http://www.itb-berlin.de/; http://www.mitt.ru/en-GB; http://www.wtmlondon.com/</u> [10. March, 2014].

Review Centre - http://www.reviewcentre.com/products695.html [7. February, 2014].

Carsolize booking agency platforms with included partners http://www.carsolize.com/carsolize-booking-products/carsolize-bookingengines/carsolize-car-booking-engine [10. March, 2014].

Latvian Russian-speaking minority - <u>http://www.mercator-research.eu/minority-</u> <u>languages/language-factsheets/minority-languages-in-education-in-the-baltics/</u> [10. March, 2014].

Finnish statistics about Swedish-speaking minority -<u>http://193.166.171.75/Dialog/varval.asp?ma=030\_vaerak\_tau\_102\_en&ti=Lang</u> <u>uage+according+to+age+and+sex+by+region+1990+-</u> <u>+2012&path=../Database/StatFin/vrm/vaerak/&lang=1&multilang=en</u> [10. March, 2014].

List of most used languages, issues in 2008 - http://listverse.com/2008/06/26/top-10-most-spoken-languages-in-the-world/ [6. January, 2014].

UNWTO statistics for 2009, the spending by country -<u>http://www.unwto.org/facts/eng/pdf/barometer/UNWTO\_Barom10\_update\_april</u> <u>en\_excerpt.pdf</u> [10. March, 2014].

Pay-Per-Click explanation - http://www.wordstream.com/ppc [1.March, 2014].

Google and Yandex advertisement integration -<u>http://searchenginewatch.com/article/2331144/Google-Yandex-Integrate-</u> <u>Display-Ad-Platforms</u> [6. March, 2014]. Kenneth C. Laudon, Carol Guercio Traver; 2009 – E-commerce Business. Technology. Society. Fifth Edition.

Text Messaging report of 2000, Enpocket -

http://www.mmgroup.ru/analytics/Enpocket\_Branding\_report.pdf [25. February, 2014].

- Alex Michael, Ben Salter; 2006 Mobile Marketing, Achieving Competitive Advantage through Wireless Technology.
- Stuart Barnes, 2007, E-commerce and v-business Digital Enterprise in the Twenty-First Century, Second edition.

Car rental process when paying with debit card - <u>http://www.wikihow.com/Rent-a-Card-Without-a-Credit-Card</u> [11. March, 2014].

- USD pegged currencies http://matadornetwork.com/trips/recession-proof-travel-17-currencies-that-are-pegged-to-the-us-dollar/ [18. December, 2013].
- Logos to emotions http://socialmediatoday.com/pamdyer/1401166/role-colormarketing-infographics [19. December, 2013].
- Shop of vectors http://www.vectorstock.com/royalty-free-vector/9-highly-detailedmoney-icons-vector-698513 [31. January, 2014].

Illustration of colours -

http://kelseysconsumerbehavior.wordpress.com/2011/10/27/how-does-color-affect-consumer-behavior/ [19.December, 2013].

Eurozone plan to unified monetary system - <u>http://www.eurozone.europa.eu/euro-area/topics/towards-a-banking-union/</u> [7. March, 2014].

Lonely Planet, tourism guide, the best locations of 2014 http://www.lonelyplanet.com/destinations [5. January, 2014].

ATAHOUSE Website rating Criteria - http://imagestore.slidesharecdn.com/41bde05a-8024-11e3-b0d1-12313d2951b1original.jpg [15. January, 2014].

Signs & Symbols Used in social media http://www.ehow.com/info\_8580512\_signs-symbols-used-social-media.html [25. January, 2014].

Web browser usage in the world - http://gs.statcounter.com/#desktop-browserww-monthly-201401-201401-map [9. February, 2014]. Comparison between top Web-browsers in the market http://www.pcmag.com/article2/0,2817,2382108,00.asp [12. February, 2014].

Charles Dennis, Tino Fenech and Bill Merrilees, 2004; e-Retailing.

- Post-PC era, the prediction of future mobility http://readwrite.com/2013/12/10/smartphone-pcs-install-base-2014#awesm=~ovGOVO4YMHjpqc [12. February, 2014].
- Atlas Choice on Review centre http://www.reviewcentre.com/reviews107184.html [20. February, 2014].
- HTTPS format, how to deploy it https://www.eff.org/https-everywhere/deployinghttps [20. February, 2014].
- Internet protocols and their ports http://blog.simple-help.com/2011/12/ports-vsprotocols-80-and-443/ [20. February, 2014].
- Symantec web-shop providing secure encryption solutions http://buy.symantec.com/estore/mf/categoryHomePage/defaultCategory/catego ry3 [20. February, 2014].
- SSL what it is, and how to recognize it https://www.globalsign.eu/ssl-informationcenter/what-is-ssl.html [21. February, 2014].

Linda Kimeisa, 2013 - Pārdotspējīgi teksti interneta mājaslapām.

3G vs 4G wireless Internet for phones http://www.diffen.com/difference/3G\_vs\_4G [7. March, 2014].

## **APPENDICIES**

### **APPENDIX 1.** The first survey report.

# 1. Report

How often do you search for goods or services in the Internet?		
	Series 1	
4	12.5%	
12	37.5%	
8	25%	
6	18.75%	
2	6.25%	
	4 12 8 6	

### Do you use always the same web site for your search of products or services?

Question		Series 1
Yes, I have my list of web stores	11	34.38%
No, I am searching throug web search	21	65.62%

#### Which are the products or services you are looking for?

Accessories	10	10.31%
Clothes	10	10.31%
Electronics (Phone, PC, TV, Cameras etc.)	16	16.49%
Home supplies	2	2.06%
Concert tickets	11	11.34%
Airplane tickets	20	20.62%
Hotels, place to stay over night	12	12.37%
Car rental services	6	6.19%
Discount cupons	4	4.12%
Public transport tickets	6	6.19%

## Which Websites do you use for purchasing goods?

Question	Series 1	
eBay	15	22.73%
Amazon	13	19.7%
AliExpress	1	1.52%
Booking.com	12	18.18%
DiscoverCarHire	0	0%
Google	20	30.3%
Yahoo!	0	0%
None	5	7.58%

## Please Select in what age group are you in:

Question	Series 1	
Under 20 Years	0	0%
Between 21 and 30 Years	24	75%
Between 31 and 40 Years	5	15.62%
Between 41 and 50 Years	3	9.38%
Older than 51 Year of age	0	0%

## Please select gender:

Question		Series 1
Female	23	71.88%
Male	9	28.12%

## APPENDIX 2. Second survey report.

# Travelling with help of e-commerce

### Please select your gender.

Question	Series 1	
Male	29	25.66%
Female	84	74.34%

#### Please select what age You are.

5	Series 1	
0	0%	
62	54.87%	
28	24.78%	
13	11.5%	
9	7.96%	
1	0.88%	
0	0%	
	0 62 28 13 9 1	

### How often do you travel?

Question		Series 1
Never	0	0%
Less than once a year	14	12.61%
Once a year	21	18.92%
2 times a year	25	22.52%
3 to 4 times a year	24	21.62%
Frequent traveler (more than 6times a year)	27	24.32%

### How do you usually travel?

Question	Series 1	
Private car	49	19.14%
Bus/ coach	26	10.16%
Train	71	27.73%
Plane	93	36.33%
Rented car	2	0.78%
Ferry	15	5.86%

### Where do you purchase travel tickets?

Question		Series 1
Online	103	91.96%
Travel agency	6	5.36%
Direct service providers	3	2.68%

## What traveling sites do you use to book services?

Question	Series 1	
booking.com	84	64.62%
edrems.com	2	1.54%
skyscanner.com	26	20%
kayak.com	2	1.54%
expedia.com	9	6.92%
rentalcars.com	2	1.54%
discovercarhire.com	1	0.77%
economybooking.com	4	3.08%

## Which Search engine do you usually use?

Question	Series 1		
Google	113	100%	
Yahoo!	0	0%	
Jandex	0	0%	
Bing	0	0%	

## What payment method do you use for purchases in Inernet?

Question	Series 1		
PayPal	24	14.91%	
Credit card	72	44.72%	
Debit card	65	40.37%	

	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	Responses	Average Sco
Popularity of the sit	7 (6.25%)	4 (3.57%)	37 (33.04%)	43 (38.39%)	21 (18.75%)	112	3.60 / 5
Google top 5 places	16 (14.29%)	8 (7.14%)	39 (34.82%)	40 (35.71%)	9 (8.04%)	112	3.16 / 5
Page design	4 (3.57%)	11 (9.82%)	38 (33.93%)	51 (45.54%)	8 (7.14%)	112	3.43 / 5
Nice pictures and illustrations	6 (5.36%)	21 (18.75%)	42 (37.5%)	31 (27.68%)	12 (10.71%)	112	3.20 / 5
Simple use of site	2 (1.79%)	4 (3.57%)	13 (11.61%)	52 (46.43%)	41 (36.61%)	112	4.13 / 5
Good customer service	3 (2.68%)	7 (6.25%)	11 (9.82%)	45 (40.18%)	46 (41.07%)	112	4.11/5
Discount coupons	8 (7.14%)	15 (13.39%)	34 (30.36%)	36 (32.14%)	19 (16.96%)	112	3.38 / 5
Friend suggestion	6 (5.36%)	5 (4.46%)	26 (23.21%)	46 (41.07%)	29 (25.89%)	112	3.78 / 5
Trip Advisor or different site reviews	10 (8.93%)	15 (13.39%)	36 (32.14%)	41 (36.61%)	10 (8.93%)	112	3.23 / 5
Social communication	3 (2.68%)	19 (16.96%)	49 (43.75%)	34 (30.36%)	7 (6.25%)	112	3.21 / 5
Personal previous experience	2 (1.79%)	1 (0.89%)	7 (6.25%)	40 (35.71%)	62 (55.36%)	112	4.42/5
							3.60 / 5

Please select which makses you choose one service web-site over another

# Choosing website

Please select your age group: Series 1 Question Under 20 16 8.56% 21-30 Years 129 68.98% 31-40 Years 14 7.49% 11.76% 41-50 Years 22 More than 51 Year 6 3.21%

### What electronic device do you use when surfing in Internet or buying something Online?

Question	Series 1		
Desktop Computer	73	21.86%	
Laptop Computer	143	42.81%	
Tablet Device	34	10.18%	
Mobile - Smartphone	84	25.15%	

#### Please select which Web Browser do you use.

Question	Series 1		
Internet Explorer	25	9.69%	
Chrome	114	44.19%	
Firefox	91	35.27%	
Safari	20	7.75%	
Opera	6	2.33%	
Other	2	0.78%	

### What do you prefer when surfing in Internet shop?

Question		Series 1	
Buy what is needed and get out	103	44.98%	
Browse for information, search something to buy	112	48.91%	
Pitch speach, something what pursuades you to buy	14	6.11%	

	Very Insignificant	Insignificant	Neutral	Significant	Very Significant	Responses	Average Scor
Possibility to chose language	10 (5.35%)	27 (14.44%)	53 (28.34%)	64 (34.22%)	33 (17.65%)	187	3.44 / 5
Selection of currency	9 (4.81%)	18 (9.63%)	50 (26.74%)	73 (39.04%)	37 (19.79%)	187	3.59 / 5
Speed of site opening	6 (3.21%)	10 (5.35%)	38 (20.32%)	89 (47.59%)	44 (23.53%)	187	3.83 / 5
Price	11 (5.88%)	5 (2.67%)	7 (3.74%)	52 (27.81%)	112 (59.89%)	187	4.33 / 5
Information accessibility	8 (4.28%)	4 (2.14%)	20 (10.7%)	82 (43.85%)	73 (39.04%)	187	4.11/5
Additional extras (Warranties)	6 (3.21%)	14 (7.49%)	82 (43.85%)	65 (34.76%)	20 (10.7%)	187	3.42/5
Security Certificates	5 (2.67%)	15 (8.02%)	45 (24.06%)	67 (35.83%)	55 (29.41%)	187	3.81 / 5
Payment with Pay-pal	26 (13.9%)	32 (17.11%)	69 (36.9%)	33 (17.65%)	27 (14.44%)	187	3.02/5
Automatic e-mail response	15 (8.02%)	26 (13.9%)	65 (34.76%)	63 (33.69%)	18 (9.63%)	187	3.23 / 5
Pictures of service	13 (6.95%)	12 (6.42%)	45 (24.06%)	72 (38.5%)	45 (24.06%)	187	3.66 / 5
Location where receiving service	11 (5.88%)	9 (4.81%)	54 (28.88%)	74 (39.57%)	39 (20.86%)	187	3.65 / 5
Family Package	23 (12.3%)	36 (19.25%)	98 (52.41%)	22 (11.76%)	8 (4.28%)	187	2.76/5
Google results	10 (5.35%)	26 (13.9%)	74 (39.57%)	53 (28.34%)	24 (12.83%)	187	3.29 / 5
							3.55 / 5

## Please rate how each of the aspects make you choose one service provider

## What information source do you trust to try some e-commerce?

Question	Question Series 1		
Family	112	27.59%	
Friends	148	36.45%	
Rewiec centres or advisors	63	15.52%	
Movies / TV	18	4.43%	
Magazines	38	9.36%	
Advertisement	27	6.65%	

Are these things so important to return back							
	Very Unimportant	Neutral	Very Important	Responses	Average Score		
Customer follow-up	26 (13.9%)	109 (58.29%)	52 (27.81%)	187	2.14 / 3		
Newsletter with Discount code	38 (20.32%)	104 (55.61%)	45 (24.06%)	187	2.04 / 3		
Previous registration upon checkout	27 (14.52%)	124 (66.67%)	35 (18.82%)	186	2.04 / 3		
Speed of processing request	8 (4.32%)	57 (30.81%)	120 (64.86%)	185	2.61/3		
Availability of product	10 (5.38%)	31 (16.67%)	145 (77.96%)	186	2.73/3		
					2.31 / 3		

#### . .... + la : .

## Do you tend to leave feedback if sent remainder?

Question		Series 1		
Yes, I like to leave feedback positive or negative	56	30.27%		
Yes, if I am not satisfied with service	62	33.51%		
No, Im too lazy/ dont like it	67	36.22%		

		s . c o m	mos.com	с о . u k	mo o m
		aiscovercarnire.com rentalcars.com	nomybookin	e n ta ls .	w w w 2 . a tla s c h o ic e . c o m
		re I	onc	a r	v 2.
Shopping experience		5	ece	U	×
Possibility to browse	-	_	+/-	+	+/-
possibility to simply buy	+	+	+	+	+
Clear simple language	+	+	+	-	+
Multiple language selection	-	+	+	+	_
Additional information to support	+	+	+	++	+
Performance & Usability					
Speed of opening the site	+	+	+/-	+	+/-
Working on leading browsers	+	+	+	+	+
Working on mobile phone	+	++	+app	+app	+
Easy to use & read	+	+	+	+	+/-
Easy Navigation	+	+	+/-	+/-	-
Everything found in 3 clicks	+	+	+	+	-
Search engine provides correct link	+	+	+	+	+
Site map Available or search box	-	-	-	-	+
No broken links	+	+	+	+	-
Web Design					
Small Graphic – quick opening	+	+	+/-	+	-
Screen elements – gif, videos	-	-	-	-	-
Symbols – small icons	+	+	+	+	+
Flags	-	+	+	+	-
Full screen – no scrolling (1366x768)	-	-	-	-	-
Screen adjustment – no horizontal scrolling	+/-	+	-	-	-
Good use of colors – not too many	+	+	+	+/-	+
overall design	7	8	7	7	6
Customer Service					
Privacy Policy accessible from homepage	+	+	+	-	+
Privacy Policy available from any point	+	-	+	-	+
Clearly explained delivery	+	+	+	-	+
Easy access to contact information	+	+	+	-	+/-
Separate customer service section	+	+	+	+	+
Possibility to follow process status	+	+	+	-	+
Possibility to provide feedback	-	+	+	+	_
Possibility to use forum/chat	-	-	+	+	+
Possibility to Subscribe or un-subscribe to e-mail alerts	+	+	+	+	+
Added value features offered	+	+	+	-	+
	•		'	[	l'

# APPENDIX 3. The comparison of competitive web-sites, their design.

Quick and easy use, customer returns	+/-	+	+	+/-	+
Catalog Organization					
Product catalog available from HomePage	+	+	+	+	+
Product categories easy to understand	+	+	+	+	+
Product information organized in certain fashion	+	+	+	+	+
Easy to Navigate in catalog	+	+	+/-	+/-	+
Useful, informative, adequate info	+	+	+	+	+
Provided Photos of good quality	+/-	+	+	+	+
Transaction Processing					
Supports secure Credit card transactions	-	+	+	-	+
Order easy to understand and complete	+	+	+	+/-	+/-
Give info about what is doing with personal data	+	+	+	+	+
Payments made in real time	-	+	+	-	+
Transaction is completed quickly	+	+	+	-	+
Provided Info of successful transaction	+	+	+	+	+
Follow-up e-mail confirmation	+	+	+	+	+
Possible Paypal	+	-	-	-	-

++ Exellent, fits exactly the standarts

+ There specifics included in the website

+/- More or less, there is availability but with mayor flaws

- No possibility available, not included

App – Mobile