Internet shopping learning model: theory building study using a phenomenological research method

Elise Fereti Puni

Southern Cross University
Internet Shopping Learning Model:
Theory building study using a phenomenological research method

This thesis is submitted in partial fulfilment of the requirements for the degree of Doctor of Business Administration at the Southern Cross University

Elise Fereti Puni

Bachelor of Science (Psychology)
Master in Business Administration

This thesis is submitted in June 2013
Thesis Declaration

I certify that the work presented in this thesis is, to the best of my knowledge and belief, original, except as acknowledged in the text, and that the material has not been submitted, either in whole or in part, for a degree at this or any other university.

I acknowledge that I have read and understood the University's rules, requirements, procedures and policy relating to my higher degree research award and to my thesis. I certify that I have complied with the rules, requirements, procedures and policy of the University.

Name: Elise Fereti Puni

Signed: [Signature]

Date: 19 June 2013
Abstract

The aim of this research is to build a model of how some consumers learn Internet shopping for purchasing physical goods. Hence, the research question enquires:

*RQ:* *What is the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment?*

The research first reviews existing learning theories, the Theory of Planned Behaviour, the Consumer Trust Internet Shopping model, the Technology Acceptance Model and the Diffusion of Innovation model to identify important initial ideas and concepts relevant to the Internet shopping learning process.

Furthermore, these initial ideas and concepts were used to guide this phenomenological research and to shape the development of questions for the interview protocol. The research’s findings resulting from the qualitative analysis of phenomenological in-depth interviews of 12 participants give rise to the formulation of the Internet Shopping Learning Model (ISLM).

The ISLM incorporates the shared common experiences of the research participants into the following propositions:

- Internet shopping results from a learning process and learned behaviour.
- Internet shopping learning process comprises four stages, *before, perceived barriers, during and becoming stages.*
- The early stages of learning centre on an *enabling process.* The enabling process *facilitates* the online consumers’ journey to adopt online shopping for purchasing physical goods online.
- This enabling process involves a number of important influencing factors such as: key motivational drivers; perceived usefulness and benefits; ease of use and perceived control; social groups and media influences; attitude towards Internet shopping; prior knowledge and past experience; individual trust propensity; familiarity; confidence, trustworthiness of B2C online merchants; and qualifying trust.
- *Qualifying trust* is the key factor in determining whether or not a consumer will adopt Internet shopping for purchasing physical goods. This is an *online consumer’s*
threshold level of trust in Internet shopping. The level of qualifying trust a consumer experiences is an outcome of the enabling process.

- Consumer may learn to adopt Internet shopping while at the same time rejecting poor-performing B2C online merchants.

The ISLM contributes to knowledge as a new theoretical model with a specific focus on the learning process of Internet shopping for purchasing physical goods online.

Future research should endeavour to test the ISLM and its propositions.
## Table of Contents

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title Page</td>
<td>1</td>
</tr>
<tr>
<td>Thesis Declaration</td>
<td>2</td>
</tr>
<tr>
<td>Abstract</td>
<td>3</td>
</tr>
<tr>
<td>Table of Contents</td>
<td>5</td>
</tr>
<tr>
<td>List of Tables</td>
<td>12</td>
</tr>
<tr>
<td>List of Figures</td>
<td>14</td>
</tr>
<tr>
<td>List of Abbreviations</td>
<td>16</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>17</td>
</tr>
</tbody>
</table>

### Chapter 1  Introduction

1.1 Introduction                            | 18   |
1.2 Background to the research              | 19   |
1.3 Research problem and question           | 20   |
1.4 Justifications and contributions of the research | 21 |
1.5 Methodology used by this research       | 24   |
1.6 Definitions of major terms used         | 28   |
1.7 Delimitations                           | 30   |
1.8 Structure of the thesis                 | 31   |
1.9 Conclusion                              | 33   |

### Chapter 2  Literature Review

2.1 Introduction                            | 34   |
2.2 Background to the Internet and Internet shopping | 36 |
    2.2.1 The Internet as a global communication system | 37 |
    2.2.2 The Internet and the World Wide Web (www) | 38 |
    2.2.3 Growing population of Internet users       | 39 |
    2.2.4 The Internet uses                          | 40 |
    2.2.5 The Internet for e-commerce                | 40 |
2.3 Parent disciplines and Internet shopping learning | 44 |
    2.3.1 Learning Theories                         | 45 |
    2.3.2 Internet shopping is learned behaviour    | 47 |
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3.3 Theory of Planned Behaviour (TPB)</td>
<td>51</td>
</tr>
<tr>
<td>2.3.4 Application of TPB and ETPB in relation to Internet shopping</td>
<td>55</td>
</tr>
<tr>
<td>2.3.5 Consumer Trust Internet Shopping (CTIS) model</td>
<td>59</td>
</tr>
<tr>
<td>2.3.6 Trust in Internet shopping</td>
<td>63</td>
</tr>
<tr>
<td>2.3.7 Technology Acceptance Model (TAM)</td>
<td>67</td>
</tr>
<tr>
<td>2.3.8 Application of TAM and ITTAM in relation to Internet shopping</td>
<td>73</td>
</tr>
<tr>
<td>2.3.9 Diffusion of Innovation (DI) theoretical model</td>
<td>76</td>
</tr>
<tr>
<td>2.3.10 Diffusion of Innovation and Internet shopping</td>
<td>80</td>
</tr>
<tr>
<td>2.4 Internet shopping and its context</td>
<td>83</td>
</tr>
<tr>
<td>2.4.1 Demographic of Internet shoppers</td>
<td>83</td>
</tr>
<tr>
<td>2.4.2 Internet shopping for products</td>
<td>86</td>
</tr>
<tr>
<td>2.4.3 Internet shopping in New Zealand</td>
<td>89</td>
</tr>
<tr>
<td>2.4.4 Lack of qualitative research on Internet shopping</td>
<td>91</td>
</tr>
<tr>
<td>2.5 The research problem and question</td>
<td>91</td>
</tr>
<tr>
<td>2.6 Initial ideas and concepts towards theory building</td>
<td>92</td>
</tr>
<tr>
<td>2.7 Conclusion</td>
<td>103</td>
</tr>
</tbody>
</table>

**Chapter 3 Methodology**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Introduction</td>
<td>104</td>
</tr>
<tr>
<td>3.2 Choosing between research paradigms</td>
<td>106</td>
</tr>
<tr>
<td>3.2.1 The four research paradigms</td>
<td>106</td>
</tr>
<tr>
<td>3.2.2 The realism paradigm</td>
<td>108</td>
</tr>
<tr>
<td>3.3 Justification and adoption of realism paradigm</td>
<td>111</td>
</tr>
<tr>
<td>3.4 Justification and adoption of qualitative methodology</td>
<td>112</td>
</tr>
<tr>
<td>3.4.1 Searching for meaning</td>
<td>112</td>
</tr>
<tr>
<td>3.4.2 Verbal and pictorial forms</td>
<td>113</td>
</tr>
<tr>
<td>3.4.3 Searching for a richer understanding</td>
<td>114</td>
</tr>
<tr>
<td>3.4.4 Smaller sample numbers</td>
<td>114</td>
</tr>
<tr>
<td>3.5 Level of prior theory</td>
<td>116</td>
</tr>
<tr>
<td>3.5.1 Theory building and the induction process</td>
<td>116</td>
</tr>
<tr>
<td>3.5.2 Theory testing and the deduction process</td>
<td>117</td>
</tr>
<tr>
<td>3.5.3 Induction and deduction combination</td>
<td>117</td>
</tr>
<tr>
<td>3.6 Justification and adoption of phenomenological research method</td>
<td>117</td>
</tr>
</tbody>
</table>
3.6.1 Definition of phenomenological research 118
3.6.2 The broad philosophical assumptions of phenomenology 118
2.6.3 Adoption of phenomenological research method 119
3.7 Standards of validation for qualitative research 122
  3.7.1 Perspectives on validation in qualitative research 122
  3.7.2 Validation strategies 123
  3.7.3 Perspectives on reliability in qualitative research 126
  3.7.4 Evaluation criteria for phenomenological research 128
3.8 Phenomenological research design 130
  3.8.1 Two approaches to phenomenology 130
  3.8.2 Adopting of transcendental phenomenological approach 130
  3.8.3 Adopting of multiple participants research design 131
3.9 Data collection 132
  3.9.1 Multiple sources of data collection 132
  3.9.2 The phenomenological research procedures 133
  3.9.3 Number of participants 134
  3.9.4 The process of recruiting and selecting participants 135
  3.9.5 The three groups of consumer participants 136
  3.9.6 Demographic data of the participants 137
  3.9.7 Multiple participants 139
  3.9.8 The interview protocol 145
  3.9.9 The pilot interview 147
  3.9.10 B2C online stores as a source of data collection 148
3.10 Data analysis 149
  3.10.1 The unit of analysis 151
  3.10.2 The iterative process combining induction and deduction 153
3.11 Ethical considerations and limitations 155
  3.11.1 Research approved by Southern Cross University 155
  3.11.2 Limitations of phenomenological research method 156
3.12 Conclusion 159

Chapter 4 Findings 160
4.1 Introduction 160
4.2 Qualification of participants for the research
   4.2.1 The three groups of consumer participants
4.3 The established Internet shopper group
   4.3.1 Internet shopping learning process evolving over time
   4.3.2 The enabling process with its key influencing factors
   4.3.3 Key motivational drivers
   4.3.4 Perceived usefulness and benefits
   4.3.5 Ease of use and perceived control
   4.3.6 Social groups and media influences
   4.3.7 Attitude towards Internet shopping
   4.3.8 Prior knowledge and past experience
   4.3.9 Individual trust propensity
   4.3.10 Familiarity and familiarity building
   4.3.11 Confidence and confidence building
   4.3.12 Perceived barriers
   4.3.13 Qualifying trust
   4.3.14 Trustworthiness of B2C online merchants
   4.3.15 Other factors
   4.3.16 Crossing-over point
   4.3.17 Instant payment but delayed fulfilment
   4.3.18 Fulfilment of orders
   4.3.19 Becoming stage
4.4 The new Internet shopper group
   4.4.1 Internet shopping learning process evolving over time
   4.4.2 The enabling process with its key influencing factors
   4.4.3 Key motivational drivers
   4.4.4 Perceived usefulness and benefits
   4.4.5 Ease of use and perceived control
   4.4.6 Social groups and media influences
   4.4.7 Attitude towards Internet shopping
   4.4.8 Prior knowledge and past experience
   4.4.9 Individual trust propensity
   4.4.10 Familiarity and familiarity building
   4.4.11 Confidence and confidence-building
4.4.12 Perceived barriers
4.4.13 Qualifying trust
4.4.14 Trustworthiness of B2C online merchant
4.4.15 Other factors
4.4.16 Crossing-over point
4.4.17 Instant payment but delayed fulfilment
4.4.18 Fulfilment of orders
4.4.19 Becoming stage

4.5 The non Internet shopper group
4.5.1 Learning process for shopping at bricks and mortar stores
4.5.2 Absence of the enabling process and different key influencing factors
4.5.3 Lack of key motivational drivers
4.5.4 Lack of perceived usefulness and benefits
4.5.5 Perceived difficulty of use and not in control
4.5.6 Social groups and media influences
4.5.7 Attitude towards Internet shopping
4.5.8 Prior knowledge and past experience
4.5.9 Individual trust propensity
4.5.10 Familiarity and familiarity building
4.5.11 Confidence and confidence building
4.5.12 Perceived barriers
4.5.13 Lack of qualifying trust
4.5.14 Trustworthiness of B2C merchants
4.5.15 Other factors
4.5.16 Intention to use Internet shopping

4.6 Internet Shopping Learning Model (ISLM)

4.7 Before stage
4.7.1 Internet shopping learning process evolving over time
4.7.2 The enabling process with its key influencing factors

4.8 Perceived barriers stage
4.8.1 Fear of perceived risks and lack of trust
4.8.2 Qualifying trust
4.8.3 Trustworthiness of B2C online merchant
4.8.4 Other factors
4.9 During stage
   4.9.1 Crossing-over point
   4.9.2 Instant payment but delayed fulfilment
4.10 Becoming stage
   4.10.1 Fulfilment of orders
   4.10.2 Adopting Internet shopping
   4.10.3 Encouraging further Internet shopping
   4.10.4 Rejecting poor-performing B2C online stores
4.11 Internet shopping is learned behaviour
4.12 Conclusion

Chapter 5 Discussion
5.1 Introduction
5.2 Conclusions about the research question
   5.2.1 Conclusions of this study in relation to the learning theories
   5.2.2 Conclusions of this study in relation to the TPB and ETPB
   5.2.3 Conclusions of this study in relation to the CTIS model
   5.2.4 Conclusions of this study in relation to the TAM and ITTAM
   5.2.5 Conclusions of this study in relation to the DI model
5.3 Conclusions about the research problem
   5.3.1 The Internet Shopping Learning Model (ISLM)
   5.3.2 The ISLM is a learning process model
   5.3.3 The enabling process
   5.3.4 Qualifying trust
   5.3.5 Internet shopping is learned behaviour
   5.3.6 The contributions of the ISLM to knowledge
5.4 Implications for theory
5.5 Implications for policy and practice
5.6 Limitations of the research
5.7 Implications for further research
5.8 Conclusion
## References

310

## Appendices:

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix A</td>
<td>Interview protocol and interview questions</td>
<td>327</td>
</tr>
<tr>
<td>Appendix B</td>
<td>Information Sheet</td>
<td>331</td>
</tr>
<tr>
<td>Appendix C</td>
<td>Consent Form</td>
<td>335</td>
</tr>
<tr>
<td>Appendix D</td>
<td>Participant interview and analysis schedule</td>
<td>338</td>
</tr>
<tr>
<td>Appendix E</td>
<td>Observations of B2C online stores, Trade Me and eBay</td>
<td>339</td>
</tr>
<tr>
<td>Appendix F</td>
<td>Sample versions of the ISLM during development</td>
<td>341</td>
</tr>
<tr>
<td>Appendix G</td>
<td>Free Nodes as themes</td>
<td>345</td>
</tr>
<tr>
<td>Appendix H</td>
<td>Sample of a participant interview transcript in complete verbatim format</td>
<td>347</td>
</tr>
</tbody>
</table>
List of Tables

Chapter 3 Methodology

Table 3.1 Key assumptions within the four paradigms 107
Table 3.2 Contrasting characteristics of qualitative versus quantitative research methodologies 117
Table 3.3 Reasons for adopting the phenomenological research method 121
Table 3.4 Validation strategies used in qualitative research including phenomenological research 123
Table 3.5 Types of approaches to phenomenology 130
Table 3.6 Multiple participants research design 131
Table 3.7 The three groups of consumer participants 136
Table 3.8 The profile of the 12 participants 138
Table 3.9 The attributes of B2C online stores used by participants to purchase physical goods 149
Table 3.10 The three groups of participants according to their Internet shopping experiences 153
Table 3.11 Limitations and strategies used 158

Chapter 4 Findings

Table 4.1 Sections and headings of findings for the established Internet shopper group 163
Table 4.2 Profile of established Internet shopper participants in relation to Internet shopping 164
Table 4.3 Key motivational drivers towards Internet shopping for the established Internet shopper group 168
Table 4.4 Perceived usefulness and benefit attributes of Internet shopping 174
Table 4.5 Sources of influence in learning and using Internet shopping for established Internet shopper participants 178
Table 4.6 Prior knowledge and past experience with computer, the Internet and online shopping for the established Internet shopper group 180
Table 4.7 Sections and headings of findings from the new Internet shopper group 195
Table 4.8 Profile of new Internet shopper participants in relation to Internet shopping experience 196
Table 4.9 Key motivational drivers towards Internet shopping for the new Internet shopper group 199
Table 4.10  Sources of influence to use Internet shopping for new Internet shopper participants 207
Table 4.11  Prior knowledge and past experience in computer, the Internet and online shopping of the new Internet shopper group 209
Table 4.12  Sections and headings of findings from the non Internet shopper group 221
Table 4.13  Profile of the non Internet shopper participants in relation to Internet shopping 222
Table 4.14  Lack of an enabling process and key influencing factors for Internet shopping with the non Internet shopper group 224
Table 4.15  Prior knowledge and past experience with computer, the Internet and online shopping of the non Internet shopper group 230
Table 4.16  Sections and headings of the ISLM 237
Table 4.17  Examples of key motivational drivers of Internet shopping for purchasing physical goods in a B2C online environment 242

Chapter 5  Discussion
Table 5.1  Agreement between learning theories and findings of this study 267
Table 5.2  Contributions of this study in relation to learning theories 268
Table 5.3  Agreements and disagreements between the TPB and ETPB versus the research’s findings 276
Table 5.4  Contributions of this study in relation to the TPB and ETPB 277
Table 5.5  Agreements between the CTIS Model and the research’s findings 283
Table 5.6  Contributions of this study in relation to the CTIS model 284
Table 5.7  Agreements between the TAM and ITTAM versus the research’s findings 289
Table 5.8  Contributions of this study in relation to the TAM and ITTAM 290
Table 5.9  Agreements between the DI model and the research’s findings 294
Table 5.10  Contributions of this study in relation to the DI model 295
Table 5.11  Contribution of this study to knowledge 301
# List of Figures

## Chapter 1 Introduction

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>The structure of chapter 1</td>
<td>18</td>
</tr>
<tr>
<td>1.2</td>
<td>The structure of this five chapter thesis</td>
<td>33</td>
</tr>
</tbody>
</table>

## Chapter 2 Literature Review

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Structure of chapter 2</td>
<td>36</td>
</tr>
<tr>
<td>2.2</td>
<td>Theory of planned behaviour (TPB)</td>
<td>52</td>
</tr>
<tr>
<td>2.3</td>
<td>Extended theory of planned behaviour (ETPB)</td>
<td>55</td>
</tr>
<tr>
<td>2.4</td>
<td>Consumer trust Internet shopping (CTIS) model</td>
<td>60</td>
</tr>
<tr>
<td>2.5</td>
<td>Technology acceptance model (TAM)</td>
<td>67</td>
</tr>
<tr>
<td>2.6</td>
<td>ITTAM theoretical framework</td>
<td>71</td>
</tr>
<tr>
<td>2.7</td>
<td>Decision-making process involved in the diffusion of innovation</td>
<td>78</td>
</tr>
</tbody>
</table>

## Chapter 3 Methodology

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Structure outline of chapter 3</td>
<td>105</td>
</tr>
<tr>
<td>3.2</td>
<td>Multiple sources for data collection</td>
<td>133</td>
</tr>
<tr>
<td>3.3</td>
<td>Combining inductive and deductive processes in building the ISLM</td>
<td>154</td>
</tr>
</tbody>
</table>

## Chapter 4 Findings

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Structure outline of chapter 4</td>
<td>161</td>
</tr>
<tr>
<td>4.2</td>
<td>The crossing-over point to using Internet shopping</td>
<td>190</td>
</tr>
<tr>
<td>4.3</td>
<td>Before stage of Internet shopping for purchasing physical goods</td>
<td>239</td>
</tr>
<tr>
<td></td>
<td>in a B2C e-commerce online environment</td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>Perceived barriers stage of Internet shopping for purchasing</td>
<td>249</td>
</tr>
<tr>
<td></td>
<td>physical goods in a B2C e-commerce online environment</td>
<td></td>
</tr>
<tr>
<td>4.5</td>
<td>Risks of Internet shopping for purchasing physical goods in a</td>
<td>250</td>
</tr>
<tr>
<td></td>
<td>B2C online environment</td>
<td></td>
</tr>
<tr>
<td>4.6</td>
<td>During stage of Internet shopping for purchasing physical goods</td>
<td>255</td>
</tr>
<tr>
<td></td>
<td>in a B2C e-commerce online environment</td>
<td></td>
</tr>
<tr>
<td>4.7</td>
<td>Internet Shopping Learning Model (ISLM) and the becoming stage</td>
<td>258</td>
</tr>
<tr>
<td></td>
<td>for purchasing physical goods in a B2C e-commerce online</td>
<td></td>
</tr>
<tr>
<td>Figure 5.1</td>
<td>The overall structure of chapter 5</td>
<td>262</td>
</tr>
<tr>
<td>Figure 5.2</td>
<td>The enabling process and its key influencing factors</td>
<td>270</td>
</tr>
</tbody>
</table>
List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2B</td>
<td>Business to Business</td>
</tr>
<tr>
<td>B2C</td>
<td>Business to Consumer</td>
</tr>
<tr>
<td>P2B</td>
<td>Consumer to Business</td>
</tr>
<tr>
<td>C2C</td>
<td>Consumer to Consumer</td>
</tr>
<tr>
<td>CTIS</td>
<td>Consumer Trust Internet Shopping model</td>
</tr>
<tr>
<td>DI</td>
<td>Diffusion of Innovation theory</td>
</tr>
<tr>
<td>E-commerce</td>
<td>Electronic Commerce</td>
</tr>
<tr>
<td>ETPB</td>
<td>Extended Theory of Planned Behaviour</td>
</tr>
<tr>
<td>G2C</td>
<td>Government to Consumer</td>
</tr>
<tr>
<td>HTML</td>
<td>Hypertext Markup Language</td>
</tr>
<tr>
<td>IP</td>
<td>Internet Protocol</td>
</tr>
<tr>
<td>ISLM</td>
<td>Internet Shopping Learning Model</td>
</tr>
<tr>
<td>ITTAM</td>
<td>Integrated Trust and Technology Acceptance Model</td>
</tr>
<tr>
<td>PKI</td>
<td>Public key encryption (PKI)</td>
</tr>
<tr>
<td>RQ</td>
<td>Research Question</td>
</tr>
<tr>
<td>TAM</td>
<td>Technology Acceptance Model</td>
</tr>
<tr>
<td>TCP</td>
<td>Transmission Control Protocol</td>
</tr>
<tr>
<td>TPB</td>
<td>Theory of Planned Behaviour</td>
</tr>
<tr>
<td>VOIP</td>
<td>Voice over Internet Protocol</td>
</tr>
<tr>
<td>WWW</td>
<td>World Wide Web</td>
</tr>
</tbody>
</table>
I wish to acknowledge and say thank you to the following people and organisations:

- Dr. Kenneth Hyde for his guidance and patience as my supervisor. Thank you for staying the full course to help me complete this DBA thesis.
- Dr. Wayne Dreyer as the Southern Cross University DBA New Zealand Director at Manukau Institute of Technology campus, when I started my DBA studies. Thank you for your encouragement.
- Elly Forsyth for all the administrative support provided me during my DBA studies.
- The DBA team from Southern Cross University that visited us in New Zealand for colloquia and symposiums.
- Academic Consulting Limited for transcribing the participants interviews.
- Sue Osborne and Helen Borich for proofreading my thesis.
- The participants for my phenomenological research. This thesis would not have been successfully completed without their cooperation. Thank you very much.

My late parents (Pr. Fereti and Mrs Pua Puni), who instilled in me a love of learning and valuing education.

Mr Noel and Mrs Audrey Taylor, thank you for all your support and encouragement.

The great love, understanding and support from my wife Maria and children: Letitia and Ezra, that helped me through the duration of my DBA studies. I also acknowledge the encouragement and support of my whole family.
Chapter 1

Introduction

1.1 Introduction
Chapter 1 provides an overall outline of this thesis. It is organised into nine sections with the introduction in Section 1.1. Section 1.2 gives a background to this study, followed by the research problem and question (Section 1.3). The justifications and contributions of the research are presented in Section 1.4, with the methodology used in Section 1.5. The definitions of the major terms used in this research are given in Section 1.6 and the delimitations in Section 1.7. Section 1.8 provides the structure of this five chapter thesis and finally, Section 1.9 presents the conclusion of Chapter 1 and links it to the literature review in Chapter 2 (see Figure 1.1).

Figure 1.1 The structure of chapter 1

```
1.1 Introduction
     1.2 Background
     1.3 Research problem and research question
     1.4 Justifications and contributions of the research
     1.5 Methodology used
     1.6 Definitions of major terms used
     1.7 Delimitations
     1.8 Structure of the thesis
     1.9 Conclusion
```

Source: Developed for this research.
1.2 **Background to the research**

The Internet and its shopping applications continue to grow not only in terms of quantum but also in terms of their importance to people and their lives. The population of Internet users continues to experience rapid growth (Internet World Stats 2011c, 2011b, 2011a) but the use and adoption of online shopping by online consumers lags behind (Hendery 2006; Lee & Cheung 2004; Lee & Turban 2001). This suggests that there is hesitation by online consumers to purchase online, as well as an opportunity to grow the B2C e-commerce online shopping industry. In essence, there is a gap between the general use of the Internet for information and communication purposes versus the specific use for online shopping (Lee & Turban 2001). Therefore, the immediate discipline of this study is Internet shopping.

This research is interested in building an Internet shopping model focusing on its learning process. By understanding the learning process, the reader will be more informed about Internet shopping learning process for purchasing physical goods in a B2C e-commerce online environment. As such, this study considers five parent disciplines: (1) learning theories; (2) Theory of Planned Behaviour (TPB) and Extended Theory of Planned Behaviour (ETPB); (3) Consumer Trust Internet Shopping (CTIS) model; (4) Technology Acceptance Model (TAM), as well as the Integrated Trust and TAM (ITTAM) framework and (5) the Diffusion of Innovation (DI) model.

Therefore, the literature review investigates: learning by association (Kim, Lim & Bhargava 1998; Landy 1985; Pavlov 1897/1902; Skinner 1938; Wallace 2004); cognitive learning (Chen 2007; Glasman & Albarracin 2006; Landy 1985); social learning (Bandura 1969; Landy 1985; Wallace 2004) and the role of prior knowledge and past experience in learning (Chen & Chang 2005; Gregan-Paxton et al. 2002; Wang et al. 2007).

Furthermore, the literature review also includes: the Theory of Planned Behaviour (TPB) and Extended Theory of Planned Behaviour (ETPB) (Ajzen 1985; Chen & Chang 2005; Kumar 2000; Ramus & Nielsen 2005); the Consumer Trust Internet Shopping (CTIS) model (Lee & Turban 2001); the Technology Acceptance Model (TAM), the Integrated Trust and TAM (ITTAM) framework (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Savitskie et al. 2007) and the Diffusion of Innovation (DI) model (Rogers 1962, 1983).
Finally, prior theories are used to identify initial ideas and concepts that are relevant and important for this study. These initial ideas and concepts are later used to formulate the interview questions for this phenomenological research study. The ISLM is formulated based on findings from a qualitative data analysis of the common online shopping learning experiences of 12 participants.

1.3 Research problem and question

This section focuses on identifying the research problem and the research question.

Research problem. The problem of interest for this study is to understand how some online consumers learn to use and later adopt Internet shopping for purchasing physical goods online. The researcher is also interested in building a model of Internet shopping learning based on the shared common experiences, perspectives, attitudes and beliefs of the research participants during their journey to using and adopting Internet shopping.

In addition, this research is process focused, albeit that it also considers important influencing factors that impact on learning online shopping. Furthermore this phenomenological study will focus on Internet shopping for purchasing physical goods in the context of a B2C e-commerce online environment. Therefore, the primary aim of this research is to build an Internet shopping learning model to address the research problem.

Research question. Having identified the research problem, the research question for this study is:

RQ: What is the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment?

This research focuses on the process of Internet shopping learning. It captures the online shopping learning reality and common learning experiences on how to shop online of 12 participating consumers to answer the research question. In doing so, the research question will be answered and the ISLM is formulated.
Furthermore, Internet shopping for purchasing physical goods poses a number of challenges that are not present in purchasing non-physical goods and services online. These issues include the need by consumers to physically see, feel, smell, taste, inspect and try the goods before purchasing. In addition, they include logistical and fulfilment-related issues. Therefore, these challenges also provide areas of interest that are investigated in this study.

1.4 Justifications and contributions of the research

This section presents an overview of the justifications of this study and its contributions.

Justifications. This study is justified on the basis of the following reasons. For instance, the Internet and online shopping are very much part of everyday life in the developed nations since the Internet was opened for commercial and public use in 1991 (Assad 2007; Chang & Samuel 2004; Connolly & Bannister 2008; Gehrt et al. 2007; Kim & Kim 2004; Whang 2003). This phenomenon is also taking place in less-developed regions (Crenshaw & Robison 2006a, 2006b; Fraser & Henry 2007; Zhao et al. 2007). Therefore, the topic of interest is worthy of investigation.

Another related reason for justification of this research relates to the immense size and coverage of the Internet industry (Internet World Stats 2011c, 2011b, 2011a), as well as the growing online shopping sector and their potential for e-commerce activities both locally and globally. Therefore, this study is justified on the basis of the importance of the Internet and online shopping by quantum and application.

This study is also justified because of its value and contribution in providing a new theoretical framework and a better understanding of Internet shopping learning process for purchasing physical goods online. Furthermore, it provides and discusses the implications of its findings for policy and practice, as well as giving a platform for future studies.

There is a lack of qualitative theory building research focusing specifically on Internet shopping (Lee & Cheung 2004). The majority of research on Internet shopping has been quantitative in nature and focusing on hypothesis and theory testing (Brown, Pope & Voges 2003; Chang & Samuel 2004; Connolly & Bannister 2008). Therefore, this phenomenological
research is justified in that it contributes to the extant literature on Internet shopping as a qualitative theory building study. Furthermore, the ISLM provides a starting point for future positivist studies to test theory and provide generalisations to a population.

This study establishes the scope of its investigation on five parent disciplines and their prior theories. This provides the ISLM with a broader integrated framework. As such, it gives the reader a richer understanding of the process by which online consumers learn to use and adopt online shopping for purchasing physical goods in a B2C e-commerce online environment. Therefore this research is justified because of its broader integrated approach to building the ISLM, rather than just basing its investigation on a single theoretical framework.

Finally, this study is justified by its providing the ISLM as a basis for future studies to repeat the same or similar studies in other settings to test and validate the findings of this phenomenological research.

**Contributions.** This research provides the following contributions to knowledge and practice.

The findings of this research provide empirical evidence to support the prior theories considered in the literature review. In addition, there are advances and new additions to knowledge resulting from the findings of this research. Furthermore, there are findings consistent with the prior theories and some in disagreement. The findings in disagreement, to some extent, also provide contributions to knowledge in giving platforms for future studies to further investigate.

Internet shopping requires a learning process. This research asserts that this is the process by which online consumers come to learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment. Therefore, the findings of this study provide empirical evidence supporting some of the tenets of the extant learning theories.

In addition, Internet shopping for purchasing physical goods online is learned behaviour. The participating online consumers in this research indicate that Internet shopping is learned behaviour. There is much learning in the online shopping process that results in the use and adoption of Internet shopping for purchasing physical goods at B2C online stores. As such,
this conclusion and the research findings provide empirical evidence that generally support the tenets of the TPB and ETPB as theories of consumer behaviour.

One of the key findings of this study is the concept of the enabling process. This study concludes that the enabling process and its key influencing factors are part of the overall Internet shopping learning process. Moreover, the enabling process facilitates the online consumers’ journey from having no online shopping knowledge to learning and later adopting online shopping for purchasing physical goods online. Therefore, this conclusion provides new knowledge about the process of learning online shopping.

Another important finding of this research is the notion of qualifying trust. On the whole, consumers do not fully trust the Internet and Internet shopping but qualify their trust when using online shopping. It is the qualifying trust factor within the enabling process that determines the use of online shopping for purchasing physical goods by consumers. They qualify using Internet shopping based on their confidence and experience of the online environment, as well as the trustworthiness of online merchants. Therefore, qualifying trust is the online consumer’s threshold level of trust to the point of using Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

The research finds that confidence is a key determining factor in qualifying trust. Furthermore, confidence is a result of the influence of other key influencing factors in the enabling process. As such, this theme of confidence is an addition to knowledge about the enabling process of learning online shopping.

The findings of this research indicate that trustworthiness of B2C e-commerce online merchants is a key determining factor of qualifying trust. This conclusion is consistent with the tenets of the CTIS and therefore provides empirical evidence in support of the CTIS.

This study also indicates that there are other factors in the enabling process that also influence qualifying trust. For instance, online consumers consider B2C online stores with professional online images as more trustworthy and therefore they are more likely to use them. Other factors include the perspectives of the online consumers that larger size online organisations are more credible; well-established online stores are more trustworthy and online merchants with full contact details including physical address and contact telephone numbers are more
credible. They also consider online merchants with established brands as more trustworthy to purchase from. Some of these factors are mentioned in prior theory, others are not.

This study asserts that qualifying trust is the key determining factor of the learning process of Internet shopping, not behavioural intention. This conclusion disagrees with the tenets of the TPB, ETPB, TAM and ITTAM that behaviour intention is the key predictor of actual behaviour. However, the findings of this study conclude that behavioural intention is one of the influencing factors that contribute to Internet shopping behaviour but not the sole determinant of online shopping behaviour. Furthermore, the findings of this study to some extent are supported by the CTIS model. Therefore, this disagreement provides a basis for future studies.

The ISLM as a new theoretical model is a contribution to knowledge. The ISLM is an integrated theoretical framework that has been guided by the prior theories of this study. Furthermore, the findings of this phenomenological study, based on the journey and experiences of the participating consumers, provide the basis of formulating the ISLM. This study will not test the ISLM and therefore provides a basis for future positivist studies to test the ISLM, as well as making generalisations to broader populations.

Finally, the ISLM provides a theoretical framework that better informs business practitioners and managers on how to educate some online consumers to becoming Internet shoppers of physical goods for their B2C online stores. It also helps practitioners improve their online retail businesses. Section 5.5 discusses the implications of this study’s findings and the ISLM for policy and practice.

1.5 Methodology used by this research

This research begins with a literature review. The review investigates prior theories with relevance to learning and Internet shopping as a technology application. This part of the research focuses on identifying initial ideas and concepts that are relevant to the research. Furthermore, the identified initial ideas and concepts are used to develop and shape the guiding questions for the interview protocol at the data collection stage of the research.
While there are many classifications of research paradigms, this research adopts the classification that is suggested by Guba and Lincoln (Guba & Lincoln 1991) with four paradigms: positivism; constructivism; critical theory and realism. Furthermore, the paradigm or philosophical position of a study consists of three fundamental levels with three central questions regarding: the ontology; epistemology and methodology (Guba & Lincoln 1994). In understanding the philosophical issues of a paradigm, the researcher is able to determine what methodology and methods are most suitable for the study, given that they have their own inherent strengths and limitations (Deshpande 1983).

This study selects realism as the most suitable and appropriate paradigm for this theory building research. The realism paradigm provides a set of beliefs and philosophical positions that enable this study to search for meaning that consists of both observable and unobservable aspects (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Sobh & Perry 2006) of the process by which online consumers come to learn and adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment. In addition, the realism paradigm (Perry, Alizadeh & Riege 1997; Sobh & Perry 2006) argues that the online consumers’ perceptions are not in themselves the reality but rather a window into understanding their online shopping reality. Therefore, this study will depend on the use of the principle of triangulation to capture a ‘family of answers’ to create a better picture (Creswell 2007, 2013; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006) of the Internet shopping learning process.

It follows that the ontology of the realism paradigm of this study is concerned with the real world of online shopping that exists independently of the researcher and that the reality of the Internet shopping process is imperfectly and probabilistically apprehensible (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). In addition, the epistemology of the realism paradigm of this research is based on the notion that the researcher is not completely value free but aims to be value aware during the entire study and in presenting the eventual findings (Fenech & O'Cass 2001; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

Qualitative methodology is chosen for this study because of its consistency with the realism paradigm, as well as its suitability for theory building research (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). While the qualitative methodology in this research is inductive, the design of this study
also includes a degree of prior theory from the literature review to guide the research to achieve its theory building goal.

Having chosen qualitative methodology, the researcher selects phenomenology as its research method and strategy for data collection and analysis of rich information from the research participants’ interviews (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) to build the ISLM. This phenomenological research is more concerned with the what, how and why of Internet shopping learning.

In regards to the research design, the researcher adopts a multiple participants research design (Creswell 2007, 2013). The unit of analysis is the learning process of the online shopping for purchasing physical goods in a B2C online environment.

In addition, the phenomenological research design is chosen because of its scope and suitability to describe the life and meaning for several consumers of their lived experiences (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) of learning Internet shopping for purchasing physical goods online. Their common experiences are then developed into composite themes of the essence of their collective experiences (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) of learning online shopping to formulate the ISLM.

Given that this research is about theory building, replication logic is the most appropriate principle rather than sampling logic for selecting participants (Eisenhardt 1989; Patton 1990; Stake 1994). Therefore, as part of the protocol of this research, participants are purposively selected (Creswell 2007, 2013; Eisenhardt 1989; Merriam 1988a, 1988b). In addition, the participants are organised into three groups of online consumers reflecting their common experiences (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) with online shopping. Six participants are established Internet shoppers. A further three are new Internet shoppers and three more are non-Internet shoppers who have not yet purchased any physical goods from B2C online stores.

There are two main sources of data collection for this phenomenological study. The first is the in-depth interviews of 12 participating consumers. Participants aged 18 and older are selected. This is to address concerns relating to minors, as well as the participants’ maturity and their financial ability to purchase online. An equal number of female and male participants are
selected so that there is no gender bias. The education level achieved by the participants is not a criterion for selection but it is collected to provide a richer picture of Internet shopping participation. The level of incomes and employment types are also collected and analysed.

The second main source of data collection is the B2C online stores used by the online consumers. The researcher made observations in regard to the usefulness of the B2C online store; ease of use; credit card security; protection of privacy; online professional presentations; perceived trustworthiness; easily recognisable brands; contactability and having adequate contact details; reputation of order fulfilment and customer feedback in the form of testimonials.

Other supporting sources of data collection include the online consumers’ experiences with purchasing from C2C online marketplaces, as well as B2C online stores for purchasing non-physical goods and services. For example, the study also collects data on the experiences of the participants in relation to Trade Me and e-Bay regarding purchasing of physical goods online, as well as from their experiences of purchasing non-physical goods and services such as tickets to shows or paying for airline fares.

The interview protocol for this study included an Information Sheet and Consent Form providing information on the process and procedures of conducting the interviews. It also included the guiding interview questions. The main questions are open-ended with supporting semi-structured and open-ended questions to facilitate and explore ideas and themes from the participants during the investigation. The first interview is used as a pilot interview to gauge the relevance of the guiding questions and the interviewing protocol. Furthermore, the data from the pilot interview are included in the findings.

The research uses phenomenological analysis. In addition, a two-pronged approach is used for analysing the interview contents. After each interview, the researcher listened to the audio recording and performed an analysis of emerging ideas and themes, as well as their role in relation to online shopping learning process. Meanwhile a digital copy of the audio interview was sent to an independent transcription service to be transcribed. Each audio interview was transcribed using the complete verbatim principle. Once each interview transcript arrived back to the researcher, they were further analysed and coded individually utilising NVivo 8
qualitative data analysis software. This process of analysis after each interview is repeated for all 12 participants.

The findings from the phenomenological analysis are organised under the three groups of participating consumers. In addition, the findings are used as the basis of formulating the ISLM. Therefore, the ISLM is the result of the induction process and the qualitative analysis of this phenomenological research.

1.6 Definitions of major terms used
This section defines the key terms used in this phenomenological study as follows.

**B2C e-commerce online environment.** The B2C (business to consumer) e-commerce business model is where businesses sell their products and services directly to end consumers via the Internet environment (Movahedi-Lankarani 2002; Sneddon 1997; Wonglimpiyarat 2007).

**Bracketing.** This is a concept in which a researcher sets aside their experiences and suspends their judgements, as much as possible, about what is real regarding the phenomenon under investigation, to fully describe how the participants view and understand the phenomenon from their lived experiences (Creswell 2007, 2013; Moustakas 1994; van Manen 1990).

**C2C online marketplace.** C2C (consumer to consumer) online marketplaces are virtual marketplaces where consumers buy and sell directly to each other, or auction their products and services directly to each other (Goldsborough 2008; Movahedi-Lankarani 2002). The most common C2C online marketplaces referred to by the participants are: Trade Me; and eBay.

**E-commerce.** E-commerce is defined as a commercial business model in which two or more parties conduct their business transactions electronically via computer networks, typically the Internet (Lawrence et al. 1998).
Enabling process. The enabling process as revealed in this research facilitates the online consumers’ journey to adopt online shopping for purchasing physical goods online. This enabling process involves a number of important influencing factors: key motivational drivers; perceived usefulness and benefits; ease of use and perceived control; social groups and media influences; attitude towards Internet shopping; prior knowledge and past experience; individual trust propensity; familiarity; confidence, trustworthiness of B2C online merchants; and qualifying trust.

Established Internet shopper group. This is a group of six participants in the research with established Internet shopping experience of purchasing physical goods in a B2C e-commerce online environment for more than 12 months, at the time of conducting this research.

Internet. The term Internet refers to a worldwide system of interconnected computer networks with its two principal communication tools: the Transmission Control Protocol (TCP) and the Internet Protocol (IP) (Federal Networking Council 1995; Pierobon 1996).

Internet shopping. Internet shopping also known as online shopping is defined as the complete shopping experience in the purchasing of physical goods via the Internet. This includes product searching; purchasing; online payment; fulfilment; receipt of the product; and addressing product returns, replacement, or refunding issues, if any (Chen & Chang 2003).

Internet Shopping Learning Model (ISLM). This is the new theoretical model formulated from the findings of this phenomenological research.

Learning. Learning is defined as the development and acquisition of new knowledge, skill, experience, behaviour or change in behaviour over time, that did not exist before (Bandura 1969; Barrett, Davis & Needham 2007; Chen 2007; Cummins 1992; Landy 1985; Oxford 2000; Wang et al. 2007).

New Internet shopper group. This is a group of three participants in the research with new Internet shopping experience of purchasing physical goods in a B2C e-commerce online environment for up to 12 months, at the time of conducting this research.
**Non Internet shopper group.** This is a group of three participants in the research with no Internet shopping experience of purchasing physical goods in a B2C e-commerce online environment, at the time of conducting this research.

**Non-store retailing.** This refers to retailing or shopping at a non-physical store environment. This includes catalogue shopping, 0800 telephone shopping, TV shopping and Internet shopping.

**Online consumers.** For the purpose of this research, online consumers are defined as individuals who use the Internet to purchase physical and non-physical goods and services from B2C online stores, as well as from C2C online marketplaces, such as Trade Me and eBay.

**Phenomenological research.** For the purpose of this study, phenomenological research is defined as a study that describes the life and meaning of several participants and their lived experiences regarding a particular phenomenon (Creswell 2007, 2013; Moustakas 1994; van Manen 1990). The focus of this phenomenological research is to describe the lived experiences of 12 participants and their process of learning Internet shopping for purchasing physical goods in a B2C online e-commerce environment. It describes the common experiences of all the participants (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) within their respective groups. The data collected from the 12 interviews are then developed into composite themes of the essence of the participants’ common and collective experiences (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) to formulate the ISLM.

**Qualifying trust.** Qualifying trust is defined for the purpose of this research as an online consumer’s threshold level of trust to use Internet shopping.

### 1.7 Delimitations
One of the key delimitations of this study relates primarily to the fact that the research only considered the behaviour of the online consumers with Internet and online shopping experience but not the consumers without Internet experience. For instance, the selection of participants for this study is limited to online consumers who have Internet experience. It does
not include consumers with no Internet experience. Therefore, the findings of this study limit the reader’s understanding to consumer behaviour of online consumers with Internet experience and do not include non-Internet consumers.

In addition, this study is primarily focused on the Internet shopping learning process in the context of a B2C e-commerce online environment. Furthermore, this research is mainly interested in physical goods. Therefore, the findings of this study are limited primarily to online shopping regarding physical goods in a B2C e-commerce online environment. However, the study acknowledges using supporting data from the online consumers’ experience in purchasing non-physical goods and services in a B2C e-commerce online environment. Furthermore, supporting data from the online consumers’ experience in purchasing physical goods from C2C online marketplaces are also obtained and used. This secondary data provide support for the role of prior knowledge and past experience in Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

Another limitation of this study relates to the selection of 12 participants only from Auckland, New Zealand. Online consumers from other contexts are not included. While the participants are selected from Auckland, New Zealand, the findings and conclusions can only be related to the 12 participants in this study. Therefore, no generalisation can be made about the population of Auckland or of New Zealand or of online consumers in total. Nevertheless, this limitation is acceptable in the context that the primary goal of this study is theory building (not theory testing) and therefore, the findings are limited to theoretical generalisations but not generalisations to a population (Eisenhardt 1989; Patton 2002; Perry 1998; Yin 1989, 1994).

Given that the main goal of this research is theory building, it does not include any theory testing component. Rather, the findings of this study are used to formulate the ISLM. Therefore, this study does not test the ISLM but presents it as platform for future studies to test and further investigate.

1.8 Structure of the thesis
This thesis is organised into five chapters as summarised below and illustrated by Figure 1.2.
Chapter 1. This first chapter provided the background to the research and outlined the context of the study. It introduced the research problem and the research question to guide the study. The justification for the research and the study’s contributions were presented. Following that, the methodology used was outlined and definitions of key terms used in this study were given. This chapter then provided the delimitations regarding the phenomenological study, the structure of the thesis and finally, the conclusion of Chapter 1.

Chapter 2. The second chapter is the literature review. This chapter provides a background of the Internet phenomenon and its online shopping context. It then reviews theories of relevance to the immediate discipline of Internet shopping learning. Through the literature review, key initial ideas and concepts of relevance to this study are identified. Furthermore, these key initial ideas and concepts are used to develop and shape the guiding questions for the interview protocol to be used at the data collection stage (see Appendix A).

Chapter 3. The third chapter outlines the methodology used by this research. It presents the justification for the use of realism paradigm and the use of qualitative methodology. The chapter then justifies and outlines the use of phenomenological research as its chosen research method. Chapter 3 also presents the strategies used for data collection and data analysis, as well as addressing ethical considerations and how the limitations relating to this phenomenological research are successfully dealt with.

Chapter 4. The fourth chapter presents the findings from this phenomenological study under the categories of the three groups of the participating consumers. The first is the established Internet shopper group. The second is the new Internet shopper group and the third is the non Internet shopper group with no Internet shopping experience for purchasing physical goods online. The overall findings as to the process by which the online consumers learn to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment are then used to formulate the ISLM.

Chapter 5. The fifth and last chapter discusses the findings of this research and draws conclusions regarding the research question. It then presents an answer to the research problem in the form of the ISLM as a new theoretical framework derived from this phenomenological study. In addition, Chapter 5 concludes that Internet shopping is a learning
process, as well as learned behaviour. Furthermore, this study provides new additions to knowledge, for instance, focusing on Internet shopping as a process; the enabling process of Internet shopping learning; the role of confidence, trustworthiness of online merchants and other factors in the enabling process. Finally, the researcher argues that qualifying trust, not behavioural intention, is the determining factor in the learning process of Internet shopping for purchasing physical goods online.

Figure 1.2  The structure of this five chapter thesis

```
Chapter 1 – Introduction

Chapter 2 – Literature Review

Chapter 3 – Methodology

Chapter 4 – Findings

Chapter 5 – Discussion
```

Source: Developed for this research.

1.9  Conclusion

Chapter 1 has presented an overview of this thesis. It provided the background, as well as the research problem and the research question. It presented the justifications and the contributions of this study. In addition, it outlined the methodology adopted and the definitions of the major terms used in this study. Furthermore, it provided the delimitations of the research and the structure of the thesis. The conclusion then links Chapter 1 to Chapter 2 where the extant literature is reviewed.
Chapter 2

Literature Review

2.1 Introduction

Chapter 1 provided an overview of the thesis and outlined the focus of this research. Chapter 2 provides the literature review for this study. Thus, the purpose of this chapter is to review the prior theories and the immediate discipline of Internet shopping with specific emphasis on purchasing physical goods in a B2C e-commerce online environment.

The literature review also sets out to distinguish the known from the unknown and the relevant from the irrelevant (Forbes 2003; Maxwell, Boote & Beile 2006; Rowley & Slack 2004; Russell 2005). Furthermore, the review identifies the gaps and issues in the literature, which will subsequently give rise to the identification of the research problem and the formulation of the research question (Rowley & Slack 2004; Russell 2005). In doing so, it avoids wasteful replication of known knowledge (Rowley & Slack 2004; Russell 2005), so that the research can focus on achieving a worthy contribution both to knowledge of Internet shopping and its practice for B2C e-commerce.

While the review draws from the wider literature with relevance to Internet shopping, it is primarily interested in Internet shopping learning process involving physical goods. Internet shopping for purchasing physical goods poses a number of interesting issues that are not present in online shopping for purchasing non-physical goods and services. These issues include the desire by many consumers to inspect, see, touch, smell, taste, and try the physical goods before purchasing (Fenech & O'Cass 2001; Monsuwe, Dellaert & Ruyter 2004), as well as fulfilment and issues of logistics (Monsuwe, Dellaert & Ruyter 2004).

Therefore, the primary objective of Chapter 2 is to critically and systematically review (Khan, Kunz, Kleijnen & Antes 2003; Lipp 2003; Rowley & Slack 2004; Russell 2005) the relevant literature for the parent disciplines that provide a theoretical understanding of the immediate discipline. The five parent disciplines are: (1) learning theories; (2) Theory of Planned Behaviour (TPB) and Extended Theory of Planned Behaviour (ETPB); (3) Consumer Trust
Internet Shopping (CTIS) model; (4) Technology Acceptance Model (TAM), as well as the Integrated Trust and TAM (ITTAM) framework and (5) the Diffusion of Innovation (DI) model. The immediate discipline for the literature review is Internet shopping for purchasing physical goods in a B2C e-commerce online environment and its learning process.

In addition, the literature review chapter identifies initial ideas and concepts that will act as a guide for this study towards theory building. The initial ideas and concepts, derived from prior theory (Rowley & Slack 2004; Russell 2005), help shape and develop the interview questions for this phenomenological research.

Finally, Chapter 2 is divided into eight sections. Section 2.1 provides the introduction for this chapter. The background on the Internet and Internet shopping is given in Section 2.2. The parent disciplines and prior theories of interest regarding Internet shopping, as well as the literature on online shopping are reviewed in Section 2.3. Section 2.4 considers Internet shopping and its context. Section 2.5 presents the research problem and question and Section 2.6 identifies initial ideas and concepts towards theory building. Finally Section 2.8 provides a conclusion for Chapter 2 and links it to the methodology used by this study in Chapter 3.

The following concept map (Figure 2.1) provides the outline structure of Chapter 2.
2.2 Background to the Internet and Internet shopping

The Internet, the World Wide Web, and Internet shopping are without question three of the most profound technological revolutions of the twentieth century (Central Intelligence Agency 2011; Chang & Samuel 2004; Goldsborough 2008; Lai & Turban 2008; McGaughey 2003). They have, and are continuing to have, significant impact on every aspect of people’s lives, from home, to work, school and leisure (Assad 2007; Ha & Coghill 2008; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Kolesar & Galbraith 2000; Lai & Turban 2008; McGaughey 2003).

One of the important applications associated with the Internet and the World Wide Web is electronic commerce, also known as e-commerce (Chang & Samuel 2004; Kinder 2002; Kolesar & Galbraith 2000; McGaughey 2003; Movahedi-Lankarani 2002; Reynolds 2000;
Wonglimpiyarat 2007). In addition, e-commerce is also profoundly changing the way we think about and practice the buying and selling of goods and services (Chang & Samuel 2004; Katuri & Lam 2007; Kolesar & Galbraith 2000; Norum 2008; Papies & Clement 2008). The impact and ramifications of the Internet, the World Wide Web, Internet shopping and e-commerce on consumers and commercial entities alike are astounding in broadening the reach of interconnectivity and interactivity, as well as giving rise to new economic environments and business practices (Janson & Cecez-Kecmanovic 2005; Katuri & Lam 2007; Kinder 2002; McGaughey 2003; Papies & Clement 2008; Wonglimpiyarat 2007).

There are many variations to the definition of Internet shopping or online shopping (Chen & Chang 2003; Monsuwe, Dellaert & Ruyter 2004). Authors (Chen & Chang 2003) have referred to Internet shopping as the act of shopping for goods and services via the Internet. Some authors (Monsuwe, Dellaert & Ruyter 2004) have limited the scope of what constitutes Internet shopping to include only the searching for and obtaining of online information about a product or service but not including the transactional stage of purchasing and logistics.

For the purpose of this research, Internet shopping, also known as online shopping, is defined as the complete shopping experience in the purchasing of physical goods via the Internet (Chen & Chang 2003). It includes the B2C e-commerce online environment where consumers search (Monsuwe, Dellaert & Ruyter 2004) view and order physical goods from B2C online stores via the Internet (Chen & Chang 2003; Shergill & Chen 2005). It includes the transactional stage of making payments electronically online, as well as the shipping and delivery of goods. It also includes the honouring of returned goods for replacement and refund by Internet merchants (Chen & Chang 2003). Despite this definition being primarily focused on physical goods, it nevertheless can equally apply to non-physical goods and services.

2.2.1 The Internet as a global communication system

The term Internet refers to a worldwide system of interconnected computer networks with its two principal communication tools: the Transmission Control Protocol (TCP) and the Internet Protocol (IP) (Federal Networking Council 1995; Pierobon 1996). The Internet with cross-platform compatibility between computer technology and telecommunications (Crenshaw & Robinson 2006b, 2006a; Pierobon 1996), including telephone, satellite, mobile and wireless networks, has enabled electronic data and information to be relayed between computers using the IP (Federal Networking Council 1995; Pierobon 1996). This global interconnectivity has
provided a new platform for both individuals and businesses to communicate information and conduct business transactions electronically via the Internet (Crenshaw & Robinson 2006a, 2006b; Lai & Turban 2008; Nelson 2006; Zhao et al. 2007).

2.2.2 The Internet and the World Wide Web (www)

The Internet was initially designed as a communication medium and it is still primarily used as a communication system (Fenech & O'Cass 2001; Holley & Hunton 1996; Kratofil 1996; Nelson 2006). For instance, people use the Internet for: sending and receiving emails, chatting to friends, sending correspondence, distance learning, communicating both publicly and privately in forums, and communicating locally and globally with communities of common interests (Chen & Sockel 2003; Janson & Cecez-Kecmanovic 2005; Lee 2006).

However, it did not take long before it was recognised that virtual electronic sites could be located and constructed anywhere on the Internet highway (Fenech & O'Cass 2001; Holley & Hunton 1996). These virtual electronic websites proliferated quickly and extensively across the world (Crenshaw & Robinson 2006b, 2006a; Fenech & O'Cass 2001; Holley & Hunton 1996; Kratofil 1996), as Internet users realised that these electronic sites can act as virtual personal site addresses, business site addresses, office and storefront site addresses (Fenech & O'Cass 2001; Holley & Hunton 1996).

The term World Wide Web

The term World Wide Web refers to systematic interlinked hypertext documents that operate over the Internet (Holley & Hunton 1996). It is called the web because it is made up of many websites linked together and if all the interconnected links of these virtual electronic sites were sketched out, it would look like a spider’s web covering the globe (Holley & Hunton 1996; Kratofil 1996).

In essence, the World Wide Web utilises the worldwide network connections of the Internet, as does email, Internet relay chats (IRC), and file transfer protocol (FTP). The World Wide Web operates via the Internet network but they are not the same thing. Thus the two terms are not interchangeable (Fenech & O'Cass 2001).
Website and home page on the Internet
The terms ‘website’ and ‘home page’ are often used interchangeably. Technically, they are not the same. While a home page is a website, a website need not be a home page (Holley & Hunton 1996). A home page is a unique virtual electronic website address for an individual or an organisation on the World Wide Web (Holley & Hunton 1996).

The World Wide Web language used for interconnectivity
The language of the World Wide Web (web) is called ‘hypertext markup language’ (HTML). Every web page is constructed of the HTML code (Holley & Hunton 1996). Many sophisticated web pages incorporate texts; sound; attractive images and graphics; multimedia and hyperlinks to connect one site to another (Holley & Hunton 1996).

A website address on the Internet
A typical website address or a web Uniform Resource Locator (Fusilier & Durlabhji) would look like this: ‘http://www.emayse.co.nz’. The ‘http’ stands for ‘Hypertext Transfer Protocol’ which identifies and locates the resource and describes its primary access mechanism (Holley & Hunton 1996). Moreover, the ‘http’ precedes all web addresses (Holley & Hunton 1996). For instance, ‘www.emayse.co.nz/shop’ identifies the World Wide Web location of a specific computer site (emayse.co.nz) where the sought after information is held. The word ‘shop’ identifies a specific file in that computer.

2.2.3 Growing population of Internet users
The population of Internet users continues to experience phenomenal growth, globally. This trend has continued since its opening to commercial traffic in 1991 (Kim & Kim 2004). The number of American people having Internet access reached 176 million in 2002 (International Herald Tribune 2002, cited by Kim & Kim, 2004). The number of American Internet users grew to 212 million in 2007 (Internet World Stats 2007) and 245 million in 2011 based on US Census Bureau data (Central Intelligence Agency 2011; Internet World Stats 2011b).

A similar phenomenal growth trend in Internet users is also seen in Europe. The population of Internet users grew to about 150 million at the end of 2001 (Meller 2001). It further increased to 314 million in 2007, and 476 million in 2011 (Internet World Stats 2011a).
In the small but developed economy of New Zealand, over 50% of its population was online, as of May 2002 (Nua, 2002, cited by Doolin, Dilon, Thompson, & Corner 2005). Moreover, Internet users in New Zealand increased to 3.2 million by 2007, representing 74.9% of its population (Internet World Stats 2008a) and 3.6 million in 2011 (Internet World Stats 2011c).

2.2.4 The Internet uses

One of the main uses of the Internet is to access and search for information (Ahmad 2002; Janson & Cecez-Kecmanovic 2005; Kolesar & Galbraith 2000; Luck 2005; McGaughey & Mason 1998; Seock & Norton 2007). For instance, people use the Internet for browsing and accessing information; searching for product and service information including pricing, branding, organisation and non-pricing information; updating them with local or international news; checking on sports news, and the weather; or even to access the most current travel information on flight arrivals or departures (Ahmad 2002; Brown, Pope & Voges 2003; Chen & Sockel 2003; Luck 2005; Swinyard & Smith 2003). Some of the most well-known websites for searching and browsing for information include: www.google.com; www.yahoo.com; and www.msn.com.

2.2.5 The Internet for e-commerce

In today’s global market, e-commerce is typified by many and varied activities. These e-commerce activities include: automatic teller machines (ATMs) and online banking over a public communication network such as the Internet (Lin, Hu & Sung 2005; Movahedi-Lankarani 2002; Sneddon 1997; Wan, Luk & Chow 2005; Wonglimpiyarat 2007); online ticketing; online payments for accommodation and travel; online purchasing of products such as computer software, or clothing; online purchasing of services such as investment advice and insurance (Blackmer, Parnell & Bock 1999; san Filippo & Crenshaw 1999); direct online payment of such household bills as telephone, power, and water; as well as online trading of shares, options and foreign exchange currencies (Blackmer, Parnell & Bock 1999; Kalakota & Konsynski 2000; Tatnall & Lepa 2003).

Definition of e-commerce

Electronic commerce or e-commerce has been defined by many authors (Janson & Cecez-Kecmanovic 2005; Lawrence et al. 1998; Movahedi-Lankarani 2002). Most conclude that e-commerce is the electronic transaction mode in which goods and services are exchanged, bought and sold commercially via the use of any one of the many thousands of computer
networks that constitute the Internet (Janson & Cecez-Kecmanovic 2005; Lawrence et al. 1998; Movahedi-Lankarani 2002).

In addition, e-commerce is more than an exchange of goods, services and finances via an electronic transaction mode. It is a purposive commercial system that enables information search and assessment of business transactions to be completed (Kinder 2002). It encompasses an entire infrastructure of e-commerce services including the Internet platform and business systems (Kinder 2002; Korsakiene 2006; Movahedi-Lankarani 2002). It includes post-transaction interactions that are supported and made possible by the global computer network system and telecommunication technologies (Kinder 2002; Korsakiene 2006; Movahedi-Lankarani 2002).

For the purpose of this literature review, e-commerce is defined as a commercial business model in which two or more parties conduct their business transactions electronically via computer networks, typically the Internet (Lawrence et al. 1998). It encompasses online users communicating electronically their trading intentions and instructions, as well as their personal and banking details to facilitate payments (Korsakiene 2006). It includes the execution of buying and selling of goods and services, as well as monetary exchange for a commitment to honour the provision of goods and services. In addition, it involves an entire e-commerce services and IT infrastructure, business systems, hardware and software computer technologies, telecommunication network systems and communication formats (Korsakiene 2006; Lawrence et al. 1998; Movahedi-Lankarani 2002).

**The Internet promoting e-commerce interactivity and connectivity**

In a variety of shapes, forms and ratios, e-commerce has both physical features and virtual characteristics (Kinder 2002). Its life blood is the communities of users and suppliers that are interconnected with each other (Kinder 2002; McGaughey 2003). They interact and exchange within and between their parties of users and suppliers to constitute market and supply-demand chains within that commercial network (Kinder 2002; McGaughey 2003). This connectivity and market interactivity are the fundamental attributes of e-commerce which have broadened the scope of commercial transactions and enabled new economic environments and business practices to emerge (Janson & Cecez-Kecmanovic 2005; Kalakota & Konsynski 2000; Kinder 2002).
E-commerce versus e-business
People have commonly used the terms e-commerce and e-business interchangeably. However, the two are not the same. E-business relates more to internal business strategies, activities, processes and systems that a corporation or a business has to have in order for them to participate in and undertake e-commerce activities with the external world, or between parties in the commercial network (Pinero 2001).

Types of e-commerce
There are many different categories of e-commerce. The differences in these categories are defined based on various factors. For instance, the nature of the business enterprise involved and the client being served; the goods and services being sold or bought; and who is doing the selling and buying (Movahedi-Lankarani 2002).

E-commerce categories are roughly separated into the same categories found in the non-Internet economy. E-commerce operates in all the major market segments (Movahedi-Lankarani 2002): business to business (B2B); business to consumer (B2C); consumer to consumer (C2C); and consumer to business (P2B). Other e-commerce relationships include: government to consumer (G2C); and mobile and wireless channels of communication used in business interaction also account for some forms of e-commerce (Movahedi-Lankarani 2002).

B2C e-commerce
The B2C e-commerce is the most familiar of e-commerce business models, where businesses sell products and services directly to customers via the Internet (Movahedi-Lankarani 2002; Sneddon 1997; Wonglimpiyarat 2007). E-retailing, or e-tailing as it is also known, for both products and services, is a good example of B2C. One of the most well known B2C online retailers is Amazon.com. Furthermore, banks, credit unions, brokerage firms, wholesalers and distributors are also adopting the B2C business model to directly reach the global market of online consumers (Blackmer, Parnell & Bock 1999; Kalakota & Konsynski 2000; san Filippo & Crenshaw 1999; Wonglimpiyarat 2007).

C2C e-commerce
The most common sites of C2C e-commerce are the online marketplaces where consumers buy and sell directly to each other or auction their products and services (Goldsborough 2008; Movahedi-Lankarani 2002). Two examples of C2C e-commerce online marketplaces are e-
Bay and Trade Me. It is also worth noting that businesses are becoming active participants in selling directly to customers via the C2C e-commerce online marketplaces. However their involvement in the C2C online marketplaces is considered to be that of a customer of the marketplace selling to other customers registered with C2C online marketplace providers (Movahedi-Lankarani 2002).

**B2B e-commerce**
The B2B e-commerce category involves businesses doing business with each other via the Internet (Movahedi-Lankarani 2002). This is the largest segment of e-commerce (Kalakota, Oliva & Donath 1999). A manufacturing firm or a service provider marketing and selling their products or services online and directly to a wholesaler or a distributor, or alternatively to a retailer are good examples of B2B e-commerce (Lin, Hu & Sung 2005; Movahedi-Lankarani 2002). Both businesses, in this instance, are able to initiate, facilitate and complete their transaction of exchanging goods or services for financial returns via the Internet medium (Blackmer, Parnell & Bock 1999; Movahedi-Lankarani 2002).

**P2B e-commerce**
The P2B e-commerce involves customers initiating the transaction (Movahedi-Lankarani 2002; Reynolds 2000). This involves customers seeking out the best possible prices from the various suppliers and consequently purchasing the products via the Internet. Priceline.com and PriceGrabber.com are examples of P2B e-commerce online stores where online consumers seek out business suppliers of products and services with the best prices for them to purchase from (Movahedi-Lankarani 2002; Reynolds 2000).

**G2C e-commerce**
In addition to the private sector businesses operating online, some government agencies also participate in online e-commerce activities (Movahedi-Lankarani 2002). For instance, the USA government through some of its agencies is doing business online, directly with consumer citizens. In this phenomenological research the e-commerce relationship is known as G2C (government to consumer) (Movahedi-Lankarani 2002). In 2000, the United States Federal Government earned $3.6 billion in revenue from its 164 websites, and including the sales of Treasury bills, notes and bonds (Movahedi-Lankarani 2002). Other governments and their agencies are only involved in information dissemination with customers, as opposed to financial transactions.
Mobile and wireless devices for e-commerce
The advancement in technology and emergence of mobile and wireless telecommunication devices have given rise to new channels for e-commerce activities (Fenech & O'Cass 2001; Movahedi-Lankarani 2002; Reynolds 2000). Mobile e-commerce includes the use of radio-based wireless devices. For instance, mobile cell phones are used as an interface to facilitate and perform e-commerce transactions over wireless communication systems (Fenech & O'Cass 2001; Movahedi-Lankarani 2002; Reynolds 2000). The online gaming and music industries are two examples of where mobile and wireless devices are used to play games and download music electronically via the Internet and telecommunication systems (Fenech & O'Cass 2001; Mok 2002; Movahedi-Lankarani 2002).

2.3 Parent disciplines and Internet shopping learning
This section investigates the five parent disciplines and their theoretical frameworks. Moreover, it will focus on Internet shopping learning for purchasing physical goods as the immediate discipline for this research. The first parent discipline is human learning as it relates to consumer behaviour (Bandura 1969; Glasman & Albarracin 2006; Landy 1985; Pavlov 1897/1902; Skinner 1938). The literature review looks at different learning principles from a range of different learning theories (Bandura 1969; Chen 2007; Gregan-Paxton et al. 2002; Gregan-Paxton & John 1997; Pavlov 1897/1902; Skinner 1938) to provide an insight into consumer learning in relation to Internet shopping. The second parent discipline is consumer behaviour, from the perspective of the Theory of Planned Behaviour (TPB) and extended TPB that includes past experience and channel knowledge as additional variables (Ajzen 1985, 1988; Chen & Chang 2005).

The third parent discipline is consumer trust. The review adopts the Consumer Trust Internet Shopping (CTIS) model to investigate consumer trust, in the context of Internet shopping (Lee & Turban 2001). The fourth parent discipline is technology with a focus on the Technology Acceptance Model (TAM) and the Integrated Trust and TAM framework (Davis 1986; Davis, Bagozzi & Warshaw 1989). In addition, the TAM and ITTAM focuses on consumer behaviour in accepting technology. Finally, the fifth parent discipline is innovation with a focus on Diffusion of Innovation model and the process by which innovations, such as Internet shopping, are adopted by members of social systems (Rogers 1962, 1983, 2003).
2.3.1 Learning Theories

Learning is defined in the *Oxford Advanced Learner’s Dictionary* (2000) as the process by which an individual develops or gains knowledge or skill through observation, studying, training, practising, or from previous experience. Furthermore, this definition is consistent with research findings (Kim, Lim & Bhargava 1998; Landy 1985; Pavlov 1897/1902; Skinner 1938; Wallace 2004) on consumer learning behaviour. Furthermore, other scholars (Barrett, Davis & Needham 2007; Chen & Chang 2005; Glasman & Albarracin 2006; Williamson, Meltzoff & Markman 2008) have argued that learning is a change in behaviour that comes through experience and that it takes place within a person.

Therefore, for the purpose of this research, learning is defined as the development and acquisition of new knowledge, skill, experience, behaviour or change in behaviour over time, that did not exist before (Bandura 1969; Barrett, Davis & Needham 2007; Chen 2007; Cummins 1992; Landy 1985; Oxford 2000; Wang et al. 2007).

Learning by Association Theory and classical conditioning

One key group of theories in behavioural learning is that of learning by association. There are two basic variations to learning theories by association (Landy 1985). The first variation is classical conditioning (Landy 1985; Pavlov 1897/1902; Pawlik 1997) where the theory assumes that the learner is passive. However, the learner notices an association or connection between two stimuli (Kim, Lim & Bhargava 1998; Landy 1985). The first stimulus is called the unconditional stimulus (Landy 1985; Pavlov 1897/1902; Pawlik 1997). It has the ability to elicit a certain response through its own power. The second stimulus is called the conditional stimulus (Landy 1985; Pavlov 1897/1902; Pawlik 1997) and is initially neutral. It gains its response eliciting power from its association with the unconditional stimulus (Landy 1985; Pavlov 1897/1902; Pawlik 1997). This theory of learning is commonly adopted and commercially exploited by many Internet, television and radio advertisers to market and sell products and services (Brown & Stayman 1992; Kim, Lim & Bhargava 1998; Walker & Dubitsky 1994).

Learning through operant conditioning

The second variation of learning theories by association is operant conditioning (Landy 1985; Skinner 1938; Smith 1992). It assumes that the learner has an active role to play in the learning process (Landy 1985; Skinner 1938; Smith 1992). The operant approach asserts that
learning results from the association relationship between responses and rewards (Landy 1985; Skinner 1938; Smith 1992). The learner observes that there is a reward shortly after the performance of a particular response. In order to receive the reward again, the learner attempts to reproduce the response that originally resulted in the reward (Landy 1985; Skinner 1938).

Operant conditioning learning involves such variables as reward or reinforcement schedule, which includes the amount of the reward and the rate of reward; the time between response and the reward; and the complexity of the behaviour that constitutes the response (Landy 1985; Skinner 1938). Furthermore, behavioural theorists have long held the view that operant learning principles can be used to bring about desired behavioural change, as well as technological and social reforms (Skinner 1938; Smith 1992). The operant learning approach is also commonly used by Internet, television, and multimedia marketers to influence consumer purchasing attitude and their consequent purchasing behaviour (Chang & Samuel 2004; Fenech & O’Cass 2001; Kipnis 1994). This includes the use of promotional vouchers and free gifts as rewards to reinforce repeat purchase.

**Cognitive approach to learning**

The recognition of and memory for associations are the foundations of both classical and operant conditioning (Kim, Lim & Bhargava 1998; Landy 1985; Pavlov 1897/1902; Pawlik 1997; Skinner 1938; Smith 1992). Learning takes place through either associations between stimulus factors (Kim, Lim & Bhargava 1998; Pavlov 1897/1902; Pawlik 1997) or between responses and rewards or punishments (Landy 1985; Skinner 1938; Smith 1992). However, many researchers (Bandura 1969; Chen 2002, 2007; Glasman & Albarracin 2006; Landy 1985) in the field of learning have argued that there is more to human learning than simple associations. They assert that there are cognitive or mental operations involved in the learning process, well beyond simple memory for associations (Chen 2002, 2007; Landy 1985). These cognitive operations include: reasoning, concept formation, judgment, decision-making processes, and imagination (Chen 2002, 2007; Landy 1985). This is certainly true of consumers who participate in Internet shopping (Glasman & Albarracin 2006).

**Social learning approach**

An extension to cognitive learning theory is social learning theory (Bandura 1969; Landy 1985; Wallace 2004). Social learning theory highlights the social interactions between people
as opportunities for learning. In addition to memory for associations, reasoning, concept formation, judgment and imagination, the social learning approach also includes such variables as motivation, emotion, and situational factors (Bandura 1969; Landy 1985; Wallace 2004).

In essence, social learning suggests that there are many and varied ways in which people learn rather than just by doing. People learn by trial and error experience, perception of objects, observation of someone else’s response, modelling, exhortation and instruction about the object (Landy 1985; Wallace 2004). For instance, people can learn a new activity by observing others perform the activity and rehearsing the activity mentally until they have the opportunity to attempt it (Landy 1985; Wallace 2004). There is no unconditional stimulus involved and no overt response on the part of the learner. Instead, the learning process occurs through: social interaction of peers and friends or between individuals and groups; observation; memory retention of activity; reasoning; concept formation; judgment; motivation; insight; and having more confidence through increased knowledge and experience in dealing with both existing or novel situations (Landy 1985; Wallace 2004). This is likely true of becoming involved in Internet shopping (Glasman & Albarracin 2006).

The role of prior knowledge and past experience
Previous researchers (Dickerson & Gentry 1983; Gregan-Paxton et al. 2002) have shown that experience and prior product category knowledge play a significant role in consumer response to new or novel innovations. Furthermore, cognitive psychology and consumer behaviour studies have also argued that existing knowledge and past experience play a vital role in the creation of new knowledge (Cummins 1992; Moreau, Lehmann & Markman 2001; Zhou 1987). Moreover, this view is consistent with findings from studies (Chen 2007) on children which indicate that toddlers and preschoolers, like older children emerge as active learners and effective thinkers through the use of several problem-solving strategies. Thus, from the beginning of toddlers’ and preschoolers’ learning, they discover new approaches with experience and continue to learn and develop new knowledge from among different strategies in fairly adaptive approaches (Chen 2007).

2.3.2 Internet shopping is learned behaviour
Given the different learning principles from various learning theories and their contribution to a better understanding of the notion of learning, this literature review argues that Internet
shopping is learned behaviour (Chang & Samuel 2004; Chen & Chang 2003; Fenech & O'Cass 2001; Glasman & Albarracin 2006; Kim, Lim & Bhargava 1998; Wang et al. 2007). Furthermore, it asserts that learning is multi-dimensional, and that learning is developed through many different pathways and combinations thereof, including but not limited to: the association of stimuli, behavioural reinforcements, cognitive processes, social factors, personal attributes and propensity, prior knowledge and past experience (Chang & Samuel 2004; Chen & Chang 2003; Fenech & O'Cass 2001; Glasman & Albarracin 2006; Kim, Lim & Bhargava 1998; Wang et al. 2007).

**Classical conditioning influence consumer attitude and behaviour**

A common practice in marketing and advertising is to associate a firm’s brand with appealing visual imagery and graphics (Brown & Stayman 1992; Kim, Lim & Bhargava 1998; Tom 1995; Walker & Dubitsky 1994). For instance, Internet and television advertisers have used celebrity endorsers and beautiful models to associate their affective appeal (unconditional stimulus) with a firm’s brand (conditional stimulus), as a deliberate approach to augmenting the target audience’s attitude towards the firm’s brand (Brown & Stayman 1992; Kim, Lim & Bhargava 1998; Walker & Dubitsky 1994). Through the application of the principles of learning by association, advertisers are shaping consumers’ attitudes toward their brand (Brown & Stayman 1992; Kim, Lim & Bhargava 1998; Walker & Dubitsky 1994).

Furthermore, through classical conditioning, consumers are learning to form favourable attitudes towards and consequent purchasing behaviours of a brand by the association of affective cues with the brand (Brown & Stayman 1992; Kim, Lim & Bhargava 1998; Walker & Dubitsky 1994).

**Operant conditioning influences consumer attitude and behaviour**

The learning principles of operant conditioning are commonly used in systematic marketing and advertising techniques of persuasion and attitude change to facilitate the sale of products and services by firms (Chang & Samuel 2004; Fenech & O'Cass 2001; Kipnis 1994). For instance, online retailers can utilise their inherited low-cost structure and technological advantage to offer competitive pricing and pricing schedules, promotional benefits, discounts, consumer priority supply status and availability of products as rewards and reinforcement schedules to influence consumer attitude towards Internet shopping (Dholakia & Usitalo 2002; Fenech & O'Cass 2001; Kim & Kim 2004; Monsuwe, Dellaert & Ruyter 2004; Reynolds 2000). Therefore, the literature review suggests that consumer attitude and
behaviour towards Internet shopping might, at least in part, be explained and better understood by understanding the principles of operant learning (Chang & Samuel 2004; Fenech & O'Cass 2001; Kipnis 1994).

**Cognitive learning approach and Internet shopping**

According to the cognitive learning approach, marketers and advertisers aiming to increase consumers’ favourable attitude towards a behaviour being promoted, clearly provide information to the target audience that would encourage the desired behaviour (Glasman & Albarracin 2006). This enhances the reasoning, judgment and learning processes of the consumer audience towards the behaviour of interest (Glasman & Albarracin 2006).

In addition, marketers and advertisers take into account the attitudes of target audiences, the evaluative implications of the behaviour from the perspective of consumers and the situational factors that influence the behaviour being promoted (Glasman & Albarracin 2006). For instance, Internet retailers aiming at increasing the likelihood of consumers becoming involved in Internet shopping and increasing the frequency of Internet shopping, target consumer attitudes to increase awareness and create a favourable evaluative assessment of both the organisation and its online offering (Glasman & Albarracin 2006). The evaluative implications of the behaviour and determining factors will normally influence consumer Internet shopping behaviour (Glasman & Albarracin 2006).

**Social learning in Internet shopping**

Several researchers have segmented online consumers by shopping orientation which includes social factors (Brown, Pope & Voges 2003). Furthermore, it is argued from a realism ontological perspective, that Internet shoppers are governed by the way in which they think, and socially construct and give meaning to their actions and decisions which lead them to become online shoppers, rather than being governed by natural laws, causal or otherwise (Brown, Pope & Voges 2003; Guba & Lincoln 1991). Other studies (Doolin et al. 2005; Monsuwe, Dellaert & Ruyter 2004) have also indicated that attitudes towards Internet shopping and intention to purchase online are influenced by enjoyment factors, situational factors, social interaction or lack thereof, past online shopping experience and consumer trust in Internet shopping.
Consumer learning and changing shopping behaviour
People’s shopping behaviours have continued to change with increased use of the Internet medium and the World Wide Web, combined with retailer innovations and website improvements (Chen & Chang 2005; Wang et al. 2007).

Given the fast-paced changes in which novel applications on the Internet are being introduced to consumers, an increasing number of new online applications, products and services defy conventional consumer understanding (Gregan-Paxton, Hibbard, Brunel & Azar 2002). Thus, with the advent of new technological applications, a question emerges as to what role learning, including prior knowledge and past experience play in the comprehension and adoption of new online innovations (Chen & Chang 2005; Gregan-Paxton et al. 2002; Wang et al. 2007).

Prior knowledge and past experience in consumer learning
Cognitive and developmental literatures provide much evidence suggesting that prior knowledge plays a key role in learning (Chen, Sanchez & Campbell 1997; Gregan-Paxton et al. 2002; Gregan-Paxton & John 1997; Kennedy & Fragaszy 2008; Ollinger, Jones & Knoblich 2008). There is equally strong research evidence that supports the notion that past experience plays a vital role in problem solving and learning in humans (Barrett, Davis & Needham 2007; Birch & Rabinowitz 1951; Chen 2007; Loft, Humphreys & Neal 2004; Williamson, Meltzoff & Markman 2008; Zakay, Ellis & Shevalsky 2004). Furthermore, the above findings are consistent with studies investigating the role of prior knowledge and past experience in Internet shopping (Chen & Chang 2005; Gregan-Paxton et al. 2002; Wang et al. 2007).

Prior learning and past experience influence consumer intention
Online consumers are more computer literate and spend more time on computers compared to non-online consumers (Brown, Pope & Voges 2003; Swinyard & Smith 2003). Furthermore, studies (Brown, Pope & Voges 2003; Swinyard & Smith 2003) have indicated that prior Internet experience is a strong predictor for intention to purchase online. Moreover, as Internet users participate in online shopping and become more familiar and experienced with Internet shopping, they are more likely to purchase more frequently and spend more money online (Brown, Pope & Voges 2003; Swinyard & Smith 2003). In addition, as Internet users
gain experience with the practice of online shopping, they become more trusting of Internet shopping (George 2002).

**Prior learning and past experience with non-store channels**

Studies (Brown, Pope & Voges 2003; Dholakia & Usitalo 2002; Fenech & O'Cass 2001; Scansaroli & Eng 1997b) have indicated that consumers with prior experience in purchasing from other at-home methods of shopping and non-store channels, such as catalogue and TV shopping, are more likely to purchase online. Consumers who have had purchasing experience via non-store channels have learned about fulfilment, shipping and delivery issues (Chen & Chang 2003; Kim & Kim 2004; Reynolds 2000). They have also learned to purchase products based on visual images and descriptions without inspecting, feeling and seeing the product prior to purchase (Brown, Pope & Voges 2003; Dholakia & Usitalo 2002; Fenech & O'Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004). Therefore, consumers with prior learning and experience with non-store channels have a higher level of experience and confidence to shop online (Brown, Pope & Voges 2003; Dholakia & Usitalo 2002; Fenech & O'Cass 2001; Scansaroli & Eng 1997b).

### 2.3.3 Theory of Planned Behaviour (TPB)

Several studies (Dholakia & Usitalo 2002; Hui & Wan 2007; Norum 2008; Sääksjärvi & Samiee 2007; Scansaroli & Eng 1997b, 1997a; Shergill & Chen 2005) have explored the factors affecting the adoption of Internet shopping. Much of this literature draws on the Theory of Planned Behaviour (TPB) (Ajzen 1985, 1988) (Figure 2.2). The literature focuses on the relationship between consumer behavioural intention and actual behaviour. Furthermore, the literature explores the evidence of TPB in its application to consumer behaviour in the context of Internet shopping.

The Theory of Planned Behaviour (Ajzen 1985, 1988) was developed based on the Theory of Reasoned Behaviour (TRB) (Ajzen & Fishbein 1980). The theoretical assumptions of TPB are basically identical to those of TRB. However, the primary difference is that the TPB asserts that all human behavioural decisions are not completely controlled by personal will (Ajzen 1985; Chen & Chang 2005). Hence, the TPB added an additional factor, the *Perceived Behavioural Control* (PBC), to account for the uncertainty dimension relating to time and chance, to reflect that human behaviour is not completely controlled by personal volition (Ajzen 1985; Chen & Chang 2005; Kumar 2000).
**Behavioural intention a significant predictor of actual behaviour**

One of the key assertions of the TPB model is that behaviour intention is a significant predictor of actual behaviour (Ajzen 1985; Chen & Chang 2005; Kumar 2000; Ramus & Nielsen 2005) (Figure 2.2 (g)). Behaviour intention is defined as the motive or intention of an individual to adopt and perform a particular behaviour (Ajzen 1985; Chen & Chang 2005). The TPB argues that the most indicative deciding factor as to whether an individual will perform the actual behaviour is behaviour intention (Ajzen 1985; Chen & Chang 2005; Kumar 2000). Furthermore, the TPB asserts that all other possible factors influencing actual behaviour (Figure 2.2 (h)) are indirectly through behaviour intention (Ajzen 1985; Chen & Chang 2005) (Figure 2.2 (g)).

**Figure 2.2 Theory of planned behaviour (TPB)**

```
(a) Outcome Beliefs
(b) Normative Beliefs
(c) Control Beliefs
(d) Attitude towards the behaviour
(e) Subjective Norm
(f) Perceived Behavioural Control
(g) Behaviour Intention
(h) Actual Behaviour
```

*Source: Adapted from Ramus and Nielsen (2005)*

**Attitude towards the behaviour**

The TPB explains that the first deciding factor influencing behaviour intention is attitude towards the specific behaviour in question (Figure 2.2 (d)), and not attitudes toward general affairs (Ajzen 1985, 1988; Chen & Chang 2005; Kumar 2000). The attitude towards the behaviour is determined by the individual’s outcome beliefs that performing specific behaviours will result in certain consequences. Thus, the attitude toward the behaviour is a combination of the individual’s belief of the result caused by performing the behaviour in question, and the individual’s overall evaluation of the result after performing the behaviour (Ajzen 1985, 1988; Chen & Chang 2005; Kumar 2000). For instance, when the individual’s attitude towards behaviour is positive, the behaviour intention will be positive and stronger.
Alternatively, a negative attitude towards behaviour will be reflected in a weaker behaviour intention (Chen & Chang 2005).

**Subjective norm**
The second determining factor of behaviour intention is subjective norm (Ajzen 1985; Chen & Chang 2005; Kumar 2000) (Figure 2.2 (e)). According to the TPB, the subjective norm is the combination of the individual’s beliefs of the importance of significant others or groups in deciding whether to adopt certain behaviours, and the individual’s motivation to comply with the important referent others or groups (Ajzen 1985; Chen & Chang 2005; Kumar 2000). Thus, when either motivation to comply or social pressure is strong, the subjective norm and behaviour intention are likely to be strong. The reverse is equally true. When motivation to comply is weak the subjective norm and behaviour intention will also be weak (Chen & Chang 2005).

**Perceived behavioural control**
Lastly, the third determining factor is perceived behaviour control (Ajzen 1985; Chen & Chang 2005; Kumar 2000) (Figure 2.2 (f)). It is the sum total of the individual’s belief as to whether the necessary technology, resources and chances for certain behaviours are available, and whether the individual feels that they have some degree of control in obtaining the necessary technology, resources and chances (Chen & Chang 2005). Furthermore, the TPB argues that perceived behaviour control beliefs can predict both behaviour intention, as well as directly predicting actual behaviour (Chen & Chang 2005).

**Outcome beliefs**
According to the TPB, attitude can predict behavioural intention if an individual’s outcome beliefs (Figure 2.2 (a)) about adopting particular behaviours will lead them to expect certain consequences (Ajzen 1985; Chen & Chang 2005; Kumar 2000; Ramus & Nielsen 2005). In essence, a consumer’s beliefs in the results caused by performing a particular behaviour and their view of the impact afterwards, determines their attitude towards that particular behaviour. Furthermore, their attitude determines their behaviour intention and influences the actual behaviour in question (Ajzen 1985; Chen & Chang 2005; Kumar 2000; Ramus & Nielsen 2005).
Normative beliefs
In addition, the TPB asserts that, where significant others or social pressure groups believe that the individual should comply with the behaviour in question, the individual concerned is likely to conform to their opinions (Ajzen 1985; Chen & Chang 2005; Kumar 2000). Moreover, there is extensive academic research (Chen & Chang 2005; Jimmieson, Peach & White 2008; Kumar 2000; Lowe et al. 2003; Rogers 1962, 1983) that supports the notion that individuals of social systems form and shape their world views, attitudes, behaviour intentions and actual behaviours, based on the normative beliefs of their peers and significant others (Figure 2.2 (b)).

Control beliefs
The TPB further asserts that if the individual believes that they can easily control the behaviour of interest (Figure 2.2 (c)), as well as feeling that there are more opportunities and less barriers to doing so, the individual will form the intention to pursue the behaviour in question, as well as directly performing the actual behaviour (Ajzen 1985; Chen & Chang 2005; Jimmieson, Peach & White 2008; Kumar 2000; Ramus & Nielsen 2005). Therefore, from the perspective of consumer behaviour, understanding the determining factors that influence behaviour intention and actual behaviour will greatly help the researcher understand consumer online shopping behaviour (Chen & Chang 2005; Kumar 2000; Papis & Clement 2008).

Extended Theory of Planned Behaviour (ETPB)
A number of studies (Chen & Chang 2005; Dholakia & Uusitalo 2002; Monsuwe, Dellaert & Ruyter 2004) have challenged the theoretical assumptions concerning the three variables in the TPB model, as sufficient in predicting behavioural intentions. They have argued that the inclusion of additional variables could significantly improve the model’s predictive substance and further enhance its ability to predict actual behaviour. The ETPB (Figure 2.3) with additional variables of past experience (Figure 2.3 (d)) and channel knowledge (Figure 2.3 (e)) has been shown to improve the predictive utility of the TPB (Chen & Chang 2005; Ramus & Nielsen 2005). Furthermore, these two additional variables are considered important factors for consumer Internet shopping behaviour (Chen & Chang 2005; Dholakia & Uusitalo 2002; Monsuwe, Dellaert & Ruyter 2004).
2.3.4 Application of TPB and ETPB in relation to Internet shopping

Behaviour intention is a strong predictor of actual behaviour (Ajzen 1985, 1988). By extension of this TPB theoretical notion, research findings have shown that Internet shopping
intention is a strong predictor of consumers actually participating in online shopping. This section also investigates the major determinants of behaviour intention in the context of Internet shopping (Chen & Chang 2005; Fenech & O’Cass 2001; Kim & Kim 2004; Kumar 2000; Papies & Clement 2008; Ramus & Nielsen 2005; Seock & Norton 2007; Wu 2003).

**Consumer attitude a determinant of Internet shopping intention**

An important dimension in understanding Internet shopping is consumer attitudes (Donthu & Garcia 1999; Fenech & O’Cass 2001; Monsuwe, Dellaert & Ruyter 2004; Wu 2003). Studies investigating consumer attitudes both toward non-store retailing and Internet shopping environments have found that positive attitude towards non-store retailing and Internet shopping is a significant contributor to positive intention to accept and adopt non-store retailing and Internet shopping environments (Dinev & Hu 2007; Donthu & Garcia 1999; Fenech & O’Cass 2001; Papies & Clement 2008; Wu 2003).

Earlier studies on Internet shopping have shown that consumers’ beliefs contribute to forming positive attitudes towards Internet shopping. For instance, believing the advantages offered by online shopping such as convenience (Ahmad 2002; Chen & Chang 2003; Hui & Wan 2007), better prices and value for money (Hui & Wan 2007; Kim & Kim 2004; Ramus & Nielsen 2005), as well as accessibility to a wider selection of products and suppliers (Dennis, Harris & Sandhu 2002; Hui & Wan 2007; Reynolds 2000) form positive attitude towards online shopping.

Moreover, positive attitude impacts on behaviour intention, which in turn influences the performance of the actual behaviour of online shopping (Chen & Chang 2005; Kolesar & Galbraith 2000). Alternatively, consumers’ beliefs of the disadvantages associated with Internet shopping could act as mental barriers towards its adoption, for instance, the risk of personal and financial details being compromised online, risk of receiving inferior quality products and services, and the loss of recreation and social aspects of conventional shopping (Bhatnagar & Ghose 2004; Doolin et al. 2005; Ramus & Nielsen 2005).

Research studies (Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Fusilier & Durlabhji 2005) in the fields of information technology (IT) and management information systems (MIS) have also shown that a prospective user’s attitude towards a given technology is a major determinant in the acceptance of a technology and its actual use. Therefore, online
consumers with positive attitudes towards Internet shopping are more likely to consider the use of online shopping and participate in the actual use of Internet technology for online shopping purposes (Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Fusilier & Durlabhji 2005; Wu 2003). This notion of consumer attitudes and intention as determinants of actual use is also supported by research findings from the Technology Acceptance Model (Davis, Bagozzi & Warshaw 1989; Fusilier & Durlabhji 2005; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

Furthermore, studies (Fenech & O'Cass 2001; Jimmieson, Peach & White 2008; Monsuwe, Dellaert & Ruyter 2004; Poliakoff & Webb 2007; Ramus & Nielsen 2005) investigating online shopping that have adopted the TPB as their theoretical framework have shown that attitudes toward Internet shopping, intention to shop online and actually participating in online shopping are influenced by many factors including, but not limited to, consumer outcome beliefs; normative beliefs and subjective norms; control beliefs and perceived behavioural control; past experience; channel knowledge and trust.

**Subjective norm a determinant of Internet shopping intention**

Studies (Chen & Chang 2005; Jimmieson, Peach & White 2008; Kumar 2000; Lowe et al. 2003; Rogers 1962, 1983, 2003) have indicated that normative beliefs of referent others significantly impact on subjective norm of individuals in a social system. Individuals tend to form their views and model their behaviours on worldviews and beliefs of members of their social groups or significant others.

In the context of such innovations as Internet shopping, the consumers’ subjective norm is influenced by normative beliefs of referent groups and significant others being communicated through mass media and personal relationships, such as colleagues, friends, and family members (Chen & Chang 2005; Mahler & Rogers 1999; Ppies & Clement 2008; Rogers 1962, 2003). This in turn, informs and influences consumers and their subsequent intention to participate in online shopping.

Research findings (Chen & Chang 2005; Mahler & Rogers 1999; Ppies & Clement 2008; Ramus & Nielsen 2005; Rogers 1962, 2003) have also shown that consumers’ subjective norm concerning participating in online shopping is a significant determinant in their intention to participate in Internet shopping. Their belief of the importance of Internet
shopping, including their belief of the importance of Internet shopping to significant others, acts as an important determinant to their online shopping intention, which in turn influences their actual participation in Internet shopping. Furthermore, a consumer’s belief in the benefits and advantages of Internet shopping, including the views of significant others, influences their motivation to accept and their actual use of Internet shopping (Chen & Chang 2005; Kumar 2000; Papis & Clement 2008; Ramus & Nielsen 2005).

**Perceived behavioural control a determinant of intention and actual Internet shopping**

Control beliefs are an important determining factor of perceived behavioural control in the context of Internet shopping intention and the actual participation in online shopping (Chen & Chang 2005; Kumar 2000; Papis & Clement 2008; Ramus & Nielsen 2005; Wang et al. 2007). Consumers who perceive that they have the resources, technology, opportunities, as well as bringing to bear Internet shopping for their benefits are more likely to be motivated to pursue Internet shopping. Moreover, perceived behavioural control not only impacts through consumer intention but it also directly influences the actual consumer behaviour of Internet shopping (Chen & Chang 2005; Kumar 2000; Papis & Clement 2008; Ramus & Nielsen 2005; Wang et al. 2007).

**The role of past experience in Internet shopping**

Studies (Brown, Pope & Voges 2003; Chen & Chang 2005; Dholakia & Uusitalo 2002; Fenech & O’Cass 2001) have indicated that consumers’ past shopping experiences influence future shopping decisions and subsequent shopping behaviours. Moreover, when consumers have had past experience or related experience with a product category, they are able to acquire sophisticated product knowledge more easily for novel products within the product category or related-product category (Chen & Chang 2005; Gregan-Paxton et al. 2002).

For this same reason, past Internet user experience and non-store purchasing experience have a similar impact on understanding online shopping applications. The more experience a consumer has in the use of the Internet and non-store purchasing environments, the more likely they will use and adopt Internet shopping (Brown, Pope & Voges 2003; Chen & Chang 2005; Swinyard & Smith 2003). Furthermore, studies have indicated that online shopping experiences influence buying intention, which in turn determines the actual online shopping behaviour (Chen & Chang 2005; Conner, Norman & Bell 2002; Fusilier & Durlabhji 2005; George 2002; Oh, Ahn & Kim 2003).
Internet channel knowledge influences intention and online shopping behaviour

In addition, research (Brown, Pope & Voges 2003; Chen & Chang 2005; Dholakia & Uusitalo 2002; Fenech & O’Cass 2001) have also indicated that consumers’ knowledge of various shopping channels, including non-store via catalogue and the Internet medium, influence their shopping decisions and consequent shopping behaviours. Moreover, cognitive psychology and consumer behaviour studies (Cummins 1992; Moreau, Lehmann & Markman 2001; Zhou 1987) have also argued that existing knowledge plays a vital role in the creation of new knowledge. Thus, consumers’ knowledge of the Internet as a shopping channel and other non-store shopping methods affects their intention of online shopping and consequent Internet shopping behaviours.

Furthermore, when consumers retrospectively evaluate their shopping experience, they in effect generate relevant new purchasing knowledge and experience for future purchasing decisions (Chen & Chang 2005). Therefore, online consumer purchasing decisions and subsequent online shopping behaviours are circular in their development and feedback mechanism.

2.3.5 Consumer Trust Internet Shopping (CTIS) model

There is enormous potential for the use of the Internet for online shopping in B2C e-commerce trading. However, because of lack of trust, many online consumers are reluctant to make purchases via the Internet (Chirawattanangkoon 2005; Ha & Coghill 2008; Lee & Turban 2001; Teltzrow, Meyer & Lenz 2007). Not least is the problem of Internet fraud relating to both online fraudsters receiving transaction funds without delivering products or services to the customer as promised, or identity theft of personal and financial details of online shoppers by Internet hackers. This section investigates Internet shopping from the perspective of consumer trust and the application of the Consumer Trust Internet Shopping (CTIS) model (Lee & Turban 2001) (Figure 2.4).

CTIS model and its key variables

The CTIS model is a theory that focuses on consumer trust in Internet shopping and its antecedents (Lee & Turban 2001). The four broad categories of its trust antecedents are: (1) trustworthiness of the Internet merchant; (2) trustworthiness of the Internet shopping medium; (3) Internet shopping contextual factors; and (4) other factors that are not included in the mentioned antecedents of trust. Furthermore, the effect of these antecedents on consumer trust
in the context of Internet shopping is moderated by the individual’s trust propensity which is a personality trait of the individual consumer; the CTIS framework acknowledges that it is not all embracing of every possible antecedent, it argues that the model captures the key set of trust antecedents.

Figure 2.4  Consumer trust Internet shopping (CTIS) model


Definition of CTIS
The CTIS model, with modifications by Lee and Turban (2001), adopts the trust definition from Mayer, Davis and Schoorman (1995) which considers trust as not just taking risks per se, but the willingness of the trustor to open oneself up to be vulnerable in taking risk to participate.

The notion of the willingness of the trustor to be vulnerable (Mayer, Davis & Schoorman 1995) gives rise to the definition of CTIS, as the willingness of a trustor, in this situation, the consumer, to be vulnerable to the actions of the other party, namely the Internet merchant. Furthermore, this willingness to be vulnerable is based on the expectation that the Internet merchant will perform a particular action important to the consumer and behave to a certain agreeable set of standards, irrespective of the consumer’s ability to monitor or control the actions of the Internet merchant (Lee & Turban 2001; Mayer, Davis & Schoorman 1995).

Trustworthiness of the Internet merchant
There are three key factors that constitute trustworthiness of the Internet merchant (Lee & Turban 2001). The first is the e-commerce ability of the Internet merchant. This relates to the
skills and competence of a merchant to enable it to operate in the Internet shopping sector. The second is benevolence. This entails the extent to which the consumer believes that the Internet merchant, as a trusted party, wants to perform good for both parties, rather than just for the Internet merchant’s self-interest to maximise profit and ignoring the wellbeing of the consumer. The third is integrity, which is the consumer’s perception that the Internet merchant will be honest and uphold an acceptable set of business and trading principles. These three factors encompass and provide different dimensions to the reputation of the Internet merchant (Lee & Turban 2001).

**Trustworthiness of the Internet shopping medium**
Trust is identified as an important factor affecting consumers’ choice in the use of computer interface technology for e-commerce activities (Lee & Turban 2001). In this context, online shopping is an e-commerce activity that involves computer systems and the Internet technology as the medium through which online shopping is conducted. One may argue that the Internet medium that interfaces with the consumer is analogous to the storekeeper, or salesperson in a conventional store. In essence, the overall trust of the consumer in the Internet shopping activity is dependent on the extent to which consumers trust the Internet medium (Lee & Turban 2001).

Furthermore, the three factors considered to affect the trustworthiness of the Internet shopping medium are: (1) the perceived technical ability and competence of the system to perform the tasks it is designed to carry out; (2) the perceived performance level in its speed, reliability and availability of the system; and (3) the individual operator’s understanding of the characteristics and processes that underlie and govern the system’s behaviour (Lee & Moray 1992; Lee & Turban 2001).

**Contextual factors**
The CTIS model notes several contextual factors as important in building trust. Most noteworthy are issues relating to online security and protection of privacy (Lee & Turban 2001). The model argues the importance of the effectiveness of third-party certification, escrow, and insurance services. Furthermore, consumer trust can be enhanced by having an effective security infrastructure system, including public key encryption (PKI) protocols (Lee & Turban 2001).
Other factors
The CTIS model also notes other factors that do not fit into the preceding groups of antecedents but may have an influence on CTIS (Lee & Turban 2001). For example, such factors include the size of the online store and the various demographic attributes of the consumers, such as gender, age; and prior Internet knowledge and experience (Jarvenpaa, Tractinsky & Vitale 2000; Lee & Turban 2001).

Trust propensity a moderating factor on consumer trust
The effect of trust antecedents on consumer trust can be influenced by the individual’s trust propensity (Lee & Turban 2001). Trust propensity is a personality trait that moderates the impact of trustworthiness attributes on the building of trust. It magnifies or reduces the signal of trustworthiness attribute cues they provide. The higher the level of trust propensity within individual consumers, the greater the impact of trust attributes on the building of trust. The reverse is equally true, the lower the level of trust propensity within the individual consumers, the less the impact on the forming of trust.

Strengths of the CTIS model
One of the key strengths of the CTIS model relates to its development from the integration of trust theories in the fields of psychology, sociology and marketing, as well as findings from e-commerce studies in Internet shopping (Lee & Turban 2001). The multiple theoretical perspectives included in the CTIS model provide a wider and more comprehensive scope for understanding consumer trust and its determinants in the context of Internet shopping.

The theoretical perspectives used in the CTIS cross a variety of disciplines (Lee & Turban 2001). The social-psychological perspective provides a relevant understanding on consumer trust because it includes transaction relationship between the consumer and business concerned. It also captures the expectations and willingness of the trusting consumer in a transaction; the associated risks with participation based on such expectations; and the contextual factors that positively or negatively influence the development and maintenance of that trust (Jarvenpaa, Tractinsky & Vitale 2000; Lee & Turban 2001).

Furthermore, other theoretical perspectives are equally important in understanding consumer trust. For example, personality theory considers trust propensity, a personality trait that acts as a moderating factor on the effect of trustworthiness attributes on the development of trust.
(Lee & Turban 2001; Mayer, Davis & Schoorman 1995). In addition, the sociological and economical perspectives conceptualise trust as it relates to the trustworthiness of the Internet merchant, in which the consumer has put their trust, as being competent and having the ability to perform and adhere to an acceptable set of trading principles, as having integrity and benevolence to do good for both parties rather than for their own self-interest.

While other trust theoretical models focus on organisation to organisation relationships, such as strategic alliances studies (Das & Teng 1998, 2001); or people to computing systems, such as user interfaces with computing system studies (Mayer, Davis & Schoorman 1995); the CTIS model specifically concentrates its focus on the B2C relationship with Internet shopping as its primary context (Lee & Turban 2001).

**Limitations of the CTIS model**

Although the CTIS model provides an informed theoretical framework in understanding consumer trust, the model has its own limitations (Lee & Turban 2001). One limitation of the CTIS model is that it does not address the consequences of trust (see Figure 2.4 (f)). In addition, trust is only one of the many factors that influence online shopping. Other factors that affect Internet shopping include, but are not limited to consumer attitude; risk perception; perceived behavioural control, subjective norm, past experience and channel knowledge (Chen & Chang 2005; Jarvenpaa, Tractinsky & Vitale 2000; Kumar 2000; Papies & Clement 2008; Ramus & Nielsen 2005; Wang et al. 2007).

Furthermore, since the concept of trust is intricately related to the concept of risk, an understanding of trust does not provide a complete understanding of risk and its relationship to trust. The CTIS model does not address whether and how trust influences the perception of risk and vice versa (Lee & Turban 2001).

**2.3.6 Trust in Internet shopping**

One of the main reasons why consumers do not purchase online is their lack of trust with the Internet (Ahmad 2002; Chen & Chang 2003; Connolly & Bannister 2008; Korsakiene 2006; Lee & Turban 2001). As a new platform for e-commerce activities, the Internet is perceived to involve more risk and uncertainty (Doolin et al. 2005). This perception is carried forward to the association of the Internet and its application for online shopping. Consumers perceive
Internet shopping as more risky and problematic than conventional shopping (Ha & Coghill 2008; Lee & Turban 2001; Teltzrow, Meyer & Lenz 2007).

Notwithstanding these challenges, Internet shopping continues to grow as a result of the ongoing increase in numbers of consumers using Internet-based applications, such as Internet shopping (Anuntaakalakul 2008; Assad 2007; Brown, Pope & Voges 2003; Ramus & Nielsen 2005; Seock & Norton 2007). Internet merchants are also continuing to pursue enhanced improvements to make their web-based stores safer, more secure, highly interactive and interesting for online consumers (Chirawattanangkoon 2005; Dennis, Harris & Sandhu 2002; Kim & Kim 2004; Monsuwe, Dellaert & Ruyter 2004). In addition, there are advancements in improved online business practices, industry codes and policy frameworks to address consumer protection (Chen & Chang 2003; Ha & Coghill 2008; Monsuwe, Dellaert & Ruyter 2004). Furthermore, consumers continue to value the significant benefits of Internet shopping that outweigh the associated risks (Dholakia & Uusitalo 2002; Doolin et al. 2005; Ha & Coghill 2008; Pujani 2008).

**Trust issues with the Internet medium**

Consumers’ lack of trust relates to several issues. One of these is trust with the Internet as a medium by which shopping activities and financial transactions are performed (Chen & Chang 2003; Connolly & Bannister 2008; Pujani 2008). Consumers are often concerned with the safety and security of the Internet as an e-commerce medium when used for online shopping or performing financial transactions (Ahmad 2002; Bhatnagar & Ghose 2004; Chen & Chang 2005; Lee & Turban 2001).

Incidents such as online computer hacking and identity theft via the Internet do not instil trust and confidence in consumers to participate in Internet shopping activities. Other variables which cause lack of consumer confidence in the Internet as a medium for facilitating online shopping include slow speed in Internet connection; slow speeds of content downloads; and inadequate overall capability of Internet service providers to match the expectations of online vendors and consumers alike (Ahmad 2002; Bhatnagar & Ghose 2004; Chen & Chang 2005; Lee & Turban 2001).
Issues with Internet security and safety of privacy
Another reason for lack of consumer trust relates to consumers’ fear of their personal and financial details becoming available to the wrong people via the Internet (Ahmad 2002; Chen & Chang 2003; Lauer & Deng 2007; Lee & Turban 2001; Monsuwe, Dellaert & Ruyter 2004). Furthermore, consumers cannot monitor the security and safety of sending their personal and financial information, through the use of their credit card, to consummate and complete an online shopping transaction via the Internet. In such trading conditions with more uncertainty and risk, trust becomes a very important factor that will influence the nature and level of transactions in the B2C online e-commerce relationship (Anuntaakalakul 2008; Chen & Chang 2003; Ha & Coghill 2008; Lauer & Deng 2007; Lee & Turban 2001; Shergill & Chen 2005; Teltzrow, Meyer & Lenz 2007).

Online competence of Internet merchants
Online consumers have indicated that their lack of trust also relates to Internet merchants failing to demonstrate online competence with their web-based stores (Ahmad 2002; Connolly & Bannister 2008; Swinyard & Smith 2003). For instance, some online stores have failed to demonstrate business competence to support online purchases by not having adequate online customer services systems, lacking complaints management systems, poor refund policies, and inadequate service recovery and fulfilment systems (Ahmad 2002; Chen & Chang 2003; Chirawattanangkoon 2005; Swinyard & Smith 2003). This lack of online competence and associated support systems on the part of Internet merchants has resulted in customers losing confidence and defecting back to conventional shopping, or switching to more competent Internet vendors (Ahmad 2002; Chen & Chang 2003; Swinyard & Smith 2003).

It is also suggested that Internet merchants can greatly enhance the shopping experience of online consumers by having well-designed store websites (Chen & Chang 2003; Goldsborough 2008; Monsuwe, Dellaert & Ruyter 2004; Swinyard & Smith 2003). Features of such well-designed store websites include a good flow of shopping experience, ease of use in navigating the online store, and adequate online information technology systems capacity to prevent overload. In addition, it is suggested that having a more interactive online store will better meet the search requirements of consumers, need for social interaction, as well as maintaining consumer interest and enthusiasm in online shopping (Chen & Chang 2003; Doolin et al. 2005; Goldsborough 2008; Swinyard & Smith 2003).
Lack of trust with less well-known Internet merchants

Past studies (Chirawattanangkoon 2005; Jarvenpaa, Tractinsky & Vitale 2000; Lee & Turban 2001; Teltzrow, Meyer & Lenz 2007) have indicated that consumers tend to be less trusting of Internet merchants that are not well known. Well-established online vendors are more recognised by consumers (Chirawattanangkoon 2005; Jarvenpaa, Tractinsky & Vitale 2000; Teltzrow, Meyer & Lenz 2007). In addition, consumers tend to perceive well-established online vendors, with recognised brands, to be more trustworthy and therefore, less risky to shop with (Chirawattanangkoon 2005; Gao 2005; Sääksjärvi & Samiee 2007; Teltzrow, Meyer & Lenz 2007). In essence, such factors as size, well-established online vendors, better known Internet merchants, with recognised brands, tend to instil trust in online consumers (Chirawattanangkoon 2005; Gao 2005; Sääksjärvi & Samiee 2007; Teltzrow, Meyer & Lenz 2007). In the long term, well-established online vendors with well-recognised brands tend to appeal to consumers’ willingness to use the same Internet merchants for future online shopping (Chirawattanangkoon 2005; Jarvenpaa, Tractinsky & Vitale 2000; Teltzrow, Meyer & Lenz 2007).

Consumer trust in seeing, feeling and inspecting products prior to purchasing

Online consumers are not able to feel and inspect a product of their choice prior to purchasing, due to the virtual nature of Internet shopping. It is suggested that part of the anxiety of online consumers relates to having to deal with the incongruence between their desire to benefit from the advantages available through online shopping, and not being able to physically handle and inspect merchandise before purchasing (Ahmad 2002; Brown, Pope & Voges 2003; Hui & Wan 2007; Kim & Kim 2004; Seock & Norton 2007).

In addition, it is evident that product types influence online purchase intention (Brown, Pope & Voges 2003; Fenech & O'Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004). For instance, some consumers, such as female online shoppers, indicate a strong dislike of not being able to enjoy the pleasure of physically feeling, inspecting and handling products, prior to purchasing (Fenech & O'Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004). Such consumers may also be less likely to purchase, at least for the first time, products like lingerie and underwear via the Internet because of consumers’ uncertainty, resulting from not being able to physically inspect for correct shape, size, and comfort before purchasing (Fenech & O'Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004).
2.3.7 Technology Acceptance Model (TAM)

The Technology Acceptance Model (TAM) (Figure 2.5) is as an adaptation by Davis (1986) of the Theory of Reasoned Action (TRA) (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). The main goal of the TAM is to explain, in an economical and theoretically justified framework, user behaviour in accepting information systems (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). In addition, the TAM is designed to apply primarily to technology and therefore is less general than the TRA. One of the key purposes of the TAM, therefore, is to provide a better understanding of the impact that external factors have on internal beliefs, attitudes and intentions to accept and use a technology and its applications (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

Figure 2.5 Technology acceptance model (TAM)

Source: Davis (1986).

External factors

One of the goals of the TAM is to identify the relationship between some specific external variables and their impact on cognitive and affective determinants of technology acceptance (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Furthermore, the external factors that have been studied over the last two decades in replicating or further investigating the TAM are numerous and varied (Davis 1986; Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).
Some external variables impact on perceived usefulness and others impact on perceived ease of use. For instance, the external variables of design characteristics, such as interconnectivity, interactivity, protective technology of the Internet, and feedback features of online shopping applications are apt to influence beliefs on perceived usefulness of the technology (Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Alternatively, external variables of the technology system features such as menus, icons used, mouse utility, touch screens and user support are able to influence beliefs on perceived ease of use (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

The TAM asserts that two particular user beliefs: perceived usefulness; and perceived ease of use, are the two main antecedents of user intentions in accepting or rejecting information technology and its use (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004; Savitskie et al. 2007). Furthermore, the TAM argues that technology acceptance can be predicted reasonably well based on user intention (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

The TAM refers to perceived usefulness of an information system as the user’s subjective view of the probability that, by using a specific information system or its application, the user will be able to improve their performance of a specific task (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). In addition, the TAM considers perceived ease of use as the degree to which the user expects the designated technology to be free of effort in learning and utilising the new technology or its application (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003).

**Perceived usefulness as antecedent of usage behaviour**
People form their intention towards using a technology system, based mainly on their cognitive belief and perception of how the technology will be useful in improving their performance of a task or achieving a given goal or objective (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). The belief of perceived usefulness has a direct effect on, and is the major determinant of, behavioural intention, over and above its direct effect on attitude towards use, which further influences behavioural intention (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). Furthermore, perceived usefulness and
perceived ease of use jointly influence attitudes towards use of technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003).

**Perceived ease of use as antecedent of usage behaviour**
According to the TAM, perceived ease of use has a direct effect on perceived usefulness and a secondary indirect influence on usage intention via its effect on attitude towards use of technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Moreover, the TAM clearly reflects two basic mechanisms by which perceived ease of use influences attitudes and intention behaviours. The first is self-efficacy (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). For instance, where an individual perceives that a technology is easy to use, it would provide the user with a greater sense of efficacy and personal control regarding their ability to actually use the technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). The direct impact of perceived ease of use on attitude reflects the intrinsic motivation aspect of the perception relating to ease of use (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

Secondly, perceived ease of use may be instrumental in enhancing performance (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Effort saved due to technology ease of use may be deployed elsewhere (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

**Attitude is determined by beliefs of usefulness and ease of use**
According to the TAM, attitude towards the use of technology is influenced both by perceived usefulness and perceived ease of use (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). In addition, attitude towards the use of technology influences the intention to use technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). This implies that prospective users form their intention to use a technology based on their attitude towards the technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).
Behavioural intention to use
The TAM asserts that behavioural intention is a good predictor of the actual usage behaviour (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). It argues that a prospective user’s intention to use a technology provides a good prediction of whether or not the prospective user will actually use the technology. Furthermore, the prospective user’s assessment of the technology itself, especially its perceived usefulness and ease of use, are important variables in determining intention, and actual usage (Davis 1986; Davis, Bagozzi & Warshaw 1989; Fenech & O’Cass 2001; Gefen, Karahanna & Straub 2003; George 2002; Monsuwe, Dellaert & Ruyter 2004).

Actual system use
One of the key purposes of the TAM is to predict people’s likelihood of accepting a technology, and to explain the relationships between external variables, internal beliefs of perceived usefulness and perceived ease of use, attitude, usage intention and actual system usage (Davis 1986; Davis, Bagozzi & Warshaw 1989). Therefore, the TAM asserts that behavioural intention to use a technology is a good predictor of technology acceptance and actual usage (Davis, Bagozzi & Warshaw 1989).

Strengths, weaknesses and application of TAM
The TAM has several strengths which make it a useful model. The TAM is both economical and robust theoretically as it is based on another sound framework, namely the TRA (Davis 1986; Davis, Bagozzi & Warshaw 1989). From a practical standpoint, TAM is easy to apply. For instance, different strategies can be formulated by business practitioners to influence technology acceptance via external interventions, such as increasing accuracy of information accessible through a technology, that have significant influence on particular beliefs of perceived usefulness (Davis, Bagozzi & Warshaw 1989). Other strategies may focus on improving behaviour usage via increasing perceived ease of use through improved technological interfaces and better training.

The TAM also has limitations. For instance, the TAM (Davis 1986; Davis, Bagozzi & Warshaw 1989) does not account for such determinants as trust, prior knowledge and experience, or the effect of media channels in the intention to adopt a technology (Gregan-Paxton et al. 2002; Lee & Turban 2001; Rogers 2003). Furthermore, where risks are
significant, intention toward acceptance may not necessarily translate to immediate or actual technology usage (Gefen, Karahanna & Straub 2003; Lee & Turban 2001).

**Integrated Trust and TAM (ITTAM) Framework**
The ITTAM framework (Gefen, Karahanna & Straub 2003) provides a wider theoretical model to further investigate the perceived usefulness and ease of use of the Internet for online shopping, and is extended to include consumer trust in the e-vendor (Figure 2.6). In addition, the trust and TAM framework argues that while perceived usefulness remains an important predictor of intended use of the Internet for online shopping, perceived ease of use emerges as central to e-commerce since it has both a direct effect on intended use and an indirect effect on trust and perceived usefulness (Gefen, Karahanna & Straub 2003).

In the ITTAM framework, the underlying logic is that consumers rationally elect to use the Internet medium for online shopping (Gefen, Karahanna & Straub 2003). The more useful the consumer perceives online shopping to be, and how easy it is to use the Internet medium for shopping, the easier it would be for a consumer to adopt Internet shopping. This will also facilitate their continued use of online shopping (Gefen, Karahanna & Straub 2003) (Figure 2.6).

**Figure 2.6 ITTAM theoretical framework**

![ITTAM theoretical framework diagram]

*Source: Gefen, Karahanna & Straub (2003).*
Trust an important determinant of intended use of Internet shopping
An e-vendor is more than just an Internet interface. It is a business entity with whom consumers are involved in commercial transactions (Gefen, Karahanna & Straub 2003). In such online transactions, trust is a crucial determinant of intended use because of the risk element inherent in the virtual nature of Internet shopping (Gefen, Karahanna & Straub 2003; Lee & Turban 2001).

Trust and its antecedents towards Internet shopping
According to the ITTAM framework, consumer online trust is built on: the belief that there is nothing to gain by the Internet vendor through cheating (calculative based); there are security measures built into the Internet web-based medium application for online shopping (institutional-based structural assurances); a typical online medium interface will make online shopping easier (institutional-based situational normality); and an easy-to-use Internet shopping application (knowledge-based familiarity) will also enhance Internet shopping behaviour (Gefen, Karahanna & Straub 2003; Lee & Turban 2001; Mayer, Davis & Schoorman 1995). This trust-based notion of online shopping is very much consistent with the Consumer Trust Internet Shopping (CTIS) theoretical framework (Lee & Turban 2001; Mayer, Davis & Schoorman 1995).

Trust and perceived ease of use share the same antecedents
Antecedents of trust are also antecedents of perceived ease of use. An increase in trust will likely increase consumer acceptance of Internet shopping through the antecedents advocated by the TAM (Gefen, Karahanna & Straub 2003). The trust and TAM framework further argue that such a social influence as trust, should be included in the set of antecedents, where technology is the medium through which businesses and consumers perform online transactions (Gefen, Karahanna & Straub 2003).

Trust, perceived ease of use, and perceived usefulness as determinants
The ITTAM framework demonstrates the relationship between trust, perceived ease of use and perceived usefulness as antecedents to intended technology usage (Gefen, Karahanna & Straub 2003). The framework also provides an insight into the relationships between these antecedents of technology acceptance. Furthermore, the framework provides an e-commerce context relating to consumer trust in acceptance of new technology and its online application (Gefen, Karahanna & Straub 2003).
Prior knowledge influence perceived usefulness, perceived ease of use and trust

Finally, the ITTAM framework asserts that perceived usefulness, and perceived ease of use, are influenced by consumers’ prior knowledge about the technology (Gefen, Karahanna & Straub 2003; Savitskie et al. 2007). The more knowledgeable consumers are about the new technology, the more likely they will perceive the technology as useful, and easy to use, which in turn will influence their intention to adopt the technology (Gefen, Karahanna & Straub 2003; Savitskie et al. 2007). As consumers become more familiar with the technology, the easier it would be for them to use the technology and its applications (Gefen, Karahanna & Straub 2003; Savitskie et al. 2007). Furthermore, prior knowledge of, and familiarity with, the Internet channel also enhances consumer trust, perceived usefulness and their intention to adopt the use of the Internet for shopping purposes (Gefen, Karahanna & Straub 2003).

2.3.8 Application of TAM and ITTAM in relation to Internet shopping

Past studies (Gefen, Karahanna & Straub 2003; Lee & Turban 2001) have integrated trust in the widely accepted antecedents of TAM: perceived usefulness, and perceived ease of use, to advance the understanding of these constructs and their linkages to both consumers’ intention, and actual purchasing online (Fenech & O’Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001).

Perceived usefulness as a determining factor for Internet shopping

Perceived usefulness is a significant antecedent of Internet shopping, through its influence on consumer attitudes, and intention to participate in shopping activities via the Internet (Fenech & O’Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). In addition, online consumers and prospective users form their intention of using the Internet for online shopping based on their cognitive belief and perception that the Internet medium is useful in achieving shopping activities and the inherent benefits associated with online shopping (Fenech & O’Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001).

Perceived usefulness is also a major determinant of intention, over and above its direct impact on attitude, which further influences the intention to shop online (Fenech & O’Cass 2001;
Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). Furthermore, perceived usefulness, and perceived ease of use jointly influence attitude towards the use of Internet technology for online shopping (Fenech & O’Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001).

**Perceived ease of use as a determining factor of Internet shopping**

Studies (Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001) have shown that perceived ease of use has a direct impact on perceived usefulness, and a secondary effect on usage intention, through its influence on attitude towards the Internet as a channel for online shopping. Moreover, the direct impact of perceived ease of use on attitude reflects the motivation aspect, which further promotes the intention to actually use the Internet channel for online shopping (Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001).

Online consumers and prospective users tend to consider online shopping as easier, if they perceive the Internet medium to be easy to use (Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). In addition, perceived ease of use also enhances the effect of perceived usefulness with the inherited benefits of better prices, value for money, better selection, and convenience (Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001).

It is also important to note that perceived ease of use has an indirect effect on trust (Gefen, Karahanna & Straub 2003). While perceived usefulness is an important antecedent of intention in Internet shopping, perceived ease of use is central to online shopping since it has a direct effect on attitude and intended use (Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). Furthermore, it has an indirect effect on trust and perceived usefulness (Gefen, Karahanna & Straub 2003).
Trust as a determinant of Internet shopping

Studies (Anuntaakalakul 2008; Connolly & Bannister 2008; Gao 2005; Gefen, Karahanna & Straub 2003; George 2002; Jarvenpaa, Tractinsky & Vitale 2000; Lauer & Deng 2007; Lee & Turban 2001; Monsuwe, Dellaert & Ruyter 2004; Teltzrow, Meyer & Lenz 2007) have indicated that trust is a crucial determinant of Internet shopping because of the risks inherent in and associated with online shopping. In addition, consumer trust in Internet shopping is influenced by the Internet vendor’s integrity (Gefen, Karahanna & Straub 2003; George 2002; Lauer & Deng 2007; Lee & Turban 2001), online security measures and assurances (Ahmad 2002; Bhatnagar & Ghose 2004; Katuri & Lam 2007; Kim & Kim 2004; Lauer & Deng 2007; Seock & Norton 2008; Shergill & Chen 2005; Wu 2003), effective Internet systems as medium (Bhatnagar & Ghose 2004; Fenech & O'Cass 2001; Gao 2005; Hui & Wan 2007; Lee & Turban 2001), as well as prior knowledge and familiarity with the technology and how well known the online vendors are (Brown, Pope & Voges 2003; Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Lee & Turban 2001; Monsuwe, Dellaert & Ruyter 2004; Teltzrow, Meyer & Lenz 2007).

Furthermore, the determinants of trust are also the determinants of perceived ease of use (Gefen, Karahanna & Straub 2003; Lee & Turban 2001). Therefore, an increase in trust tends to inadvertently increase perceived ease of use (Gefen, Karahanna & Straub 2003; Lee & Turban 2001). In addition, perceived ease of use has an indirect effect on trust, and trust influences perceived usefulness of the Internet for online shopping (Gefen, Karahanna & Straub 2003; Lee & Turban 2001).

Attitude as a determining factor of intention to shop online

The TAM and trust studies (Connolly & Bannister 2008; Donthu & Garcia 1999; Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lee & Turban 2001; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001) have indicated that attitude towards the use of the Internet for online shopping is influenced by trust, perceived usefulness and perceived ease of use (Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). In addition, attitude towards the use of technology influences the intention to use it (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). This implies that consumers form intentions to shop online if they have positive
attitudes towards Internet shopping. This notion is consistent with research findings that consumers who feel more positively toward computer-related technologies are more likely to accept Internet shopping (Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004; Savitskie et al. 2007).

**Behavioural intention to use Internet shopping**

Consumer belief in Internet shopping and its associated benefits, or risks, as well as perceived usefulness, and perceived ease of use, for shopping purposes, contribute to forming attitudes towards consumer intention in Internet shopping (Connolly & Bannister 2008; Donthu & Garcia 1999; Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lee & Turban 2001; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). Consumer trust also has a direct influence on intention, and an indirect effect via perceived usefulness which then impacts on consumer intention towards Internet shopping (Connolly & Bannister 2008; Gao 2005; Gefen, Karahanna & Straub 2003; George 2002; Jarvenpaa, Tractinsky & Vitale 2000; Lauer & Deng 2007; Lee & Turban 2001; Monsuwe, Dellaert & Ruyter 2004; Teltzrow, Meyer & Lenz 2007).

In essence, consumer intention is a good predictor of actual consumer participation in Internet shopping (Brown, Pope & Voges 2003; Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Kim & Kim 2004; Monsuwe, Dellaert & Ruyter 2004; Seock & Norton 2007). Furthermore, these findings are consistent with assertions of both the TAM and ITTAM theoretical frameworks (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003).

**2.3.9 Diffusion of Innovation (DI) theoretical model**

Diffusion of Innovation (Rogers 1962, 1983, 2003) is a well-established theoretical framework developed from theories of psychology, sociology and communications. The process diffusion of innovation is typified by the progress, over time, of product or process innovations along the stages of: introduction, growth, maturity, and decline (Rogers 1962, 1983, 2003; Wonglimpiyarat 2007).

There are four key elements in the diffusion of new innovations, whether it is an idea, practice, or object: (1) an innovation; (2) communication through certain channels; (3) over
time; and (4) among members of a social system. Diffusion is the process by which an innovation is communicated through to members of a social system via both mass and interpersonal media channels (Crenshaw & Robison 2006a, 2006b; Mahler & Rogers 1999; Rogers 1962, 1971, 1983, 1997, 2003).

**Innovation a key element**

An innovation is referred to as a new idea, practice or process (Mahler & Rogers 1999; Rogers 1962, 1983, 2003). According to Diffusion of Innovation, it matters little whether the new idea, practice, or object is objectively new (in the sense of time lapse), whether in weeks, months, or years since its discovery. Innovation is determined more by an individual’s perception of the innovation’s newness.

**Diffusion of innovation through certain channels of communication**

At the heart of diffusion of innovation is communication (Mahler & Rogers 1999; Rogers 1962, 1983, 2003). The information concerning the innovation is communicated via a variety of media channels, including both mass media, and the personal mode of information sharing among friends, peers and significant groups. The main elements of communication are: (1) a source from which the message originates; (2) channels in which the message is communicated; (3) the message being communicated; and (4) the receiver of the communication. In essence, information and communication are essential elements in changing consumer behaviour and are central to diffusion of innovation (Mahler & Rogers 1999; Rogers 1962, 1983, 2003).

**Diffusion of innovation takes place over time**

Diffusion of innovation is a progressive process that occurs over a period of time. This progressive process normally takes a path of slow adoption at the introduction stage, followed by exponential growth and later declines when maturity is reached (Rogers 1962, 1983, 2003). There is also a progressive process in the decision making, which an individual goes through, in deciding whether to adopt or reject an innovation (Rogers 1962, 1983, 2003).

**Decision-making process**

The five stages of the decision-making process for diffusion of innovation are: (1) an individual passes through the first stage of having knowledge of the innovation and some understanding of how it functions; (2) the individual will then either be persuaded of its value
and benefits or form an unfavourable attitude towards the innovation; (3) at this point, the individual engages in activities that lead to a choice to either adopt or reject the innovation; (4) if the decision is to accept, the individual then implements and puts the innovation into use; and (5) the individual will confirm or seek reinforcement for their adoption decision. However, the individual may reserve their decision if given conflicting messages about the innovation (Rogers 1962, 1983, 2003) (Figure 2.7).

Figure 2.7  **Decision-making process involved in the diffusion of innovation**

<table>
<thead>
<tr>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
<th>Stage 4</th>
<th>Stage 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge and understanding</td>
<td>Persuaded of the value</td>
<td>Engage the activity</td>
<td>Choose to implement or reject</td>
<td>Confirmation or seek reinforcement</td>
</tr>
</tbody>
</table>

*Source: Adapted from Rogers (1983).*

Furthermore, the decision-making process after an initial adoption may lead to either further adoption or rejection of an innovation (Rogers 1962, 1983, 2003). Where the individual rejects the innovation after having previously adopted it, there are two types of discontinuance: (1) replacement discontinuance, where the innovation is rejected in favour of a better option, and (2) disenchantment discontinuance, where the innovation is rejected as a result of dissatisfaction with its poor performance (Rogers 1962, 1983, 2003).

**Communication among members of a social system**

Diffusion of innovation does not occur in isolation or in a vacuum (Rogers 1962, 1971, 1983, 2003). Diffusion is the process by which an innovation is communicated through to members of a social system via both mass and or interpersonal media channels. Adopters involved in the spread of innovation are members of social groups and systems. In addition, a social system is a collective of units participating in joint problem solving with respect to a mutual goal. Furthermore, social systems are differentiated from each other on the basis of such social, or structural factors which include but are not limited to: social status, level of education achieved, income and wealth, and power of authority that one has (Rogers 1962, 1971, 1983, 2003).
The five categories of adopters in diffusion of innovation

The Diffusion of Innovation model classifies adopters into five categories on the basis of innovativeness, which is the degree to which an individual is relatively earlier in adopting new ideas compared to other members of a social system (Rogers 1962, 1983, 2003). The five adopter categories and their dominant attributes are: (1) innovators (2.5%) – venturesome; (2) early adopters (13.5%) – respectable; (3) early majority (34%) – deliberate; (4) late majority (34%) – sceptical; and (5) laggards (16%) – traditional.

The characteristics of early adopters and late adopters

There are differences in characteristics of innovation adopters. The characteristics of early adopters indicate that they have higher socio-economic status than later adopters (Rogers 1962, 1983, 2003). Earlier adopters also differ from later adopters in personality variables. For instance, they have more favourable attitudes toward change; greater ability to cope with uncertainty and risk, and more favourable attitudes towards education. Moreover, early adopters have different communication behaviours. They have more exposure to both mass media and interpersonal communication channels, with greater knowledge of innovations and higher degrees of opinion leadership (Rogers 1962, 1983, 2003).

The s-shaped curve of Diffusion of Innovation

The adopter distribution in the Diffusion of Innovation model tends to follow an s-shaped curve that reflects the progress of the innovation diffusion process, over time (Rogers 1962, 1983, 2003; Wonglimpiyarat 2007). The model shows the cumulative percentage of adopters due to the diffusion effect, resulting from an increasing rate of knowledge and adoption of the innovation in the system (Rogers 1962, 1983, 2003).

The introduction stage represents few adopters during the time of innovation novelty and uncertainty (Rogers 1962, 1983, 2003). This stage requires problem solving, on the part of early adopters, in deciding whether to adopt or reject the innovation. The growth stage represents the period where there is an accelerated rate of knowledge and certainties (Rogers 1962, 1983, 2003). This is reflected in the rapid pace of innovation adoption after slow acceptance at the introduction stage. The maturity stage reflects the levelling off at saturation and a decline with a small percentage of laggards who do not adopt the innovation (Rogers 1962, 1983, 2003; Wonglimpiyarat 2007).
Weakness and limitation of Diffusion of Innovation model

One of the main criticisms of the Diffusion of Innovation theory is the oversimplification of the reality and dynamics of the process which people go through in adopting or rejecting an innovation (Rogers 1962, 1983, 2003). Another challenge to the Diffusion of Innovation theory is the reality that the innovation may also be dynamic and continue to reinvent itself through improvements and modifications. It may not be the same innovation that it started out as, which can have different implications for the different categories of adopters because of its evolving nature (Rogers 1962, 1983, 2003).

2.3.10 Diffusion of Innovation and Internet shopping

The Internet, as an e-commerce medium, and Internet shopping, as an innovative method of shopping are well supported by the propositions of the Diffusion of Innovation model (Rogers 1962, 1983, 2003). Furthermore, this model provides an additional theoretical framework for this literature review to further guide and enhance an understanding of Internet shopping.

Internet medium and Internet shopping as innovations

By definition, the Internet and Internet shopping are innovations (Rogers 1962, 1983, 2003). The Internet is an innovative medium for online applications (Chan & Fang 2007; Chen & Chang 2003; Federal Networking Council 1995; Fenech & O’Cass 2001; Joines, Scherer & Scheufele 2003; Korgaonkar & Wolin 2002; Lee 2006; Nelson 2006; Pierobon 1996). On the other hand, Internet shopping is a new practice of shopping, through a new and an innovative medium, namely the Internet (Brown, Pope & Voges 2003; Chen & Chang 2003; Fenech & O’Cass 2001; Monsuwe, Dellaert & Ruyter 2004; Reynolds 2000).

The growth in the global number of Internet users is an indication of the global acceptance of the Internet technology innovation (Central Intelligence Agency 2011; Meller 2001; Monsuwe, Dellaert & Ruyter 2004; Nelson 2006). Internet shopping adoption by consumers is also on the increase, although it is not at the same level of market penetration as Internet access and usage for communication and information-searching purposes (Dholakia & Uusitalo 2002; Korgaonkar & Wolin 2002; Monsuwe, Dellaert & Ruyter 2004; Swinyard & Smith 2003). Nevertheless, Internet shopping is progressively being adopted by consumers, as consumers are becoming more trusting of, knowledgeable and experienced in, the Internet shopping technology (Chen & Chang 2003, 2005; Connolly & Bannister 2008; Fenech &
The Internet as a key channel of communication for Internet shopping

In the context of the Internet as a medium for Internet shopping, communication is an essential element in acceptance by consumers (Fenech & O'Cass 2001; Joines, Scherer & Scheufele 2003; Lee 2006; Nelson 2006; Rogers 1997). The Internet is both an e-commerce medium as well as a major channel of communication for information to reach the global masses (Chan & Fang 2007; Chen & Chang 2003; Federal Networking Council 1995; Fenech & O'Cass 2001; Joines, Scherer & Scheufele 2003; Korgaonkar & Wolin 2002; Lee 2006; Nelson 2006; Pierobon 1996). Hence, by its very nature, the Internet is widely used by online retailers and marketers, as a mass media channel of communication, in the promotion of their online business and shopping information including, but not limited to, products, services and brand information (Dennis, Harris & Sandhu 2002; Dholakia & Uusitalo 2002; Fenech & O'Cass 2001; Gehrt et al. 2007; Kim & Kim 2004; Kolesar & Galbraith 2000; Korgaonkar & Karson 2007; Korgaonkar & Wolin 2002; Norum 2008; Sääksjärvi & Samiee 2007). Furthermore, the Internet is a good information-searching medium whereby consumers become knowledgeable and informed about products and services prior to making online shopping decisions (Luck 2005).

Internet vendors actively adopt the Internet as an online communication tool to promote and convey their offerings to online users and consumers, with the intention of appealing to the mass audience to become their online consumers (Dennis, Harris & Sandhu 2002; Dholakia & Uusitalo 2002; Fenech & O'Cass 2001; Gehrt et al. 2007; Kim & Kim 2004; Kolesar & Galbraith 2000; Korgaonkar & Karson 2007; Korgaonkar & Wolin 2002; Norum 2008; Sääksjärvi & Samiee 2007). If not in the immediate timeframe, then in the future, Internet users and online consumers will develop favourable attitudes, trust and intention to shop online (Connolly & Bannister 2008; Donthu & Garcia 1999; Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lee & Turban 2001; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001). The Internet’s role as a mass media channel of communication and platform for e-commerce can only but enhance the diffusion of Internet shopping.
Internet shopping diffusion of innovation takes place over time
The Internet is well accepted for communication purposes. However, its acceptance as a medium for online shopping is still lagging behind (Chan & Fang 2007; Chen & Chang 2003; Federal Networking Council 1995; Fenech & O’Cass 2001; Joines, Scherer & Scheufele 2003; Korgaonkar & Wolin 2002; Lee 2006; Nelson 2006; Pierbon 1996). Nevertheless, the diffusion of Internet shopping continues to grow as consumers consider Internet purchasing as an innovative and viable method for shopping. The increase in Internet shopping over the last decade is also indicative of improvements in Internet technology, as well as website improvements to address such issues as online safety, security, social interactions and being more entertaining (Dennis, Harris & Sandhu 2002; Doolin et al. 2005; Gehrt et al. 2007; Kim & Kim 2004; Kolesar & Galbraith 2000; Korgaonkar & Karson 2007; Lauer & Deng 2007; Monsuwe, Dellaert & Ruyter 2004). There have also been developments in improving online business practices, industry policies, and legislation for the protection of online consumers (Ha & Coghill 2008).

Internet shopping innovation is being discovered by consumers of both genders, different socio-demographic and psychographic backgrounds, and from all parts of the globe, albeit that consumers are adopting Internet shopping at different rates (Chang & Samuel 2004; Dholakia & Usitalo 2002; Fenech & O’Cass 2001; Girard, Korgaonkar & Silverblatt 2003; Ha & Coghill 2008; Korgaonkar & Wolin 2002; Norum 2008; Savitskie et al. 2007; Shergill & Chen 2005; Sin & Tse 2002; Swinyard & Smith 2003; Wolin & Korgaonkar 2003). This pattern of adoption at different rates is consistent with the Diffusion of Innovation model, asserting that innovation is determined more by individuals’ perception of its newness, or its first time in use, rather than by when it was first discovered (Rogers 1962, 1983, 1997, 2003). Furthermore, the rate of adoption for Internet technology and online shopping is also influenced by national culture (Lim, Leung, Sia & Lee 2004), and national information technology infrastructure, capacity, capability, and conduciveness (Crenshaw & Robison 2006a, 2006b; Lim et al. 2004; Shiu & Dawson 2002).

Internet shopping among members of social systems
Notwithstanding that the Internet is a mass media communication channel, communication concerning Internet shopping and other online applications are also conveyed through consumer network groups and their associated others (Chan & Fang 2007; Lai & Turban 2008). Furthermore, research findings have also shown that consumers from social groups
with higher education, higher income earnings and wealth are more likely to shop online (Chang & Samuel 2004; Donthu & Garcia 1999; Girard, Korgaonkar & Silverblatt 2003; Hansen 2005; Sin & Tse 2002).

2.4 Internet shopping and its context
This section focuses on online shopping and some of the key factors, such as demographics, and product type, that impact on adoption of Internet shopping. In addition, this section investigates Internet shopping in the context of New Zealand, and issues relating to a lack of qualitative research on Internet shopping.

2.4.1 Demographics of Internet shoppers
The demographic profiles of consumers who shop via the Internet compared to non-Internet shopping consumers are different (Brian & Randall 2003; Shiu & Dawson 2002). For instance, in the early days, the Internet has typically been described as a young male’s medium (Bae & Lee 2011; Brown, Pope & Voges 2003; Chang & Samuel 2004; Hui & Wan 2007; Kim & Kim 2004; Wolin & Korgaonkar 2003). However, online shopping participation has increased for women (Bae & Lee 2011; Dholakia & Uusitalo 2002; Hernández, Jiménez & Martín 2011; Kim & Kim 2004). As more females use Internet shopping, the male dominance becomes a transient phase of the Internet and online shopping (Bae & Lee 2011; Chang & Samuel 2004; Hernández, Jiménez & Martín 2011). Hernández, Jiménez & Martín (2011) indicated that the Internet and online shopping has become a marketplace for both genders.

There are mixed findings when age was found to be a significant predictor of Internet shopping behaviour (Almousa 2011; Dholakia & Uusitalo 2002; Donthu & Garcia 1999; Joines, Scherer & Scheufele 2003; Sorce, Perotti & Widrick 2005). For instance, in investigating the relationship between age and Internet shopping, some studies (Chang & Samuel 2004; Donthu & Garcia 1999) have found that older consumers, with more income, were more likely to purchase products online compared to younger consumers who tend to be more Internet users but less Internet shoppers.
On the other hand, Dholakia and Uusitalo (2002), Joines et al. (2003) and Almousa (2011) reported the opposite effect of age on Internet shopping. Their studies found younger respondents have more positive attitudes towards online shopping and were more likely to shop online compared with older respondents. Moreover, the population of online shoppers are becoming younger (Almousa 2011; Swinyard & Smith 2003).

Previous findings (Aljukhadar & Senecal 2011; Chang & Samuel 2004; Donthu & Garcia 1999; Girard, Korgaonkar & Silverblatt 2003; Hooda & Aggarwal 2012; Sin & Tse 2002) have indicated that consumers who purchase online tend to have higher incomes than non-Internet shoppers. This trend is also seen where more affluent countries with higher national income levels tend to have more consumers who participate in Internet shopping, compared to poorer countries with lower national incomes (Assad 2007; Hooda & Aggarwal 2012; Lim et al. 2004).

Some observers (Chang & Samuel 2004; Dholakia & Uusitalo 2002; Hooda & Aggarwal 2012) have noted that the higher levels of online purchasing associated with higher income groups may be transient. Such a finding is a reflection of increased competition in the marketplace, providing a decrease in price structure of equipment and online services and affordable access to the Internet for the less affluent population (Chang & Samuel 2004; Seock & Norton 2007, 2008). Furthermore, the profile of the Internet shopper population is moving more towards the general demographic profile of the wider population, even though online shoppers are still more affluent (Chang & Samuel 2004; Hooda & Aggarwal 2012).

Prior studies (Almousa 2011; Chang & Samuel 2004; Doolin et al. 2005; Sin & Tse 2002) have suggested that there is a strong and positive relationship between consumers’ higher level of education with higher income and increased participation in Internet shopping. Internet shoppers are typically well educated and have higher incomes (Almousa 2011; Chan & Fang 2007; Chang & Samuel 2004; Doolin et al. 2005; Hansen 2005; Hui & Wan 2007; Seock & Norton 2007, 2008). Furthermore, studies (Fraser & Henry 2007) have reported that consumers who live in households with both high levels of education and income are most likely to purchase goods online.

Notwithstanding the number of studies supporting the notion of a positive relationship between educational attainment and Internet shopping, other studies (Dholakia & Uusitalo
2002; Teo 2001) have not found a significant relationship between the level of education achieved and online shopping. One plausible explanation is the suggestion that higher levels of online purchasing associated with higher education and income groups may be transient due to the Internet and web-based technology becoming easier to use and therefore, educational attainment is a less important factor (Dholakia & Uusitalo 2002; Teo 2001).

**Consumer shopping orientations and Internet shopping**

Different consumer shopping orientations and motivations impact on Internet shopping. One of the primary shopping orientations for online shopping is convenience. Online consumers, who are convenience orientated, value the convenience of not having to travel for shopping, to shop from the comfort of their home, and save time by shopping online (Brown, Pope & Voges 2003; Donthu & Garcia 1999; Hui & Wan 2007; Ramus & Nielsen 2005). Other key motivations for online shopping are: having greater access to product choices; better prices, perceived value for money and cost savings (Anuntaakalakul 2008; Chen & Chang 2003; Fenech & O'Cass 2001; Hui & Wan 2007; Kim & Kim 2004).

In addition, online consumers take advantage of shopping freedom, accessibility, and twenty-four-hour, seven-days-a-week shopping availability through the Internet. They can buy what they want, when they want, and from wherever the product or service is available (Chen & Chang 2003; Monsuwe, Dellaert & Ruyter 2004). Furthermore, some online consumers are motivated by the innovative, recreational and entertaining aspects of online shopping (Brown, Pope & Voges 2003; Dholakia & Uusitalo 2002; Donthu & Garcia 1999; Fenech & O'Cass 2001; Girard, Korgaonkar & Silverblatt 2003; Papies & Clement 2008; Swinyard & Smith 2003).

**The effect of lack of social interaction capacity in Internet shopping**

Consumers evaluate vendors and their services on the basis of service tangibles, assurances, reliability, and capacity for personal interactions (Doolin et al. 2005; Kolesar & Galbraith 2000; Swaminathan, Lepkowska-White & Rao 1999). Notwithstanding the many advantages and benefits of Internet shopping, some consumers find the loss of social and personal interactions to be a disadvantage (Doolin et al. 2005; Kolesar & Galbraith 2000; Swaminathan, Lepkowska-White & Rao 1999). Furthermore, social interaction is an important attribute of the shopping experience that influences shopping behaviour (Doolin et al. 2005; Kolesar & Galbraith 2000; Swaminathan, Lepkowska-White & Rao 1999). A loss of
social interaction in Internet shopping, as an attribute of the shopping experience, is associated with less frequent online shopping and reduced online spending (Doolin et al. 2005; Kolesar & Galbraith 2000; Swaminathan, Lepkowska-White & Rao 1999).

2.4.2 Internet shopping for products
While the global popularity and use of the Internet continues to increase, the question of why consumers prefer to purchase certain products via the Internet and not others is still not very well understood (Girard, Korgaonkar & Silverblatt 2003). Furthermore, the desire to feel, smell, taste, inspect or try the product is an important factor that influences the purchasing decisions of many consumers (Monsuwe, Dellaert & Ruyter 2004). However, this is not possible when shopping online because of the use of only two human senses, namely seeing and hearing. Online shopping is not able to utilise the other three senses of touch, taste, and smell (Fenech & O'Cass 2001; Monsuwe, Dellaert & Ruyter 2004).

Internet shopping and product characteristics
The type of product can influence consumers’ decisions on whether to purchase the product online or not (Monsuwe, Dellaert & Ruyter 2004). Given consumer desires to feel, touch, smell, inspect and try on products, certain product types have a higher potential for online shopping than others (Fenech & O'Cass 2001; Monsuwe, Dellaert & Ruyter 2004). Standardised and familiar products with minimal to no quality issues of concern; or need for sampling; or pre-trial; have a higher potential for being bought online. Such products, for instance, include books, CDs, DVDs, groceries and flowers (Monsuwe, Dellaert & Ruyter 2004). Furthermore, where consumers need to try out a product under consideration or have a need to feel, touch or smell the product, then their inclination to shop via the Internet is low (Monsuwe, Dellaert & Ruyter 2004).

Product types, demographic and shopping orientations
Several authors have used the principles of consumer information search model, and examined the product classification using the search, experience, and credence taxonomy (Brown, Pope & Voges 2003; Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). For instance, search product type is characterised by products whose information about their key attributes can easily be obtained prior to their purchase or use (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Consumers of search products, such as books and personal computers, are confident of making purchase
decisions without the need to inspect or try out the product prior to their purchase (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Research findings have shown that consumer preference to shop online for search products is high because consumers can easily obtain relevant product attribute information to make purchasing decisions, without the need to inspect or try the product out, before purchasing (Korgaonkar, Silverblatt & Girard 2006).

The experience product type is characterised by products whose information about their main attributes are not known until inspected or sampled, such as clothing and perfume, or information about product attributes is difficult and costly to obtain than the actual product, such as mobile phones and television sets (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Consumers of experience products are not confident of purchasing the product without inspecting or sampling the product prior to purchasing (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Research findings have indicated that convenience oriented, as well as recreation oriented consumers prefer to shop online for experience products (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Furthermore, female Internet shoppers prefer to shop online for experience products such as clothing and perfume, while male online shoppers prefer to shop online for experience technical products, such as computers, mobile phones and television sets (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006).

The credence product type is characterised by products whose relevant information about their key attributes are not available prior to using the product, for instance, vitamin products and water purifiers (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). In this product category, consumers are not confident of their purchase decisions even after using the product (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Research findings have also shown that convenience and recreational shopping orientations are strong predictors in predicting Internet shoppers who prefer to purchase credence products online (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). In essence, shopping orientations, demographic variables with Internet shopping preferences vary significantly by product type (Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006).
**Product risk and Internet shopping**

Product risk relates to when a consumer risks making a poor or an inappropriate decision in the purchase of a product (Doolin et al. 2005). One aspect of product risk is the risk that a consumer bears in making a poor economic purchasing decision due to not being able to compare prices, or not being able to return a product, or receiving a damaged product, or not receiving a product that has been paid for online (Doolin et al. 2005; Jarvenpaa, Tractinsky & Vitale 2000). There is also the risk of product non-performance where a product fails to function as expected (Bhatnagar & Ghose 2004; Doolin et al. 2005). This may be partly due to the lack of opportunity to inspect products prior to online purchasing. Therefore, the likelihood of online shopping decreases with increase in product risk (Bhatnagar & Ghose 2004; Doolin et al. 2005).

In addition, there is the risk related to the types of products being purchased online (Korgaonkar & Karson 2007). As such, consumers prefer low psychosocial and economic risk products compared to high-risk products when purchasing online (Korgaonkar & Karson 2007). Furthermore, there is perceived risk associated with the type of online merchants that consumers purchase products from (Korgaonkar & Karson 2007). For instance, Internet shoppers have a preference to shop at well-established vendors with online stores, rather than at pure Internet vendors. Generally, consumers are less anxious when purchasing products from well-known and larger organisations, than from less well-known pure Internet vendors (Korgaonkar & Karson 2007).

**Internet shopping for special and sensitivity products**

When consumers need to purchase products that are not readily available in conventional stores, like tailored products such as large size clothes, or large size shoes, Internet shopping is a viable option in acquiring these special or unusual products (Monsuwe, Dellaert & Ruyter 2004). Furthermore, for certain sensitivity products, like adult movies or x-rated movies, where consumers require privacy and anonymity, online shopping intention is high (Monsuwe, Dellaert & Ruyter 2004).

**Past in-house shopping experience with products**

Consumers with past experience with catalogue and TV shopping tend to adopt Internet shopping more readily compared to those without the accumulative experience of in-house shopping (Dholakia & Uusitalo 2002). Past experience with catalogue and TV shopping
increases consumers’ ability and confidence to evaluate products without physical inspection, as well as their confidence and willingness to bear risk associated with online shopping (Dholakia & Uusitalo 2002). In addition, previous studies have shown that consumers with past experience with similar technical products and services are more likely to adopt similar innovative technologies such as Internet shopping (Dholakia & Uusitalo 2002).

**Personality of Internet shoppers for products**

Consumers using Internet shopping are characterised by having higher levels of confidence in their ability to evaluate and purchase products via the Internet without prior inspection or sampling of goods (Dholakia & Uusitalo 2002; Girard, Korgaonkar & Silverblatt 2003; Korgaonkar, Silverblatt & Girard 2006). Furthermore, Internet shoppers tend to be more willing to bear the risk associated with online purchasing decisions (Swinyard & Smith 2003). In addition, they have a higher level of trust in Internet merchants and the Internet medium, compared to non Internet shoppers (Ahmad 2002; Chen & Chang 2003; Lee & Turban 2001).

### 2.4.3 Internet shopping in New Zealand

New Zealand has a history of rapid adoption and use of electronic technologies (Doolin et al. 2005). This includes the practice of electronic transaction inherent in automatic teller machines (ATMs), telephone banking, online banking and electronic funds transfer at point of sale (EFTPOS) (Doolin et al. 2005; Gan et al. 2006). New Zealand consumers consider ease of use as an important factor in using an online environment (Matthews 2011).

However, New Zealand has been slow in adopting online shopping relative to online consumers in the US and Europe (Hendery 2006). In addition, New Zealand has also been slow in switching to digital paid readership compared to Australia (Drinnan 2012).

**New Zealand Internet usage and Internet shopping**

New Zealand is a small but developed economy with a population of 4.17 million people (Internet World Stats 2008b). Its population of Internet users was estimated at 3.36 million people in 2008, or an Internet user population penetration of 80.5% (Internet World Stats 2008b). In terms of a ratio of IT spending to GDP, New Zealand is ranked 11th most IT intensive in the world (Doesburg 2009).
It was estimated in 2006 that New Zealand’s online retailing spending is about 0.3% of the overall retail market earning (Drinnan 2006; Hendery 2006). This compared to around 10% online shopping in Britain and 7% in the US, for the same period (Drinnan 2006). Nielsenth NetRatings further estimated New Zealand’s online spending at $1.5 million for 2006 (Drinnan 2006).

Latest figures from AMP Capital Shopping Centres show online sales in New Zealand account for 5.1 per cent, of the country’s retail sales market. New Zealand’s online sales continue to trail behind when compared to Australia, 5.5 per cent of sales are made online, 7.5 per cent in the United States, and 9 per cent in Britain (Jones 2012).

New Zealand’s online shopping has continued to grow since then. A report from Nielson Online showed a total of $1.7 million was spent on the Internet in the first quarter of 2008 (Kiong 2008). In addition, more than four-fifths of the said New Zealand online spending was spent on New Zealand sites (Kiong 2008). Despite the global crisis which has contributed to the demise and closing down of Telecom’s online shopping mall Ferrit.co.nz late 2008, other New Zealand online vendors, such as Buy NZ Made (Herald Online 2009), and Trade Me (Drinnan 2012) are still doing good online business. The New Zealand Internet retail market is projected to be worth $4.22 billion by 2015 (Jones 2012).

**Internet shopping studies in New Zealand**

One New Zealand study (Fisher & Chu 2009) indicated that vendor location plays an important role in the building of consumers’ initial trust in an online environment. Websites of local merchants are perceived to be more trustworthy than those of overseas companies. The study suggested that, all things being equal, local online stores are at an advantage relative to their overseas counterparts. In addition, there is greater level of institutional based trust given to local vendors as a result of consumers’ greater familiarity with domestic online merchants.

The New Zealand context provides a useful understanding of online behaviour of consumers in New Zealand. It also provides a useful comparison with, and an extension of, findings of prior studies that have been conducted with consumers in other countries (Doolin et al. 2005). Furthermore, results from limited New Zealand studies on Internet shopping, confirm similar findings to studies conducted in the US, Europe, Asia and Australia (Doolin et al. 2005).
Consumers consider perceived consequences of online shopping, in particular product and privacy risks, as well as loss of social interactions as important factors in determining their Internet shopping participation (Doolin et al. 2005). In addition, perceived risk seems to discourage Internet users from frequent Internet shopping and spending large amounts of money online. However, the reverse is equally true. Consumer-perceived benefits of online shopping are positively associated with Internet shopping behaviour (Doolin et al. 2005).

Two other New Zealand studies (Qureshi et al. 2009; Shergill & Chen 2005) indicated that trust, website security, perceived website quality, website reliability, order fulfilment, and website customer services are important factors which greatly influence consumers’ perception of their Internet shopping experience. Furthermore, concerns with website security and privacy were noted as the main reason why New Zealand people choose not to shop online (Shergill & Chen 2005).

2.4.4 Lack of qualitative research on Internet shopping
Research studies on the topic of the Internet and its Internet shopping application are important, given the phenomenal size and growth of the global Internet user market since its opening for commercial traffic in 1991 (Internet World Stats 2007, 2008b; Kim & Kim 2004). However, despite the gradual growth of the Internet shopping sector, online shopping is still occupying a tiny share of the Internet user market (Brian & Randall 2003; Gehrt et al. 2007). Furthermore, online businesses are often receiving poor grades in terms of customer satisfaction and loyalty (Ha & Stoel 2012).

Most studies conducted on Internet shopping have been quantitative in their research methodology (Ahmad 2002; Bonera 2011; Chang & Samuel 2004; Connolly & Bannister 2008; Ha & Stoel 2012; Shergill & Chen 2005). Furthermore, there is a genuine lack of qualitative research studies on Internet shopping (Lee & Cheung 2004; Wei-yu & Li 2010).

2.5 The research problem and question
This section identifies the research problem and then formulates the research question that will provide an answer to the research problem. Furthermore, the research question will lead to the theory building process and outcome for this study.
Therefore, the main purpose of this phenomenological research is to build an Internet shopping learning model based on consumer learning, their beliefs, perceptions, attitudes, prior knowledge, past experience, trust, behavioural intention and actual use of online shopping. This research focuses only on theory building. Future research can test the proposed model and make generalisations to a population, or further develop it.

The research problem
The problem of interest for this research is to capture online consumers’ common perspectives and experiences during their process of learning towards using and adopting Internet shopping for purchasing physical products online and build an Internet shopping learning model. Such a model will contribute to extant knowledge on Internet shopping, as well as to guiding the development of business strategies with a view to increasing Internet shopping business for B2C online merchants.

The research question
The research question sets out to investigate the what, how and why of the online consumers’ journey to using and adopting Internet shopping for buying physical products from B2C online merchants. Thus, the research question states:

What is the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment?

2.6 Initial ideas and concepts towards theory building
The prior theories discussed in this literature review provided the following initial ideas and concepts to guide this phenomenological research towards theory building. Furthermore, these initial ideas and concepts are used in the methodology of the research to shape and develop key questions for the interview protocol of this phenomenological research (see Appendix A).

Internet shopping is learned behaviour
One of the key ideas from the literature review is that Internet shopping is learned behaviour. Internet shopping behaviour is learned via many different pathways and combinations thereof, including but not limited to: learning through classical (Brown & Stayman 1992; Kim, Lim & Bhargava 1998; Tom 1995; Walker & Dubitsky 1994) and operant conditioning (Chang &
Evolving learning process

Another key idea is that Internet shopping learning evolves over time. For instance, consumers’ prior knowledge and past experience with computers, the Internet and non-store channels provide them with knowledge and skills to assist them implement a new and novel practice, such as Internet shopping (Brown, Pope & Voges 2003; Dholakia & Uusitalo 2002; Fenech & O’Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004). In addition, when consumers retrospectively evaluate their Internet shopping experience, they in effect generate new knowledge for future shopping decisions (Chen & Chang 2005). For instance, past experience with shopping via non-store channels, provides consumers with a better appreciation of the time lapse between ordering and fulfilment, as well as the risk issues associated with online shopping (Chen & Chang 2003; Kim & Kim 2004; Reynolds 2000).

The notion of Internet shopping learning evolving over time indicates that the learning process is dynamic. It involves new learning and acquiring of new behaviour, skills, and knowledge, over time, that did not exist before, as well as revisiting and building on existing knowledge and past experience (Bandura 1969; Barrett, Davis & Needham 2007; Chen 2007; Cummins 1992; Landy 1985; Oxford 2000; Wang et al. 2007). This notion is also consistent with the Diffusion of Innovation model which indicates that diffusion in the adoption of technology takes place over time (Rogers 1962, 1983, 2003; Wonglimpiyarat 2007).

Beginning of the learning process

Consumers that have not used the Internet are those that may not have access to a computer and the Internet (Chang & Samuel 2004), or people who do not know how to perform Internet functions, or those who by choice do not wish to use the Internet despite having access to it.

On the other hand, consumers that are Internet users but have not yet purchased physical goods online are potential online consumers for B2C online merchants. As such, these consumers will be interested in finding out: how Internet shopping works for purchasing
physical goods (Brown, Pope & Voges 2003; Dholakia & Uusitalo 2002; Nelson 2006), the
benefits and value of purchasing products through Internet shopping (Dholakia & Uusitalo
2002; Hui & Wan 2007; Kim & Kim 2004; Lai & Turban 2008; Monsuwe, Dellaert & Ruyter
2004), as well as the risks associated with purchasing physical goods online (Doolin et al.
2005; Korgaonkar & Karson 2007; Swinyard & Smith 2003). To this point, the consumers
primarily use the Internet for communication and information searching purposes (Brian &

Nevertheless, Internet users are more likely to become involved in Internet shopping than
non-Internet users, given their prior knowledge, past experience and familiarity with the
computer and Internet (Brian & Randall 2003; Brown, Pope & Voges 2003; Swinyard &
Smith 2003). In essence, there is significant potential for growth in the Internet shopping
sector if more Internet users are persuaded of the value and benefits of online shopping
(Brown, Pope & Voges 2003; Chen & Chang 2003; Donthu & Garcia 1999; Fenech & O’Cass
2001; Girard, Korgaonkar & Silverblatt 2003; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter
2004; Papies & Clement 2008; Ramus & Nielsen 2005; Swinyard & Smith 2003), as well as
more trusting of Internet merchants and their online shopping capabilities (Gefen, Karahanna
& Straub 2003; Lee & Turban 2001).

Communication and the influences of social group and media
Another concept of interest is the role of social group and media in the communication
process that impacts on the Internet shopping learning process for purchasing physical goods
online. This is similar to the concept of communication in the Diffusion of Innovation (DI)
the main elements of communication are: the source of information and communication; the
channels of communication; the message; and the intended audience of the communication.

Members of social groups communicate amongst themselves about the values and benefits of
Internet shopping, the usefulness and ease of use of Internet shopping. Consumers not only
communicate among members of their social groups but they also consider communication
from referent others and experts on the topic of Internet shopping (Mahler & Rogers 1999;

94
In addition, essential and relevant information communicated to potential Internet shoppers, from credible external sources, and social groups, through both mass media of the Internet and personal communication, are likely to influence their subjective beliefs, attitude and intention towards the use and adoption of Internet shopping (Connolly & Bannister 2008; Donthu & Garcia 1999; Fenech & O’Cass 2001; Gefen, Karahanna & Straub 2003; Hernández-Ortega, Jiménez-Martínez & José Martín-DeHoyos 2008; Lee & Turban 2001; Lippert & Forman 2005; Monsuwe, Dellaert & Ruyter 2004; Teo 2001).

**Perceived usefulness**

The perceived usefulness theme from TAM (Davis 1986) is considered an important concept for this phenomenological study. Consumers, as part of their learning process, develop their perception of whether the Internet medium and its online shopping application is useful and of benefit or not (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). Perceived usefulness is the consumer’s subjective view of the probability that by using Internet shopping technology, they will benefit from or find the online shopping channel useful in meeting their needs (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). Those consumers who consider Internet shopping useful will form a perceived usefulness view of online shopping as a possible new channel for shopping.

Consumers that have used computer and the Internet would understand the global interconnectivity of the Internet, as well as interactivity features of the online environment, and the protective technology associated with the Internet (Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Their prior knowledge, past experiences and familiarity with the online environment would shape their cognitive beliefs about the usefulness of the Internet and online shopping (Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Furthermore, the perceived usefulness will impact on their attitude towards and their behavioural intention to using online shopping (Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

TAM also asserts that perceived usefulness has a direct effect on, and is a major determinant of attitude towards using a technology (Davis 1986). This then influences behavioural intention (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). Therefore,
perceived usefulness and perceived ease of use jointly influence attitude towards and behavioural intention to using a technology such as Internet shopping (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003).

**Perceived ease of use**

The perceived ease of use concept (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003) refers to the consumer’s subjective view of the degree to which using a technology such as Internet shopping is easy to use (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). In addition, through observations, knowledge and experience acquired over time, consumers develop their beliefs of online shopping and its ease of use (Monsuwe, Dellaert & Ruyter 2004; Savitskie et al. 2007; Scansaroli & Eng 1997a). Therefore, perceived ease of use is not innate but developed and learned, over time.

According to TAM (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004) perceived ease of use has a direct impact on perceived usefulness and attitude towards the use of a technology, which in turn influence behavioural intention to use a technology such as Internet shopping. Furthermore, where consumers perceive that technology is easy to use, they will have more confidence regarding their ability to actually use the technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). In the case of Internet shopping, consumers may also believe that shopping online contributes to saving time and efforts associated with travelling to and shopping at conventional stores (Dholakia & Uusitalo 2002; Monsuwe, Dellaert & Ruyter 2004; Swinyard & Smith 2003).

Furthermore, according to the integrated framework of ITTAM (Gefen, Karahanna & Straub 2003), the antecedents of perceived ease of use are also the antecedents of trust. An increase in perceived ease of use will inadvertently increase trust and vice versa, through the sharing of the same antecedents.

In addition, the notion that consumers’ prior knowledge and past experience of computer and the Internet influence their perceived ease of use and the perceived usefulness of Internet shopping is consistent with the theoretical tenets of ITTAM (Gefen, Karahanna & Straub 2003). Therefore, the more knowledgeable and experienced consumers are with computer and
the Internet, the more likely they will perceive the Internet medium as useful and easy to use for online shopping purposes (Gefen, Karahanna & Straub 2003). Moreover, prior channel knowledge and experience of non-store shopping are likely to positively influence perceived ease of use and perceived usefulness of the Internet shopping innovation (Brown, Pope & Voges 2003; Dholakia & Uusitalo 2002; Fenech & O'Cass 2001; Scansaroli & Eng 1997b).

**Attitude towards the behaviour**

The idea that attitude is a determinant of behavioural intention and actual behavioural usage is an important concept for this research (Ajzen 1985, 1988; Ajzen & Fishbein 1980) and TAM (Davis 1986; Gefen, Karahanna & Straub 2003). Furthermore, this study will investigate the notion that consumers form their beliefs, views and perceptions of the possible outcome of using online shopping, which then influence their attitude towards the use of Internet shopping (Chen & Chang 2005; Kumar 2000).

It will also investigate the notion that attitude towards Internet shopping are influenced by perceived usefulness and perceived ease of use (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Furthermore, attitude towards online shopping is a determinant of behavioural intention to use Internet shopping (Davis 1986; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004).

**Subjective norm and social group influence**

Subjective norm is learned from the opinions and beliefs of significant others and peers of social groups (Chen & Chang 2005). Furthermore, consumers’ subjective norm is a determining factor of behavioural intention towards the use and adoption of Internet shopping (Chen & Chang 2005). Therefore the idea of the influence of social group on the Internet shopping learning process of participants will be included in the questions for this phenomenological study.

According to the TPB (Chen & Chang 2005), subjective norm is the combination of the consumers’ belief of the importance of significant others and their opinions and world view concerning the actual behaviour of interest, as well the consumers’ motivation to comply with the opinions of significant others. Where the consumers are motivated to comply with the view of significant others, the more likely they will experience social pressure and the stronger their behavioural intention towards the actual behaviour (Chen & Chang 2005).
Perceived behavioural control
Perceived behavioural control is shaped by consumer belief that they are in control of the outcome (Chen & Chang 2005). The TPB proposes that perceived behavioural control is the sum total of the consumer’s belief of whether they have the necessary technology, resources and opportunities, as well as being in control of them in order to satisfactorily achieve online shopping (Chen & Chang 2005). In the case of online shopping, where the consumer believes that they can easily implement and control online shopping and that they have more chances and less barriers to satisfactorily complete online purchasing of physical goods, the consumer will have more intent to use Internet shopping (Chen & Chang 2005). Therefore, perceived behavioural control not only predicts behavioural intention towards the use of Internet shopping but it also directly predicts the implementation and adoption of online shopping (Chen & Chang 2005).

Prior channel knowledge
The consumer’s knowledge of computer and the Internet as a shopping channel, as well as other non-store shopping channels, influence their intention to use online shopping (Brown, Pope & Voges 2003; Chen & Chang 2005; Dholakia & Uusitalo 2002; Fenech & O'Cass 2001). This notion is consistent with the theoretical view of ETPB (Chen & Chang 2005). In addition, Internet channel knowledge also impacts on perceived ease of use and perceived usefulness, which in turn influence attitude towards and intention to use and adopt online shopping (Gefen, Karahanna & Straub 2003). Furthermore, Internet channel knowledge also influences consumer trust, which in turn impacts consumer intention and determines actual usage of online shopping (Gefen, Karahanna & Straub 2003).

Past experience
The concept of past experience as included in the ETPB (Gefen, Karahanna & Straub 2003). Consumers with past experience of, or related experience with computers and the Internet, as well as having non-shopping channels’ experience are able to easily understand and acquire knowledge and skills in using Internet shopping (Gefen, Karahanna & Straub 2003). The more past experience, consumers have with Internet use and non-store shopping, the more likely they will use and adopt online shopping (Brown, Pope & Voges 2003; Chen & Chang 2005; Swinyard & Smith 2003). In addition, past experience not only directly influences Internet shopping behaviour, it also influences perceived ease of use and perceived usefulness, which in turn impact on attitude towards online shopping, trust and behavioural
intention to use Internet shopping (Chen & Chang 2005; Conner, Norman & Bell 2002; Gefen, Karahanna & Straub 2003; Norman, Conner & Bell 1999).

**Decision making process to use and adopt or not**
Consumers draw from all of their relevant knowledge, experience, beliefs, attitude towards, and trust in, Internet shopping to decide on whether to use online shopping or not. Therefore, it includes the decision-making process that determines the use and adoption or rejection of online shopping as a technology (Rogers 1962, 1983, 2003). Furthermore, there are feedback loops of prior learning knowledge and past experience to create new understanding towards further use of Internet shopping.

**Behavioural intention**
It can be argued that according to the tenets of TPB and ETPB (Ajzen 1985; Chen & Chang 2005; Kumar 2000), as well as TAM and ITTAM (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003), behavioural intention is a good predictor of the actual use of Internet shopping by online consumers. In addition, consumers’ perceived usefulness and perceived ease of use are important variables that influence attitude towards intention and actual usage and adoption of online shopping.

Moreover, attitude towards online shopping, subjective norm, perceived behavioural control, prior channel knowledge of the Internet medium, past experience, trust and other related variables are all determining factors that influence behavioural intention to actually use online shopping (Ajzen 1985; Chen & Chang 2005; Davis 1986; Dholakia & Uusitalo 2002; Gefen, Karahanna & Straub 2003; Lee & Turban 2001).

**Trust**
Trust is an essential determinant of behavioural intention to, and the actual use, of online shopping (Ahmad 2002; Chen & Chang 2003; Connolly & Bannister 2008; Korsakiene 2006; Lee & Turban 2001). The CTIS model (Lee & Turban 2001) and ITTAM framework (Gefen, Karahanna & Straub 2003), both support the notion that consumers learn to trust the merchants, the Internet medium and the merchants online stores’ capabilities before participating in Internet shopping.
Furthermore, contextual factors such as online security and protection of privacy (Gefen, Karahanna & Straub 2003; Lee & Turban 2001), as well as other factors like the organisation size of the vendor behind the online store (Jarvenpaa, Tractinsky & Vitale 2000; Lee & Turban 2001), and product types influence trust in online shopping (Fenech & O’Cass 2001; Girard, Korgaonkar & Silverblatt 2003; Monsuwe, Dellaert & Ruyter 2004). In addition, demographic attributes of consumers such as gender, age, income level, and education status also influence trust which in turn influence learned perceived intention towards and the actual usage of Internet shopping (Brown, Pope & Voges 2003; Chang & Samuel 2004; Chen & Chang 2003; Dennis, Harris & Sandhu 2002; Dholakia & Uusitalo 2002; Doolin et al. 2005; Kim & Kim 2004; Monsuwe, Dellaert & Ruyter 2004; Sin & Tse 2002).

This trust idea is also consistent with ITTAM (Gefen, Karahanna & Straub 2003), indicating that perceived ease of use impacts on trust. Moreover, trust influences perceived usefulness which impacts on attitude towards and intention to use Internet shopping. In addition, the CTIS model (Lee & Turban 2001), indicates that the effects of trust antecedents on consumer trust are moderated by the individual’s trust propensity which is a personality trait of individual consumers.

**Trustworthiness of merchant**

The trustworthiness of an online merchant is a crucial antecedent of trust for online shopping (Lee & Turban 2001). Both the CTIS and ITTAM (Gefen, Karahanna & Straub 2003; Lee & Turban 2001) propose that the trustworthiness of a merchant relates to the consumer’s belief that the Internet vendor has integrity and is honest in upholding an acceptable set of business trading principles. It also involves the Internet vendor’s online competence and ability to operate effectively and efficiently in conducting online business with consumers, as well as being benevolent and trustworthy in fulfilling orders and doing right for both parties.

**Trustworthiness of Internet medium**

The CTIS model (Lee & Turban 2001), also proposes that trustworthiness of the Internet medium is an essential determining factor that influences consumer trust and their intention to use Internet shopping. Consumers are concerned with the security and safety of their personal and financial details being used online, as well as with the reliability of the Internet in performing online shopping (Ahmad 2002; Bhatnagar & Ghose 2004; Chen & Chang 2005; Lee & Turban 2001). Moreover, the ease of use, easy navigation and good flow of the
consumer’s shopping experience via the Internet medium impacts positively on consumer trust towards their intention to use and actual usage of Internet shopping.

**Contextual factors**
Furthermore, the CTIS model proposes that contextual factors are important in providing assurances for online consumers (Lee & Turban 2001). Such contextual factors include encryption protocols, third party certification and Internet technology security infrastructure. In addition, policies relating to returned goods and refunds, as well as after purchase customer service to deal with any concern on the part of online consumers are also important contextual factors that influence consumer trust, intention to, and actual use of Internet shopping (Lee & Turban 2001).

**Other factors**
The literature indicated that consumer trust is also influenced by other factors that are not included in the main categories relating to Internet vendor, Internet medium and contextual factors (Ahmad 2002; Bhatnagar & Ghose 2004; Chen & Chang 2005; Lee & Turban 2001). For instance, other factors such as: demographic variables; product type; other vendor attributes; and situational factors are important determinants of trust, intention to use, actual use and adoption of online shopping (Brown, Pope & Voges 2003; Chang & Samuel 2004; Chen & Chang 2003; Dennis, Harris & Sandhu 2002; Dholakia & Uusitalo 2002; Doolin et al. 2005; Kim & Kim 2004; Monsuwe, Dellaert & Ruyter 2004; Sin & Tse 2002).

**Individual trust propensity**
An individual’s trust propensity is a personality trait that moderates the effect of trust antecedents on learned consumer trust (Lee & Turban 2001). The CTIS model also indicates that trust propensity magnifies or reduces the impact of individual trust antecedents on building trust (Lee & Turban 2001). The higher the level of trust propensity the greater the impact of trust antecedent on building consumer trust towards intention to use online shopping and the actual usage of Internet shopping (Lee & Turban 2001).

**Persuasion of value of Internet shopping**
This concept of persuasion of the value of Internet shopping is taken from the decision-making process of the DI model (Rogers 1962, 1983, 2003). For instance, consumers learn the value of Internet shopping from their prior knowledge and past experience of computer usage,
Internet and non-store shopping environment familiarity, as well as information from referent others on the usefulness and benefits of online shopping (Brown, Pope & Voges 2003; Dholakia & Uusitalo 2002; Fenech & O'Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004). Furthermore, the DI model (Rogers 1962, 1983, 2003) would indicate that consumers who are persuaded of the value and benefits of Internet shopping are more likely to decide to use and accept Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

**Decision to use Internet shopping**

The decision by consumers to use Internet shopping is a well-informed decision. The online consumers understand the usefulness of online shopping and how easy it is to perform (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003). They have a positive attitude towards online shopping that is also supported by the view of their social groups (Brown, Pope & Voges 2003; Dholakia & Uusitalo 2002; Fenech & O'Cass 2001; Hui & Wan 2007; Monsuwe, Dellaert & Ruyter 2004).

In addition, they perceive that they have in their control the resources, knowledge and experience to successfully effect the purchasing of physical goods online (Chen & Chang 2005). They have formed trust for the use of online shopping, the trustworthiness of online merchants and they consider that the Internet medium infrastructure of the vendor is credible (Gefen, Karahanna & Straub 2003; Lee & Turban 2001). Moreover, they intend to use, and are persuaded of the value of online shopping (Rogers 1962, 1983, 2003).

**Using and adopting Internet shopping**

Similar to the DI model (Rogers 1962, 1983, 2003), the notion that on becoming an Internet shopper, the online consumer confirms their adoption of online shopping through further shopping participation via the Internet. The online consumer’s Internet shopping activities will evolve in terms of frequency, value of their online shopping, and product types purchased online.

**Rejecting Internet shopping**

If a consumer after implementing Internet shopping is not satisfied with the results, they may seek further relevant knowledge, or experience to improve Internet purchasing results.
Alternatively, they may consider rejecting Internet shopping altogether. This notion is consistent with the tenets of the DI model (Rogers 1962, 1983, 2003).

**Future Internet shopping**

The online consumers’ future use of Internet shopping for purchasing physical goods is dependent on how successful they were with their initial and subsequent online shopping activities. If they were successful with their initial online shopping activities, they are more likely to continue using online shopping. The reverse is also true; where they have been unsuccessful with their initial and subsequent online shopping activities; they are likely to reject online shopping. Again, this notion is consistent with the tenets of the DI model (Rogers 1962, 1983, 2003).

**Enhanced Internet shopping knowledge and experience**

There is also the idea of a revolving learning cycle. For instance, as part of the evolving learning experience: the successful completion of online shopping transactions and receiving of products in good condition; the knowledge gained and experience learned are fed back into a revolving cycle of learning. Internet shoppers continue to learn and become more effective and efficient with online shopping as they continue to use the Internet for shopping purposes. This notion is consistent with the tenets of learning theories as well as with the DI model (Rogers 1962, 1983, 2003).

**2.7 Conclusion**

Chapter 2 provided the literature review for this research. It presented the five parent disciplines and their respective prior theories. It then outlined the research problem and the research question for this phenomenological study. In addition, initial ideas and concepts are identified from existing literature and extant research to guide the theory building process of this phenomenological research. Finally, the conclusion links Chapter 2 to the research methodology to be outlined in Chapter 3.
Chapter 3

Methodology

3.1 Introduction
Chapter 2 provided the literature review for this study. It presented theories from the five parent disciplines with the Internet shopping learning process as the immediate discipline. Chapter 2 also presented the theory building research problem and the research question about the process by which some online consumers learn to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment. In addition, the literature review identified initial ideas and concepts to guide the research and shape the development of interview questions for data collection.

Chapter 3 discusses the research methodology. It consists of 12 major sections, as shown in Figure 3.1. The introduction section (3.1) briefly summarises the essence of Chapter 2 and links it to Chapter 3 (Cummins 1992). The next section (3.2) discusses the selection of an appropriate research paradigm. This is followed by Section 3.3 which focuses on the justification and adoption of realism as the chosen paradigm. Section 3.4 discusses the justification and adoption of a qualitative research methodology, as opposed to quantitative methodology. Section 3.5 addresses the issue of prior theory, its contribution to qualitative research and how much prior theory should be used in a qualitative research methodology. This is followed by Section 3.6 which focuses on the justification and adoption of phenomenological research method within the realism paradigm. Section 3.7 discusses quality considerations to be included in this research method to ensure rigour, authenticity and relevance of the research as per phenomenology.

The phenomenological research design (Section 3.8) is shaped and determined by considerations relating to the ontology and epistemology of the paradigm selected; the suitability of the methodology approach to be used; and the appropriate method and techniques to be adopted. This is followed by a discussion on data collection procedures that include the selection and the number of participants required for this study (Section 3.9). Section 3.10 elaborates on the data analysis process and procedures used. The ethical considerations relating to the participants’ safety; privacy; confidentiality and anonymity are
discussed in Section 3.11. It also covers the limitations of phenomenological research method regarding research rigour; making generalisations; logistical barriers; and how they were all satisfactorily addressed. Finally, Section 3.12 provides the conclusion to Chapter 3 and links it to Chapter 4.

Figure 3.1  **Structure outline of chapter 3**

3.1 Introduction

3.2 Choosing between research paradigms

3.3 Justification and adoption of realism paradigm

3.4 Justification and adoption of qualitative methodology

3.5 Level of prior theory

3.6 Justification and adoption of phenomenological research method

3.7 Standards of validation for qualitative research

3.8 Phenomenological research design

3.9 Data collection

3.10 Data analysis

3.11 Ethical considerations and limitations of phenomenological research method

3.12 Conclusion

*Source: Developed for this research.*
3.2 Choosing between research paradigms

A central issue for the researcher is the establishment of the research paradigm that would be most suitable for the research. A paradigm can be defined as a set of beliefs; a set of joint assumptions about the world which individuals are willing to make (Creswell 2007; Deshpande 1983; Guba & Lincoln 1991; Sobh & Perry 2006). They are the basic belief systems that represent the most fundamental position individuals are prepared to accept and take, albeit that the belief systems cannot be proven or disproven by logic from outside that world. Furthermore, this set of assumptions and beliefs provide a conceptual world view and philosophical framework to guide an organised study of the research topic (Creswell 2007; Deshpande 1983; Guba & Lincoln 1991).

3.2.1 The four research paradigms

There are many and different classifications of paradigms. However, this research adopts the classification of paradigms suggested by Guba and Lincoln (1991). The four paradigms are: positivism; constructivism; critical theory and realism (Table 3.1).

Furthermore, there are three fundamental levels which reflect the three central questions that determine the philosophical position of a research paradigm. They are: the ontological question; epistemological question; and methodological question (Guba & Lincoln 1994).

These three central questions relating to each paradigm enable researchers and individuals to understand how they come to know what they know (Guba & Lincoln 1991). As such, understanding the nature of the philosophical issues of a paradigm enables a researcher to determine what methodologies and methods are suitable for the inquiry, given that each paradigm and its associated methodologies and methods have their own inherent strengths, weaknesses and biases (Deshpande 1983).

The ontology of a research

The branch of philosophy that is concerned with issues of existence (especially metaphysics) is known as ontology (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991) (Table 3.1). The ontological question is more concerned with wanting to know the nature of reality. Consequently, the assumptions that guide the formation of an answer to the question concerning the nature of reality, give rise to an ontology continuum, from an extreme
objective viewpoint (value free) to an extreme subjective position (value rich) (Easterby, Thorpe & Lowe 1991).

Table 3.1  **Key assumptions within the four paradigms**

<table>
<thead>
<tr>
<th>Paradigm/Characteristics</th>
<th>Positivism</th>
<th>Constructivism</th>
<th>Critical Theory</th>
<th>Realism</th>
</tr>
</thead>
</table>
| **Key assumptions**      | • World exists externally  
                          • Its properties are objectively described and measured  
                                           | • Reality is socially constructed  
                                               • The truth is relative  
                                                   • Multiple truths  
                                                                 | • Totalistic perspective based on historical structures and social context  
                                                                  | • A real world exists  
                                                                 • Its properties are imperfectly understood |
| **Research question type** | • What and how should?  
                                    | • How and why?  
                                           | • How and why?  
                                               | • How and why? |
| **Goal(s)**              | • Theory testing  
                          • Generalisation to population  
                                          | • Theory building  
                                               | • Critiquing and transformation  
                                                                             | • Theory building |
| **Ontology (What is the nature of reality?)** | • Objective single reality  
                                                • Operate to natural laws  
                                                  • Takes cause and effect form  
                                                                 | • Relativism  
                                                                    • Multiple socially constructed realities and not governed by natural laws  
                                                                 | • Historical realism focusing on social, political, cultural and economic forces  
                                                                            | • Objective multiple realities  
                                                                 • Perception is not reality but a window into reality |
| **Epistemology (How do we know what we know? Origin and limits of knowledge)** | Researcher is:  
                           • objective  
                           • value free  
                           • independent of the inquiry process  
                                             | Researcher and subject are mutually involved  
                                                       • Value rich  
                                                                 | Researcher an agent of change in influencing the inquiry process  
                                                                 | Researcher is:  
                                                                              • part of the inquiry  
                                                                              • but remains as objective as possible |
| **Methodology**          | • Quantitative  
                       | • Qualitative  
                                         | • Qualitative  
                                           | Qualitative |
| **Methods**              | • E.g. Surveys & experiments  
                                | • E.g. Case study, ethnography, grounded theory  
                                                      | • E.g. Qualitative dialogues, in-depth interviews  
                                                                  | • E.g. Narrative research, phenomenological research, case study |

*Source: Developed and adapted for this research with content materials from Easterby, Thorpe & Lowe (1991), Eisenhardt (1989), Guba & Lincoln (1991), and Yin (1994).*
An alternative view on the ontology continuum is as follows: on one side is a positivist position (recognising a single reality, governed by natural laws, where many relationships between factors are cause and effect) and on the other side is a relativist position (recognising multiple socially constructed realities) (Guba & Lincoln 1991).

**The epistemology of a research**

Epistemology is the branch of philosophy that is concerned with issues of origin, nature, and limits of human knowledge (Guba & Lincoln 1991). The epistemology of any research is interested in the relationship of the knower to the known or knowable, or the relationship between the inquirer and the inquired into (Guba & Lincoln 1991). The assumptions relating to the relationship between the inquirer and the inquired into give rise to an epistemology continuum, on one end the inquirer is distant and detached from the inquired into (i.e. dualist objectivist), and on the other end the inquirer and the inquired into are interlocked (i.e. monistic subjectivist) in such a way that the findings are the literal result of the inquiry process (Guba & Lincoln 1991) (Table 3.1).

**The methodology of a research**

The methodology of any research consistently follows and appropriately aligns to the most suitable ontological and epistemological positions of the research (Guba & Lincoln 1991). Methodology is concerned with the ways of finding out knowledge. Ways of finding out knowledge include: strategies, methods, systems, techniques, and rules for conducting an investigation. The methodology continuum is quantitative on one end and on the other, qualitative. Furthermore, quantitative methodology is best suited for theory testing while qualitative methodology is most suitable for theory building (Guba & Lincoln 1991, 1994) (Table 3.1).

**3.2.2 The realism paradigm**

The realism paradigm is concerned with searching for meaning that consists of both observable and unobservable elements towards an understanding of a common reality in a real world (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Sobh & Perry 2006), as is the situation of online consumers learning Internet shopping for purchasing physical goods in a B2C online environment. The realism paradigm considers other aspects of external realities rather than just those that can be measured and observed.
These external realities consist of abstract and relational understandings, as well as social and economic structures that are in themselves sets of inter-related realities, meanings and experiences through which they all interact. The realism paradigm seeks both a relativistic and an objective understanding of the phenomenon, rather than just accepting the possibility of an objective or factual view of events and situations (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

Furthermore, the realism paradigm posits that a participant’s perceptions are not in themselves the reality but rather a window into understanding their reality (Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). Therefore, to arrive at an objective account of events and situations, the realism paradigm depends on the principle of triangulation to capture several different perceptions and perspectives of that reality to create a better picture or a ‘family of answers’ of the phenomenon under investigation (Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

The ontology of realism paradigm

The ontology of the realism paradigm is concerned with the real world that actually exists independently of the researcher’s mind, and the factual nature of the phenomenon (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). Moreover, it argues that, while the real world exists independently of the researcher, it is only imperfectly and probabilistically apprehensible, unlike the positivism paradigm which holds that the real world exists independently of the researcher and reality is apprehensible.

The epistemology of realism paradigm

The epistemology of the realism paradigm is based on the notion that the researcher is neither isolated from the research (positivism) nor subjectively immersed (constructivism), or transformationally involved in the findings and in the end results (critical theory) (Fenech & O’Cass 2001; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). Rather the researcher is part of the inquiry process but remains as objective as possible through the use of triangulation processes. The researcher is not completely value free but aims to be value aware during the entire investigation process and in the eventual findings.
The research methodology approaches for realism paradigm

The ontological and epistemological position of the realism paradigm can be best achieved by adopting a qualitative research methodology and methods (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). Such qualitative research approaches include: narrative research; phenomenology; grounded theory; ethnography; and case study research (Creswell 2007; 2013). In addition, the primary foci of qualitative research are exploratory and theory building (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

Why realism paradigm is suitable for this research

The realism paradigm is suitable for this research on the basis of the following fundamental reasons. Firstly, this paradigm is concerned with finding meaning (Creswell 2007; Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006) in the real world of Internet shopping, and the process by which some online consumers learn online shopping for physical goods in a B2C online environment.

Secondly, both the ontological perspectives of the realism paradigm and the research are consistent in their view that there are multiple realities (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006) for online consumers involved in the Internet shopping process of purchasing physical goods online. For instance, the multiple realities of online consumers can be positive or negative, either meeting expectations or falling below expectations depending on the outcomes of the Internet shopping process and consumer experience.

Thirdly, the epistemology of the realism paradigm enables the researcher not to be isolated from the research (positivism) but to be value aware and not subjectively immersed in the research (constructivism), nor directly involved in transforming or changing the outcome of the research (critical theory) (Easterby, Thorpe & Lowe 1991; Fenech & O'Cass 2001; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

Fourthly, the realism paradigm enables the researcher to see into the multiple realities of the process by which some online consumers learn to shop online for physical goods, in an endeavour to theory-build the ISLM. Therefore, the realism paradigm, with its available

3.3 Justification and adoption of the realism paradigm
Realism is the most suitable paradigm for this research after consideration of positivism, constructivism and critical theory. The realism paradigm considers online consumers and the learning process of Internet shopping for purchasing physical goods online as real. Similar to constructivism and critical theory, the realism paradigm focuses on searching for meaning which consists of both observable and unobservable elements (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

In the context of learning, the realism paradigm seeks to better understand the process by which some consumers learn Internet shopping for purchasing physical goods online. However, online consumers’ perceptions are not in themselves the reality but a window to see through that blurry external reality, from which an overall picture of reality and better understanding can emerge (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006).

Furthermore, the researcher remains part of the research inquiry process, while maintaining an objective position as much as possible through the use of triangulation processes (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006). While the researcher is not completely value free within the inquiry process, the researcher aims to be value aware. The researcher becomes aware of the intentions, values, attitudes, motivations, and situational context of participating online consumers, albeit at arm’s length.

The ontological and epistemological perspectives of the realism paradigm are consistent with the realist perspective of the research. Furthermore, the relativist view of realism paradigm is consistent with the subjective context and the multiple realities of research participants (Easterby, Thorpe & Lowe 1991; Guba & Lincoln 1991; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006) as per the process by which they learned Internet shopping for
purchasing physical goods online. Therefore, realism is the most appropriate paradigm and it is consequently adopted for this research.

3.4 Justification and adoption of qualitative methodology

Following the adoption of the realism paradigm, this section justifies the adoption and use of qualitative methodology as the most appropriate approach to the research and highlights the contrasting characteristics of qualitative versus quantitative methodologies as shown in Table 3.2.

3.4.1 Searching for meaning

The two main categories of research methodologies are qualitative and quantitative (Guba & Lincoln 1991, 1994; Perry 1998; Perry, Alizadeh & Riege 1997; Perry & Zuber-Skerritt 1992) (see Table 3.2).

Qualitative research methodology concentrates on searching for meaning (Creswell 2007; Guba & Lincoln 1991, 1994; Perry 1998; Perry, Alizadeh & Riege 1997; Perry & Zuber-Skerritt 1992). It is more interested in such factors as human attitudes, desires, motives, needs, intentions, learning, and experiences as they occur in social situations and human contexts. Furthermore, qualitative research methodology is most useful in developing in-depth understanding of a phenomenon (Creswell 2007) towards theory building (Guba & Lincoln 1991, 1994; Perry 1998; Perry, Alizadeh & Riege 1997; Perry & Zuber-Skerritt 1992) (Table 3.2).

Quantitative research methodology, on the other hand, is primarily concerned with quantification and or quantity analysis (Gall, Borg & Gail 1996; Sekaran 2000). Essentially, a quantitative study is a statistic-centric methodology approach where research data is statistically tested to determine whether the data supports or rejects the hypotheses relating to the theories being tested (Table 3.2).
Table 3.2  **Contrasting characteristics of qualitative versus quantitative research methodologies**

<table>
<thead>
<tr>
<th>Qualitative research methodology</th>
<th>Quantitative research methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Makes holistic observations of the total context in which social events take place.</td>
<td>Organises and analyses social reality into variables.</td>
</tr>
<tr>
<td>Discovers concepts and theory based on the data being collected.</td>
<td>Uses preconceived concepts and theories to generate testable hypotheses.</td>
</tr>
<tr>
<td>Theory building after data collection.</td>
<td>Theory formulation before data collection.</td>
</tr>
<tr>
<td>Uses small sample numbers to the point of theoretical saturation.</td>
<td>Uses large sample numbers and representative samples from which data is collected.</td>
</tr>
<tr>
<td>Uses analytical induction for data analysis.</td>
<td>Uses statistical methods for data analysis.</td>
</tr>
<tr>
<td>Answers to the research question found through induction process.</td>
<td>Answers to research question found through a deductive process.</td>
</tr>
<tr>
<td>Makes theoretical generalisation.</td>
<td>Makes generalisation about the population of interest.</td>
</tr>
</tbody>
</table>

**Source:** Developed and adapted from Gall, Borg and Gail (1996); Creswell (2007, 2013); Guba and Lincoln (1991, 1994); Merriam (1988a, 1988b); Perry, Alizadeh and Riege (1997; and Sekaran (2000).

### 3.4.2 Verbal and pictorial forms

Qualitative research methodology makes holistic observations of the total context in which social events take place (Creswell 2007; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Sekaran 2000), as this study demonstrates with its participants. In addition, concepts and theories are discovered after relevant and meaningful data have been collected. Qualitative data usually comprise words, stories and pictures that represent the subjective perspectives of participants within the context of their social and situational environment (Creswell 2007; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Polkinghorne 1989, 1995; Sekaran 2000). Answers to research questions for qualitative research are found through the use of analytical induction processes rather than the use of statistical methods, as

Quantitative research methodology, on the other hand, organises social reality into variables (Gall, Borg & Gail 1996; Sekaran 2000). The associations among variables are represented by numeric data. Furthermore, quantitative research methodology uses preconceived concepts and theories to generate certain testable hypotheses relating to the theorised network of relationships among the variables. These hypotheses are then tested to determine if they are statistically supported or not. Moreover, the preconceived concepts and theories determine what data are to be collected. Hypothesis testing is also known as deductive research (Gall, Borg & Gail 1996; Sekaran 2000).

3.4.3 Searching for a richer understanding
This research adopts qualitative methodology to data collection. The qualitative methodology approach focuses on obtaining relevant, subjectively deep and rich information with greater focus on new insights, or better understanding of the participants’ perspectives towards a phenomenon, or a focus of interest in their social and situational environment (Creswell 2007; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Moustakas 1994; Perry, Alizadeh & Riege 1997; Polkinghorne 1989, 1995; Sekaran 2000; van Manen 1990). On the other hand, quantitative research methodology uses its statistical findings to test theories and make generalisations about the populations of interest (Gall, Borg & Gail 1996; Guba & Lincoln 1994; Perry 1998; Sekaran 2000).

3.4.4 Smaller sample numbers

Qualitative research methodology is characterised by the use of small sample numbers (Creswell 2007, 2013; Easterby, Thorpe & Lowe 1991; Eisenhardt 1989; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Merriam 1988b, 1988a; Riemen 1986). The sample numbers for qualitative research methodology are determined by the principle of sampling
selection to the point of theoretical saturation, or to the point of redundancy (Glaser & Strauss 1967). It is not the power of sample numbers that is important but the power of words, stories and pictures which provide in-depth insights and rich data for qualitative research methodology (Creswell 2007, 2013).

Furthermore, the reality of time constraints, people’s availability, and financial resources also affect the choice of sample sizes for qualitative research methodology (Easterby, Thorpe & Lowe 1991; Eisenhardt 1989; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Merriam 1988b, 1988a). Therefore, this research adopts the sample selection principle of smaller numbers of participants undergoing phenomenological interviews to the point of theoretical saturation.

Quantitative research methodology, on the other hand, argues the need for large and representative samples from which data are collected (Gall, Borg & Gail 1996; Sekaran 2000). Large and representative sample sizes provide the basis for statistical significance levels of analysis that enable researchers to make generalisations of findings to their populations of interest.

Furthermore, it is argued that qualitative methodology is more appropriate for this research for the following reasons. Firstly, Internet shopping is a relatively new phenomenon and so qualitative methodology is more suitable for explaining the topic and capturing an in-depth insight (Creswell 2007; Easterby, Thorpe & Lowe 1991; Eisenhardt 1989; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Merriam 1988a, 1988b) into the process by which some online consumers learn online shopping and come to adopt Internet shopping for purchasing physical goods in a B2C online environment. Secondly, qualitative methodology is better at capturing the values, intentions, reasons, and motivations of online consumers, as well as the social context of Internet shopping, which quantitative methodology would not be able to do (Easterby, Thorpe & Lowe 1991; Eisenhardt 1989; Gall, Borg & Gail 1996; Guba & Lincoln 1991, 1994; Merriam 1988a, 1988b).

Thirdly, qualitative methodology is consistently more aligned with theory building which is the primary goal of this research, whereas quantitative research methodology is better suited for theory testing (Easterby, Thorpe & Lowe 1991; Eisenhardt 1989; Gall, Borg & Gail 1996;
Therefore, qualitative methodology is the most appropriate approach for this research and thus it is adopted.

3.5 **Level of prior theory**

While qualitative research primarily has elements of theory building (induction), it can also have elements of theory testing (deduction). The controversy however, is about how much prior theory should influence qualitative research (Creswell 2007; Eisenhardt 1989; Merriam 1988b; Sekaran 2000). The current research is qualitative with a degree of prior theory used in guiding the formulation of its initial theoretical model.

3.5.1 **Theory building and the induction process**

Some researchers (Eisenhardt 1989; Merriam 1988b; Sekaran 2000) argue that qualitative research should consist of a purely inductive process. They assert that pure induction is where prior theory is not used to structure the exploratory research process involved in the initial stage of theory building. They argue that the induction process of qualitative research should focus on the rich information and the social context within which the events occur. Furthermore, they insist that qualitative research using pure induction should be just stories (Polkinghorne 1995) and not have any theorising associated with it (Eisenhardt 1989, 1991; Merriam 1988a, 1988b; Sekaran 2000).

However, purely inductive research features, such as flexible and opportunistic data collection methods would allow new questions to be added to the interview protocol during the series of interviews. Accordingly, without a degree of prior theory to guide the overall direction of the research, the initial research problem may continue to shift during the research as data is collected. This may result in the research addressing a materially different research problem to that with which it started (Eisenhardt 1989, 1991; Merriam 1988a, 1988b; Sekaran 2000).

One of the challenges with purely inductive research approach is that different interview questions are used for each participant (Eisenhardt 1989, 1991; Merriam 1988a, 1988b; Perry, Alizadeh & Riege 1997; Sekaran 2000; Yin 1989, 1994). As such, the participants’ responses cannot be compared with one another. Furthermore, the researcher runs the risk of drifting aimlessly away from the literature, or rediscovering an existing theory and thus their research.
would end up not making a contribution to knowledge. Therefore, this study did not use pure induction as the starting point for the research but incorporated a degree of prior theory from the literature review to guide the research.

3.5.2 Theory testing and the deduction process
In contrast, a purely deductive approach to research involves the full use of prior theory to guide the testing of theories and hypotheses that have already been built up before the main data collection process begins (Merriam 1988a; Sekaran 2000; Yin 1989, 1993, 1994). As such, the deductive approach to research is more consistent with the positivism paradigm and quantitative research methodologies towards theory and hypothesis testing and less consistent with the realism paradigm and qualitative methodologies towards theory building.

Furthermore, a purely deductive approach to research is inappropriate as it would result in the researcher omitting important insights that could only be established through an inductive approach (Merriam 1988a; Sekaran 2000; Yin 1989, 1993, 1994). In addition, using a deductive approach would adversely affect the ability of the research to collect and obtain relevant and rich information that can provide meaning to, and enhance the trustworthiness of the emerging ISLM.

3.5.3 Induction and deduction combination
It was established in Section 3.3 that realism is the most appropriate paradigm for this research. Furthermore, the pre-paradigmatic nature of Internet shopping suggests that a qualitative methodology that is highly inductive in its approach would be most appropriate for the study. However, while this research is inductive in its qualitative methodology, it also includes a degree of prior theory from the literature review to inform and guide the research towards its theory building goal (Easterby, Thorpe & Lowe 1991; Eisenhardt 1989, 1991; Merriam 1988a, 1988b; Yin 1989, 1993, 1994) (see Figure 3.3).

3.6 Justification and adoption of phenomenological research method
Having justified the adoption of a realism paradigm in Section 3.3, the selection of qualitative research methodology in Section 3.4, and the discussion on the level of prior theory in Section
3.5, this section considers the application of phenomenology as a qualitative method for conducting this research, as well as collecting and analysing data.

3.6.1 Definition of phenomenological research
Creswell (2007) pointed out that while a qualitative narrative study describes the life and meaning of a single individual, phenomenological research describes the lived experiences and meaning of several people regarding a phenomenon or concept. Furthermore, a phenomenological study focuses on describing what all participants have in common regarding their lived experiences of a phenomenon (Creswell 2007, 2013). Therefore, the primary purpose of phenomenology is to synthesise the experiences of individuals regarding a phenomenon and reduce their experiences into descriptions of universal essence or core nature (Creswell 2007, 2013; van Manen 1990). In addition, Moustakas (1994) also points out that the composite description consists of what and how aspects, that is describing what the individuals experienced and how they experienced it.

3.6.2 The broad philosophical assumptions of phenomenology
Stewart and Mickunas (1990) further emphasise four philosophical viewpoints in phenomenology, at a broader level:

- *Returning to the use of traditional tasks of philosophy* in search of meaning besides the use of empirical approaches of scientism.

- *Having a philosophy without presuppositions*. This requires phenomenology’s approach to suspend making judgements regarding what is real (*natural attitude*) until they are established on a more assured basis.

- *The intentionality of consciousness*. The notion that reality is not divided into subjects and objects but into a dual nature of subjects and objects as they exist in consciousness.

- *Rejecting of the subject-object dichotomy*. This notion follows naturally from the theme of intentionality of consciousness and asserts that the reality of an object is only understood within the experience of a subject or an individual.

The researcher recognises and includes the broad philosophical assumptions of phenomenology (Creswell 2007, 2013; Moustakas 1994) as part of this study. For example, the researcher discusses the justification of adopting the realism paradigm, as well as the
justification of adopting qualitative methodology. In addition, this phenomenological study sets out to capture the objective reality and lived experiences of the participants.

Furthermore, the participants’ experiences of learning Internet shopping are conscious and directed towards the process of purchasing physical goods in a B2C e-commerce online environment. Moreover, to fully describe and understand how participants perceive the phenomenon under investigation, the researcher is bracketing out his own online shopping experiences, as much as possible.

The focus of this research problem is to capture and understand the process by which some consumers learn to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment. In essence, the philosophical orientation and focus of this research problem is that of a realism paradigm. As such, phenomenological research is a suitable qualitative method for addressing this realism paradigm orientated research question (Table 3.3).

Furthermore phenomenology has some key characteristics relating to its methodology capabilities that make it most suitable for the research. For instance, its descriptive attribute provides richness and an in-depth contextual meaning towards a new and better understanding of the phenomenon being study (Creswell 2007, 2013; Moustakas 1994; van Manen 1990). It also provides an opportunity for the inductive process to take place which is essential for theory building (Creswell 2007).

3.6.3 Adoption of phenomenological research method

Having defined the attributes of phenomenology as a qualitative research method, this section focuses on the reasons and rationales that justify the adoption and use of phenomenological research as the most appropriate approach for this study (see Table 3.3).

The most appropriate research method

The first consideration regarding the adopting of a phenomenological method for a study is for the researcher to ask the question of whether a phenomenological approach is the most appropriate method for examining the research problem (Creswell 2007, 2013). The following sections provide the reasons why a phenomenological research method is the most suitable research method for this study.
The use of phenomenology method is more suitable for research problems with philosophical assumptions involving: the study of lived experiences of individuals (Creswell 2007, 2013; van Manen 1990); that individuals are conscious and aware of these experiences (Creswell 2007, 2013; Stewart & Mickunas 1990; van Manen 1990); and the development of descriptions of the core nature or essences of these experiences (Creswell 2007, 2013; Moustakas 1994; van Manen 1990).

Furthermore, phenomenological research is an effective qualitative research method that can capture contextual richness and in-depth information describing an actual phenomenon or situation in its real-life context to gain a better understanding (Creswell 2007, 2013; Moustakas 1994; van Manen 1990). It also allows the researcher to gain an in-depth understanding of the underlying values, reasons and motivations of participants (Creswell 2007; Moustakas 1994; van Manen 1990) regarding the phenomenon under investigation.

The focus of this research problem is to understand the learning process by which some online consumers learn to use and later adopt Internet shopping. In essence, the phenomenological research method is compatible with the realism paradigm and consistent with the requirements of qualitative methodology. Therefore, the phenomenology approach is justified as an appropriate research method for this study.

**Common experiences of several individuals**

The phenomenological research method is most appropriate for a research problem in which it is necessary to understand the common experiences of several individuals (Dukes 1984; Giorgi 1985, 1994; Polkinghorne 1989, 1995; Tesch 1988, 1990). Understanding these shared lived experiences of a group of individuals can provide a deeper understanding about the phenomenon under investigation (Dukes 1984; Giorgi 1985, 1994; Polkinghorne 1989, 1995; Tesch 1988, 1990). Therefore, the researcher considers phenomenological research method as the best approach for this study.

**Identify the phenomenon to study**

One of the important procedural steps in conducting a phenomenological research is to identify the phenomenon of interest to investigate (Creswell 2007; Moustakas 1994). To this end, this phenomenological study identifies the phenomenon of interest for the study as the
process by which some consumers learn Internet shopping for purchasing physical goods. The research then collects data from participants who have had different levels of lived online shopping experiences and develops composite descriptions and themes of the essences of the process by which some consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

Moreover, phenomenology is a qualitative research method that is more concerned with trying to better understand the phenomenon under investigation (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) rather than trying to objectively measure the complex social science of the phenomenon. As such, this research is more concerned with describing the essence (Creswell 2007, 2013; Moustakas 1994; van Manen 1990) of the Internet shopping learning process, rather than trying to measure, for instance, the frequencies of Internet shopping occurrences under some given situation (refer to Table 3.3).

Finally, the phenomenological research method satisfies the goal of theory building for this study. For instance, the data to answer the research question for this qualitative study can only be obtained from an inductive process involving online consumers telling their stories of the learning process by which they came to use and later adopt Internet shopping for purchasing physical goods online. As such, the findings of this study, resulting from an inductive process, provide the building blocks to formulate the ISLM. In light of the reasons put forward, it is argued that phenomenological research method is the most appropriate qualitative method for this theory building research.

<table>
<thead>
<tr>
<th>Research Paradigm</th>
<th>Research Methodology</th>
<th>Qualitative Method</th>
<th>Type of research problem</th>
<th>Focus on phenomenon</th>
<th>Theory building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realism</td>
<td>Qualitative</td>
<td>Phenomenology</td>
<td>What, how and why</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Developed for this research.
3.7 Standards of validation for qualitative research

Qualitative researchers, including phenomenology, endeavour to achieve a better and deeper understanding of the phenomenon under investigation (Creswell 2007; Moustakas 1994; van Manen 1990). Such richer understanding comes from the researcher personally interviewing or observing the participants and probing them to gain in-depth understandings of their common experiences regarding the phenomenon of interest (Creswell 2007; Moustakas 1994; van Manen 1990). In addition, during or after a research, the researcher asks the questions, “Did I get the essence of the phenomenon correct” or “Did I get an authentic and a credible account of the phenomenon under investigation from the participants” (Creswell 2007; Moustakas 1994; Stake 1995; van Manen 1990)?

Section 3.6 provided justification for the adoption and use of phenomenology method for this research. This section discusses the validation and reliability in qualitative research and the strategies that were applied to establish the quality and robustness of the research (see Table 3.4).

3.7.1 Perspectives on validation in qualitative research

There are many perspectives regarding the importance of validation in qualitative research (Creswell 2007). There are also many approaches used for defining validation, terms used to describe it, and procedures used for establishing it (Creswell 2007; Davis 2005; Lincoln & Guba 1985; Merriam 1988a; Moustakas 1994; Neuman 2006; Yin 1994). For instance, LeCompte and Goetz (1982) consider validation in qualitative research as parallel to validation in quantitative research. They use such terms as: internal validity; external validity; reliability; and objectivity to describe it (LeCompte & Goetz 1982). Lincoln and Guba (1985) on the other hand use distinct qualitative terms that adhere more to naturalistic research. They use such terms as: authenticity; credibility; transferability; dependability; and confirmability to describe validation in qualitative research (Lincoln & Guba 1985; Lincoln, Lynham & Guba 2011). Furthermore, Lincoln, Lynham and Guba (2011) review their focus on establishing authenticity by framing it within the perspectives of a balance of views.
Given these different perspectives, Creswell (2007, 2013) considers validation in qualitative research as an attempt to gauge the “accuracy” of the findings, as best describe by the thick descriptions of the phenomenon told by the participants and captured by the researcher (Creswell 2007, 2013). The extensive time spent in the field or repeatedly going through the interview recordings and transcripts of participants to gain a deeper and better understanding of the phenomenon under investigation all add to the “accuracy” of the research (Creswell 2013). Furthermore, Creswell (2007, 2013) suggests that the use of the term validation emphasises a process focus and therefore researchers of qualitative research should employ appropriate validation strategies and procedures, as well as documenting them well to enhance the “accuracy” of the research.

3.7.2 Validation Strategies
The researcher adopts the following validation strategies from Creswell and Miller (2000) to establish the “accuracy” of the accounts regarding the process by which some consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment (see Table 3.4).

Table 3.4 Validation strategies used in qualitative research including phenomenological research

<table>
<thead>
<tr>
<th>Validation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prolonged engagement and persistent observation</td>
</tr>
<tr>
<td>Triangulation</td>
</tr>
<tr>
<td>Peer review or debriefing</td>
</tr>
<tr>
<td>Negative case analysis</td>
</tr>
<tr>
<td>Clarifying researcher bias</td>
</tr>
<tr>
<td>In member checking</td>
</tr>
<tr>
<td>Rich, thick description</td>
</tr>
<tr>
<td>External audits</td>
</tr>
</tbody>
</table>

Source: Developed and adapted for this research and including content materials from Creswell (2007, 2013); Creswell and Miller (2000) and Moustakas (1994).

“Prolonged engagement and persistent observation” (Creswell 2007, p. 207) is a validation strategy that includes building trust with participants and checking for
misinformation (Creswell 2007; Creswell & Miller 2000). The researcher works on building trust with the participants by informing them that their participation is voluntary and that they can withdraw at any time without any negative consequences. In addition, the researcher provides the participants with an information sheet to ensure that they understand the nature and purpose of the research to avoid any misinformation or misunderstanding. Furthermore, data are collected from multiple participants to avoid any distortions of information from any one participant.

Moreover, the researcher spends an extensive amount of time going through and analysing the interview recordings and transcripts of participants to gain a deeper and better understanding of the phenomenon under investigation. Therefore, all these validation strategies that are employed enhance the “accuracy” of the research.

**Triangulation** (Creswell & Miller 2000) is a process involving the use of multiple and different methods, sources of data collection, and theories to provide collaborating evidence in support of a research (Ely 1991).

The researcher uses multiple sources of evidence and data collection (Merriam 1988b; Neuman 2006) to validate the robustness of this research. The multiple sources include prior theories in the literature review and data collection from 12 participants’ interviews. It also includes the collection and analysis of relevant data and information from online stores that are used by participants to purchase physical goods in a B2C e-commerce online environment.

In addition, information from participants’ online shopping experiences with B2C online shops for non-physical goods and C2C marketplaces for small physical goods items are also included as a supporting data for this research. In essence, this triangulation process enables the researcher to study the research question using multiple points of view to increase accuracy, authenticity and comprehensiveness of understanding (Merriam 1988b; Neuman 2006). By using these multiple sources of evidence the researcher is able to clearly and “accurately” formulate the emerging model.

*“Peer review or debriefing”* (Creswell 2007, p. 208) is an external check mechanism for ensuring that the hard questions are asked regarding the research methods, and the
interpretation of findings (Merriam 1988b; Neuman 2006). This validation strategy keeps the researcher honest (Creswell 2007, 2013).

The researcher’s supervisor provides ongoing review and feedback on the research from its start to its conclusion. The supervisor provides the role of a “devil’s advocate” (Lincoln & Guba 1985) in asking the hard questions relating to: the research problem; research question; research design; methodology, as well as data collection and data analysis. Furthermore, other researchers of the DBA programme also provide input through four annual DBA symposiums where the researcher presents the study at different stages of the research. The inputs from these parties further refine the research in its focus, research design and interpretations of the findings. Therefore, a validation claim to the “accuracy”, quality, and robustness of this research can be justified.

“Negative case analysis” (Creswell 2007, p. 208) enables the researcher to refine working hypotheses as the research advances (Creswell 2007, 2013). Not all evidence will support the key concepts and themes regarding the phenomenon under investigation for legitimate reasons. Therefore they provide negative or disconfirming evidence for legitimate reasons and contribute to a better understanding of the phenomenon under investigation (Creswell 2007; Creswell & Miller 2000).

The group of non Internet shopper participants provide disconfirming evidence regarding the process of Internet shopping learning for justifiable and valid reasons. The involvement of and findings from the group of non Internet shoppers contribute to a better understanding as to the process of Internet shopping learning and why some consumers did not learn nor adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

“Clarifying researcher bias” (Creswell 2007, p. 208) is part of the validation process that helps the reader understands the researcher’s orientation and possible biases that may impact the research (Creswell 2007; Merriam 1988b). The researcher adopts the bracketing concept to set aside his experiences, and biases, as much as possible, to take a fresh consideration of the participants’ shared experience of the Internet shopping learning process, as if for the first time (Creswell 2007; Husserl 1931, 1970; Moustakas 1994). Furthermore, limitations relating to researcher bias are adequately addressed in the sections on ethical considerations and limitations (Sections 3.11 and 3.11.2).
“In member checking” (Creswell 2007, p. 208) is where the researcher solicits the views of the participants regarding the trustworthiness of the findings and interpretations (Ely 1991). Participants in this phenomenological research are given their interview transcripts and a summary of the findings for them to review and provide feedback as part of the member checking validation strategy.

“Rich, thick description” (Creswell 2007, p. 209) allows readers to consider the issue of transferability of findings to other possible settings (Creswell 2007; Creswell & Miller 2000; Lincoln & Guba 1985; Merriam 1988a). The researcher captures rich and thick descriptions by the participants of their experience regarding the Internet shopping learning process. Quotes of rich and thick descriptions of key concepts and themes are used as direct evidence and findings of the research regarding Internet shopping learning process for purchasing physical goods in a B2C e-commerce online environment. Readers can then decide if the research’s findings including the ISLM are transferrable to the B2C e-commerce environment for non physical goods or to the C2C marketplace settings.

“External audits” (Creswell 2007, p. 209) allow both the process and the findings of a qualitative research to be assessed in regards to their “accuracy” by an independent auditor (Creswell 2007; Creswell & Miller 2000; Lincoln & Guba 1985; Merriam 1988a; Miles & Huberman 1994). For this phenomenology research, the researcher argues that the examination of this thesis is a form of external audit. Two examiners, who are not connected to the researcher, independently assess the “accuracy” of the research process, the findings including the ISLM, and conclusions.

3.7.3 Perspectives on reliability in qualitative research

In qualitative research dependability corresponds to reliability of quantitative study (Healy & Perry 2000; Lincoln & Guba 1985; Neuman 2006; Yin 1994). For qualitative research, the primary research instrument is the researcher.

The notions of dependability and reliability approach the research from two different perspectives (Healy & Perry 2000; Lincoln & Guba 1985; Merriam 1988b; Neuman 2006; Yin 1994). The dependability criterion of qualitative research is concerned with the question of whether the methods, procedures or techniques used in the investigation process are
consistent (Creswell 2007; Moustakas 1994). On the other hand, reliability of quantitative research is concerned with the extent to which measurements are free of random errors and that the instruments used by the researcher are reliable, consistent and stable every time they are used (Healy & Perry 2000; Lincoln & Guba 1985; Merriam 1988b; Neuman 2006; Yin 1994). If they are, then the instruments are both reliable and valid.

The first issue relating to the dependability of this phenomenology research is whether the same study can be replicated by the same researcher and will it yield the same results? The second issue is whether the same study can be replicated by two different researchers, and will they independently yield the same findings (Healy & Perry 2000; Lincoln & Guba 1985; Neuman 2006; Yin 1994)?

Dependability for the purposes of this research asks the question whether this study could arrive at the same overall picture of the process by which some online consumers come to learn and later adopt Internet shopping for purchasing physical goods in a B2C online environment, if the researcher were to conduct the same research again, using the same phenomenological research method. In addition, if the same study were to be replicated by two different researchers, would their research arrive at the same results (Neuman 2006; Yin 1994)? Furthermore, how can the researcher evaluate the consistency of the phenomenological research method used and the researcher’s interpretations of the findings (Neuman 2006; Yin 1994)?

Reliability in qualitative research, including phenomenology, can be addressed and enhanced in several ways (Silverman 2005). For instance, the researcher captures detailed interview notes by employing a quality tape recorder for recording all interviews with the 12 participants. In addition, all recorded interviews are transcribed in complete verbatim format which include all spoken words, filler words, pauses and overlaps.

In addition, dependability for this qualitative research is further achieved by having a protocol for participants’ purposive selection, an interview protocol to follow and the use of semi-structured and open questions to maintain the consistency of interview procedures (Healy & Perry 2000; Lincoln & Guba 1985; Merriam 1988b; Neuman 2006; Perry 1998; Perry, Alizadeh & Riege 1997; Yin 1994). In addition, the NVivo 8 qualitative software is used to electronically store all interview transcripts, and perform coding. Another technique used to
further establish the dependability of the research is the feedback from other DBA colleagues and the research supervisor. Therefore, the participants’ selection protocol, interview protocol, the use of NVivo 8 software, and feedback all contribute to establishing the dependability and overall consistency of the research process and its findings.

3.7.4 Evaluation criteria for phenomenological research

Creswell (2007, 2013) proposes the following standards as criteria for assessing the quality of phenomenological research, although other criteria are useful as well:

Conveying an understanding of the philosophical precepts of phenomenology (Creswell 2007, 2013). This criterion asks the question of whether the researcher has conveyed a clear understanding of the philosophical assumptions and principles of phenomenology (Creswell 2007). In addition, are the researcher’s findings well grounded and supported by the research data (Polkinghorne 1989)? Furthermore, does the general structural description provide an accurate picture (Polkinghorne 1989) of the Internet shopping learning process as the focus of this phenomenological research?

A clear phenomenon to study (Creswell 2007, 2013). The issue of importance here is for the researcher to have a clear phenomenon that is articulated in a clear and concise manner for the inquiry. The researcher identifies the phenomenon for investigation in this study as the process by which some online consumers learned Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

Phenomenology procedures of data analysis (Creswell 2007, 2013). The question is asked if the researcher used procedures of data analysis appropriate for phenomenological research such as the ones recommended by Moustakas (1994). The researcher in this phenomenological research adopts the procedural steps advocated by Creswell (2007, 2013) and Moustakas (1994).

For instance, the researcher uses the horizontalization procedure (Creswell 2007, 2013; Moustakas 1994) to highlight significant statements and themes from each participant’s interview transcript to develop cluster of meaning. In addition, the researcher develops textual descriptions (Creswell 2007, 2013; Moustakas 1994) from the significant statements and themes obtained from the participants’ transcripts to describe their experiences with regard to
the phenomenon under investigation. *Structural descriptions* (Creswell 2007, 2013; Moustakas 1994) are also developed based on significant statements and themes from participants’ transcripts to describe how the context and setting influence their learning process of Internet shopping. Finally, the researcher develops composite descriptions that represent the core essences or the essential, invariant structures (Creswell 2007, 2013; Moustakas 1994) of the learning process of Internet shopping.

**Convey the overall essence of the common experience** (Creswell 2007, 2013). The issue of importance here is whether the researcher has conveyed the overall essence of the common shared experiences of the participants (Creswell 2007, 2013) regarding the phenomenon under investigation? Furthermore, has the researcher included in the overall essence a description of the context in which the phenomenon occurred (Creswell 2007, 2013)?

By adopting the validation strategies discussed in Section 3.7.2, the researcher is able to achieve an accurate account of the essence of the learning process of Internet shopping as the phenomenon under investigation. Furthermore, the researcher is able to capture the real life context of the learning process of Internet shopping with regards to purchasing of physical goods. Therefore, the researcher conveys the common shared essence of the learning experience of Internet shopping for purchasing physical goods.

**Reflective during the research** (Creswell 2007, 2013). The focus of this quality aspect of qualitative research is the consideration of whether the researcher’s subjectivity has been both a producer and product of the findings (Richardson & St. Pierre 2005).

The researcher in this phenomenological research adopts the bracketing concept (Creswell 2007, 2013; Husserl 1931, 1970; Moustakas 1994) where he sets aside his experience, as much as possible, while considering the Internet shopping learning experience of the participants. Moreover, the researcher is part of the inquiry but remains as objective as possible (Creswell 2007, 2013; Fenech & O'Cass 2001; Guba & Lincoln 1991, 1994; Hunt 1990; Perry, Alizadeh & Riege 1997; Sobh & Perry 2006) through triangulation and other validation strategies used. In addition, the researcher is not entirely value free but is value aware (Creswell 2007, 2013; Richardson & St. Pierre 2005) during the entire research process.
3.8 Phenomenological research design

Following on from the reasons for the decision to adopt phenomenological research method (Section 3.6.3) as the most appropriate research design for this study, this section examines the various important aspects of phenomenology in relation to the selection of participants. Furthermore, it examined the two types of phenomenological designs available and their appropriateness for this research.

3.8.1 Two approaches to phenomenology

Creswell (2007, 2013) discussed two approaches to phenomenology. Firstly, *hermeneutic phenomenology* (van Manen 1990) where the focus is on the interpretations of the *texts* of life (hermeneutics) for meaning. Secondly, *empirical, transcendental or psychological phenomenology* (Moustakas 1994) where the focus is more on a *description of the lived experiences* of participants and less on the interpretations (see Table 3.5).

The empirical, transcendental phenomenology obtains much of its approach from a number of writings including *Duquesne Studies in Phenomenological Psychology* (Dukes 1984; Giorgi 1985, 1994; Polkinghorne 1989, 1995; Tesch 1988, 1990) and the data analysis procedures from the work of such researchers as Van Kaam (1966), Coiaizzi (1978) and Moustakas (1994).

Table 3.5  Types of approaches to phenomenology

<table>
<thead>
<tr>
<th>Phenomenological research type</th>
<th>Key focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hermeneutics</td>
<td>The focus is on interpretations of the <em>texts</em> of life (hermeneutics) for meaning.</td>
</tr>
<tr>
<td>Empirical, Transcendental or Psychological phenomenology</td>
<td>The focus is more on a <em>description of the lived experiences</em> of participants and less on the interpretations.</td>
</tr>
</tbody>
</table>

*Source: Developed for this research based on Creswell (2007).*

3.8.2 Adopting of transcendental phenomenological approach
This research adopted the *transcendental* approach to phenomenology. It also used Moustakas’s procedures for conducting the phenomenological research, which is *transcendental* in nature and focusing on describing the lived experiences of participants in their learning of Internet shopping for purchasing physical goods online.

In addition, this study adopted one of Moustakas (1994) procedures based on a key concept of Husserl (1931, 1970) called *epoché* (or bracketing) in which the researcher suspended and put aside his experiences and judgements, as much as possible, to take a fresh viewpoint towards the phenomenon under investigation (Colaizzi 1978; Creswell 2007, 2013; Van Kaam 1966). Hence, the term *transcendental* conveys the notion that everything is perceived freshly and new, as if it is viewed for the first time (Husserl 1931, 1970; Moustakas 1994). Albeit, that this transcendental state is rarely achieved perfectly (Moustakas 1994).

### 3.8.3 Adopting of multiple participants research design

The number of participants is a matter of trade-off between the breadth (studying a specific set of experiences with a large number of people), and depth of information the research is seeking (a more in-depth understanding of the experiences with a small sample of relevant participants) (Creswell 2007, 2013), as well as time and resources available to complete the research (Patton 1990; Yin 1994).

<table>
<thead>
<tr>
<th>Multiple participants</th>
<th>Searching for richer understanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online consumers with varying Internet shopping experiences of purchasing physical goods in a B2C e-commerce online environment.</td>
<td>The unit of analysis for this research is the process by which some online consumers learned Internet shopping for purchasing physical goods in a B2C e-commerce online environment.</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

This research adopted a multiple participants research design (Patton 1990; Yin 1994). A multiple participants research design provides an effective mechanism for triangulation and robust analysis of data from multiple sources (Merriam 1988b; Neuman 2006).
3.9 Data collection

This research adopted a phenomenological research method for collecting data. The research further collected relevant data and information from other sources such as online shops used by participants to purchase physical goods in a B2C e-commerce online environment. The following sections examined the essential phenomenological research design components relating to data collection.

Furthermore, the phenomenological research method contributes to the goal of theory building (Creswell 2007) for this study by capturing the common learning experiences of Internet shopping for purchasing physical goods online, of several participants to formulate the ISLM. For this study, the data to answer the research question could only be obtained from an inductive process (Creswell 2007; Eisenhardt 1989; Merriam 1988b; Polkinghorne 1989, 1995; Sekaran 2000) involving online consumers with learning experiences of Internet shopping for purchasing physical goods in a B2C online environment (see Table 3.6).

3.9.1 Multiple sources of data collection

The overall research design provided a platform by which data can be collected from multiple sources. In doing so, it provided a richer understanding of the process described above (3.9). Furthermore, it provided insight into consumer motivations and reasons for their choices as part of their online shopping experiences. The use of multiple sources was also an important aspect of the triangulation process, using more than one source to collect data for the research (Patton 1990; Yin 1989) in order to build a richer overall picture.

There were two main sources of data collection for the research. The first was the in-depth interviews of individual participants. The second was the observations made regarding the online shops that Internet shoppers bought physical goods from (see Figure 3.2).

Other sources of data collection, for comparative purposes, included the online consumers experiences with the New Zealand C2C online marketplace, namely Trade Me www.trademe.co.nz because of the prevalence in which it was mentioned by the participants, as well as being unique to New Zealand. Another C2C online market that was regularly mentioned by online consumers was eBay, www.ebay.com. In addition, feedback from the
research supervisor, as well as from other DBA supervisors and colleagues attending four DBA symposium presentations were other sources of data collection used by this research (see Figure 3.2).

Figure 3.2 Multiple sources for data collection

Source: Developed for this research.

3.9.2 The phenomenological research procedures
Having concluded the discussion in Section 3.8 that a phenomenological research design with several participants was the most appropriate method for this research, Section 3.9.1 then discussed the reasons why using multiple sources of data collection was an essential quality aspect of this research. This section considers the principles underpinning the phenomenological procedures in selecting participants for this research.

Shared common lived experiences
Data were collected from two groups of consumers who have had online shopping experiences for purchasing physical goods online. In addition, data were also collected from a group of consumers who are online users but not yet purchased physical goods online. Consumers who are not online users are excluded from this study.
Replication logic rather than sampling logic

There are two fundamental types of logic that underpin the process by which participants are selected. The first is sampling logic and the second replication logic. For this theory building research, replication logic rather than sampling logic is the most appropriate principle for selecting participants (Eisenhardt 1989; Patton 1990; Stake 1994).

The key principle in the selection of several participants for this research is that of literal or theoretical replication (Eisenhardt 1989; Merriam 1988a, 1988b; Perry 1998; Yin 1989, 1994). Literal replication is where several participants are selected to predict similar results for predictable reasons, or contrary results for expected reasons. The notion of theoretical replication is fundamental to the selection of relevant participants and the robust analysis of data and rich information obtained from the selected participants (Eisenhardt 1989; Merriam 1988a, 1988b; Perry 1998; Yin 1989, 1994).

Furthermore, in qualitative research design, replication logic is used rather than sampling logic because relevance and information richness are the criteria in the selection of participants rather than representativeness. In fact, random sampling of participants to achieve representativeness is neither necessary, nor appropriate for this theory building research (Eisenhardt 1989; Patton 1990; Stake 1994).

Purposive sampling to achieve theoretical replication

Purposive sampling is a sampling method where participants are selected to fit the criteria set out for the study (Neuman 2006). Therefore, in order for the research to achieve theoretical replication, the researcher purposively selected participants who have experienced the Internet and/or have online shopping experiences for purchasing physical goods in a B2C online environment. In addition, the three different types of online consumers were selected because of their common experiences within each group. Furthermore, each group had different level of Internet shopping experiences to add more depth of understanding to the learning process of Internet shopping for purchasing physical goods online.

3.9.3 Number of participants

The number of participants should be determined on how many participants are needed to achieve theoretical saturation, as well as the realities of time constraints, people’s availability,
and resources (Eisenhardt 1989; Perry 1998). Polkinghorne (1994), suggests that a range of 5 to 25 participants as accepted sample size.

**Selection to the point of theoretical saturation**
This research adopted the principle of sampling selection to the point of theoretical saturation and redundancy (Eisenhardt 1989; Merriam 1988a, 1988b) which was achieved with 12 participants. Theoretical saturation is the point where when new participants are added on to the study the data from their stories are no longer providing any more new ideas or concepts. This is the point where the same ideas and themes are repeating themselves or the point of redundancy (Eisenhardt 1989; Merriam 1988a, 1988b).

The first four participants were rich with emerging new and indigenous ideas (Patton 1990), concepts and themes regarding the online shopping process. As the selection process continued, the latter participants provided fewer and fewer new ideas, concepts and themes to contribute to the ISLM. Albeit that the latter participants were providing more confirmation of the findings in relation to the indigenous ideas (Patton 1990), concepts and themes that were identified through the earlier inductive process with the first four participants (Eisenhardt 1989; Merriam 1988a, 1988b).

Finally, participant number 12 was considered to be the point of theoretical saturation (Eisenhardt 1989; Merriam 1988a, 1988b) where no more new ideas were identified and redundancy of earlier ideas, concepts, themes and the relationships among the identified themes was achieved.

**3.9.4 The process of recruiting and selecting participants**
The researcher compiled a list of potential participants from which participants were selected. This research is primarily concerned with physical goods because of the unique challenges associated with the consumer’s desire to see, feel, taste, smell, and/or try it on, prior to purchasing. Furthermore, the research is focused on the B2C online environment rather than the C2C online marketplace environment. However, the participants’ C2C online experiences were also included as a secondary source of information to further understand the research question regarding physical goods.
Snowball technique is a recruitment method where participants are identified and recruited from referrals from well informed individuals or participants, and then referrals from those participants and so forth (Neuman 2006). This research used the sampling technique of snowball or chain sampling to select information-rich participants (Patton 1990). The process for this research began by asking a number of well-informed individuals, as to who they know are Internet users or use the Internet for online shopping. These well informed individuals made referrals of possible participants that the researcher followed up for recruitment. Some of these well-informed individuals also put themselves forward to be participants for this study.

3.9.5 The three groups of consumer participants

The researcher selected online consumers according to their Internet shopping experiences with purchasing physical goods in a B2C e-commerce online environment. Rich data were collected from interviewing each of the 12 participants.

Three groups of online consumer participants were selected. The first group consisted of experienced Internet shoppers of physical goods in a B2C online environment. Their experience provided an in-depth insight into the reasons why they became Internet shoppers and how they came to use online shopping (see Table 3.7).

Table 3.7 The three groups of consumer participants

<table>
<thead>
<tr>
<th>The three groups</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The online consumers who are established Internet shoppers of physical goods in a B2C e-commerce online environment with experience of more than 12 months.</td>
<td>6 participants</td>
</tr>
<tr>
<td>2. The online consumers who are new Internet shoppers of physical goods in a B2C e-commerce online environment with experience of up to 12 months.</td>
<td>3 participants</td>
</tr>
<tr>
<td>3. The Internet users with no Internet shopping experience in purchasing physical goods in a B2C e-commerce online environment.</td>
<td>3 participants</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>12 participants</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*
The second group consisted of new Internet shoppers of physical goods in a B2C online environment. Their current experience brings a fresh perspective to the online shopping learning process (Table 3.7).

The third group consisted of online consumers and Internet users who have not purchased physical goods in this manner. By including this group, the research can learn from them also, as to the reasons why online consumers would, or would not make purchases in this manner. The ISLM would be the richer by the inclusion of all three groups (Table 3.7).

3.9.6 Demographic data of the participants
This section provides demographic data of the 12 participants in this study.

Age of participants
The research engaged only participants who were of 18 years or older. This was to address concerns relating to minors requiring parental consent to participate in this research. It was also important to ensure that participants have the maturity, financial ability and experience required for Internet shopping in purchasing physical goods online (Table 3.8).

Gender of participants
The same number of female and male participants was selected to take part in this research. Six female and six male participants were selected to provide a balanced and an unbiased gender perspective on the research topic (Table 3.8).

Highest level of education achieved
The highest level of education achieved was not a criterion for participants’ selection. However, demographic data for the highest level of education achieved was collected to further provide a richer understanding of each participant (Table 3.8). The three different levels of education included primary, secondary, and tertiary. The tertiary level included technical institute, polytechnic and university. Furthermore, data relating to highest level of education achieved would be used for cross-analysis to investigate any patterns between the three online consumer groups.
Table 3.8  **The profile of the 12 participants**

<table>
<thead>
<tr>
<th>Participants</th>
<th>Internet shopping experience</th>
<th>Age</th>
<th>Gender</th>
<th>Education Level</th>
<th>Income Level ($)</th>
<th>Employment Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Established Internet shopper</td>
<td>36-45 years</td>
<td>Male</td>
<td>Tertiary</td>
<td>$61,000+</td>
<td>Funding and Planning</td>
</tr>
<tr>
<td>P2</td>
<td>Established Internet shopper</td>
<td>36-45 years</td>
<td>Female</td>
<td>Tertiary</td>
<td>$51,000-$60,000</td>
<td>Service Manager</td>
</tr>
<tr>
<td>P3</td>
<td>Established Internet shopper</td>
<td>36-45 years</td>
<td>Male</td>
<td>Tertiary</td>
<td>$61,000+</td>
<td>IT Software Developer</td>
</tr>
<tr>
<td>P4</td>
<td>Non Internet shopper</td>
<td>46-55 years</td>
<td>Female</td>
<td>Tertiary</td>
<td>$31,000-$40,000</td>
<td>Bank Officer</td>
</tr>
<tr>
<td>P5</td>
<td>Established Internet shopper</td>
<td>46-55 years</td>
<td>Male</td>
<td>Tertiary</td>
<td>$41,000-$50,000</td>
<td>Business Owner</td>
</tr>
<tr>
<td>P6</td>
<td>Non Internet shopper</td>
<td>46-55 years</td>
<td>Female</td>
<td>Tertiary</td>
<td>$61,000+</td>
<td>HR Manager</td>
</tr>
<tr>
<td>P7</td>
<td>New Internet shopper</td>
<td>18-25 years</td>
<td>Male</td>
<td>Tertiary</td>
<td>$31,000-$40,000</td>
<td>Administration Support</td>
</tr>
<tr>
<td>P8</td>
<td>New Internet shopper</td>
<td>18-25 years</td>
<td>Female</td>
<td>Secondary School</td>
<td>$1-$10,000</td>
<td>Administration Assistant</td>
</tr>
<tr>
<td>P9</td>
<td>Non Internet shopper</td>
<td>36-45 years</td>
<td>Male</td>
<td>Tertiary</td>
<td>$31,000-$40,000</td>
<td>Music Producer</td>
</tr>
<tr>
<td>P10</td>
<td>Established Internet shopper</td>
<td>36-45 years</td>
<td>Male</td>
<td>Tertiary</td>
<td>$41,000-$50,000</td>
<td>Website Designer</td>
</tr>
<tr>
<td>P11</td>
<td>Established Internet Shopper</td>
<td>46-55 years</td>
<td>Female</td>
<td>Tertiary</td>
<td>$31,000-$40,000</td>
<td>Business Manager</td>
</tr>
<tr>
<td>P12</td>
<td>New Internet shopper</td>
<td>18-25 years</td>
<td>Female</td>
<td>Tertiary</td>
<td>$11,000-$20,000</td>
<td>Sales Assistant</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**Level of income of participants**

Demographic data of income levels (Table 3.8) were also collected from participants. Data on income levels were later analysed at the data analysis stage to further provide a better picture of each participant and their online consumer group. Furthermore, cross-analysis would also use data of income levels to explore the relationship between income levels and participation in Internet shopping for purchasing physical goods from B2C online stores.
Employment types
The participants were also not selected on the basis of their employment type. However, the research was purposive in its selection to include participants that were quite different from each other with respect to employment types. The research allowed for a mix of participants with respect to employment types as a means of collecting rich, relevant and authentic data for the research from a diverse range of participants (Table 3.8).

3.9.7 Multiple participants
This phenomenological research focused on the common experiences that are shared by several individuals. Each participant was an independent source from which data were collected. The participants were categorised into three groups of online consumers on the basis of their Internet shopping experience in purchasing physical goods online. Furthermore, data obtained from online stores used by the participants to purchase physical goods were also included as additional sources of relevant data being collected. Again, this research argues that the use of multiple sources for data collection added further rigour and credibility to the research (Patton 1990; Yin 1989).

Participant (P1)
The first participant (P1) is an experienced Internet shopper of physical goods in a B2C e-commerce online environment. He has more than 12 months’ Internet shopping experience at the time of his participation in this research. His Internet shopping experience includes purchasing sporting goods and merchandise, books, CDs, as well as groceries online. He is in the 36-45 age bracket. P1 has a university qualification as his highest level of education. His income level is $61,000+, and his employment type is that of a Planning and Funding Officer in the public sector (Table 3.8).

In addition, the researcher visited two online shops that P1 has used in a B2C online environment as additional sources for data collection. The first is Fishpond online bookshop, www.fishpond.co.nz that P1 uses to purchase special interest books in street art which are not readily available in conventional bookstores. The second is Foodtown online supermarket, www.foodtown.co.nz that P1 uses for online grocery shopping. (Please note that since this research was conducted Foodtown has been subsumed into the Countdown group of supermarkets.) It is also noted that P1 uses Internet shopping for purchasing non-physical goods, such as paying for airfares online.
Participant two (P2)
The second participant (P2) is an experienced Internet shopper of physical goods in a B2C online environment. She has had more than 12 months’ Internet shopping experience at the time of her participation in this research. Her Internet shopping experience includes purchasing small physical products like perfume, mobile phones and computer batteries. She purchases physical products online that carry a small financial risk if they do not arrive. She is in the 36-45 age bracket. Her highest level of education is a university qualification. Her income level is within the bracket of $51,000-60,000, and she works as a Service Manager (Table 3.8).

The researcher visited two online shops P2 has used to purchase physical goods in a B2C online environment, as additional sources of relevant data and information for the research. P2 uses a New Zealand online shop www.1-day.co.nz to purchase perfume and small personal items. Her overseas online purchase included jewellery from a US online shop, www.thea21campaign.org. She has also used Trade Me, www.trademe.co.nz as part of her overall Internet shopping experience for purchasing physical goods.

Participant three (P3)
This participant (P3) is an experienced Internet shopper of physical goods in a B2C online environment. He is in the 36-45 years bracket. He has more than 12 months’ Internet shopping experience at the time of his participation in this research. His Internet shopping experience is primarily in computer-related products to do with his work as an IT Software Developer. Physical goods purchased online included CD programming software, music CDs and books. His highest level of education is university, with a level of income in the $61,000+ bracket (Table 3.8). Looking into the future, he indicated his openness to consider purchasing groceries online.

The context of Internet shopping for P3 includes the online shops he uses. He purchases his books and CDs online through Amazon, www.amazon.com. Other physical goods he purchases online include the development of his photos and having them printed via www.digitalmax.co.nz. He also purchases goods via Trade Me, www.trademe.co.nz as part of his overall online shopping experience for buying physical goods.
Participant four (P4)
Participant number four (P4) is an online consumer and Internet user but with no experience as an Internet shopper of physical goods in a B2C e-commerce online environment. She is in the 46-55 age bracket. While she uses the Internet for her work as a Bank Officer, online communication and emailing, as well as information searching, including price comparisons, she does not purchase physical goods at B2C online stores. Her Internet shopping experience is limited to purchasing non-physical products like ticketing and online airfares but she has not ventured into purchasing, nor did she desire to purchase physical goods online.

P4 is a shopper that considers seeing, smelling, tasting, feeling, and trying out physical goods and products as essential to her purchasing and decision-making process. She is a university graduate and is in an income bracket of $31,000-$40,000 (Table 3.8). P4 expressed her lack of trust in online stores and not wanting to take the risk of receiving a product that is not exactly what she thought it was online and having to deal with returning the product and the seeking of a refund.

Participant five (P5)
Participant number five (P5) is a Business Owner and an experienced Internet shopper of physical goods in a B2C e-commerce online environment. He has been purchasing health products online for the past nine years through Mannatech, www.mannatech.com. P5 also does his grocery shopping via Woolworths’ online supermarket, www.woolworths.co.nz. (Please note that since this research was conducted Woolworths has been subsumed into the Countdown group of supermarkets.) He is in the 46-55 age bracket. His highest education qualification is at university level. His income level is at the $41,000-$50,000 bracket (Table 3.8).

Participant six (P6)
Participant six (P6) is an Internet user with no experience as an Internet shopper of physical goods at B2C online stores. She is in the 46-55 age bracket. She works as a Human Resources Manager; uses the Internet in the course of her daily job but does not see the need to use it for purchasing physical goods online. While she uses the Internet for searching and researching for physical goods that she would like to purchase, including product features and price comparisons, she does not extend the use of the Internet to purchasing physical products.
This participant prefers to inspect, see, feel, and touch physical goods or product that she is interested in, as well as dealing directly with the actual bricks and mortar vendor that supplies the product. She considers going and doing her shopping at an actual bricks and mortar store as more convenient and equally efficient for her than doing it online. At the time of her participation in this research she is open to purchasing physical goods online but is not in a hurry to do so. P6 is a tertiary graduate with an income level of $61,000+ (Table 3.8).

Participant seven (P7)
Participant number seven (P7) is new to Internet shopping for purchasing physical goods at B2C online stores. He has been purchasing physical goods online within 12 months of the date of his participation in this research. His Internet shopping experience in purchasing physical goods includes the purchasing of a conventional heater, shoes and electronic products such as a pair of headphones. He became an Internet shopper of physical goods in a B2C online environment through referral by his sister to the 1-Day online retailer, www.1-day.co.nz, offering three deals in any one day.

P7 is in the 18-25 age bracket. He is a newly tertiary-graduated young adult entering the workforce. He is employed as an Administration Support Officer within an income bracket of $31,000-$40,000 per annum (Table 3.8). He considers Internet shopping for purchasing physical goods as an essential part of working people’s lifestyle. The online shop, www.1-day.co.nz he uses, as well as Trade Me, www.trademe.co.nz are inclusive of his overall online shopping experience. Both online vendors are included as sources of rich data collection.

Participant eight (P8)
Participant eight (P8) is new to Internet shopping for purchasing physical goods in a B2C online environment. She has been purchasing physical goods online for slightly more than 12 months up to the date of her participation in this research. However, she is included in the new Internet shopper group because her experience is more typical of this group rather than the group of experienced Internet shoppers of physical goods online. Her Internet shopping experience includes purchasing speciality clothing from overseas. For instance, she bought a ball dress for her school ball from China’s global online retailer, LightInTheBox.com, www.lightinthebox.com.
P8 is in the 18-25 age bracket. Her overall online shopping experience for physical goods also includes purchasing from the online Australian C2C marketplace eBay, www.ebay.com.au. P8 completed high school last year and she is currently studying part-time, as well as doing a part-time job as an Administration Assistant for a youth programme in a church organisation. Her income level is within the $1-$10,000 bracket per annum (see Table 3.8).

**Participant nine (P9)**
Participant number nine (P9) is an Internet user with no experience as an Internet shopper of physical goods in a B2C online environment. While he uses the Internet extensively in his line of work as a Music Recording Producer and Sound Engineer, he does not use it for purchasing physical goods online. P9 is in the 36-45 age bracket. He graduated from a music tertiary institute and is now working in the music industry. He earns an income in the $31,000-$40,000 per annum bracket (Table 3.8).

It is also noted that P9 is an Internet shopper of non-physical goods, primarily music downloads and digital music programs that he uses for creating music in his Music Producer job. However, he prefers to use the Internet for researching physical goods and products online, as well as checking out specifications, features, and prices, and then visits the bricks and mortar malls to do his actual shopping. His preference is to see the physical product before purchasing, as well as interacting and discussing his purchase with the vendor. P9 has also used the C2C online marketplace of Trade Me, www.trademe.co.nz to purchase physical goods. Most of his purchases via Trade Me have been for low-cost-cum-low-risk products such as CDs.

**Participant ten (P10)**
This participant (P10) is an experienced Internet shopper of physical goods in a B2C online environment. He started using the Internet for information-based purposes back in 1995. It was in relation to his budding career in website development. It was not until 2001 that he started to use Internet shopping for purchasing physical goods online.

His purchases of physical goods in a B2C online environment include books, software, music CDs, electronic and computer-related products from such online stores as Amazon, www.amazon.com, and Fishpond, www.fishpond.com. His Internet shopping experience also includes purchasing non-physical goods online such as tickets to shows from Ticketmaster.
Participant eleven (P11)
Participant number eleven (P11) is an experienced Internet shopper of physical goods in a B2C online environment. She initially resisted purchasing goods online due to concerns over credit card fraud. However, her need for convenience and not wanting to travel to purchase specific items she wanted, began her process towards purchasing goods via the Internet. She started with purchasing non-physical products online, such as tickets for concerts and shows, followed by purchasing airline tickets, and eventually purchasing her first physical product from overseas, which was a DVD as it was not available in New Zealand at the time.

An example of a website where P11 has been purchasing online tickets for concerts and live shows is Ticketek, http://premier.ticketek.co.nz/. She uses Air New Zealand’s online shop, www.airnewzealand.co.nz for purchasing airline tickets. P11 frequently uses Amazon, www.amazon.com to purchase physical goods such as DVDs, books, CDs, and gift items. She is in the 46-55 age bracket. She is employed as a Business Manager with an annual income in the bracket of $31,000-$40,000 (Table 3.8).

Participant twelve (P12)
The final participant (P12) is new to Internet shopping for purchasing physical goods online. She started learning to purchase goods online through doing it together with her mother, and including purchasing products from Trade Me, www.trademe.co.nz. She has since been purchasing goods online by herself once she obtained her own debit card to effect online shopping. Her first online purchase was a physical DVD from Marbecks online store, www.marbecks.co.nz. She has since purchased a jacket from Kathmandu’s online store www.kathmandu.co.nz.

P12 is in the age bracket of 18-25 years. She has only been purchasing physical goods in a B2C e-commerce online environment within the 12 months from the time she participated in
this research. Her highest level of education is tertiary. She is currently working as a Sales Assistant with an income bracket of $11,000-$20,000 per annum (Table 3.8).

3.9.8 The interview protocol
The interview protocol included the Information Sheet and Consent Form as part of the communication process prior to conducting interviews. It included the procedures of approaching the participants and setting up interviews. Finally, it included the interview questions and the manner in which follow-ups for further clarifications were to be conducted (see Appendix A).

Information Sheet
Once a participant was identified for the research, they were emailed an Information Sheet that provided an introduction and details of the purpose, requirements of their participation and expectations of the research. For instance, the research would require an interview that takes about an hour of their time, and follow-up correspondence, or an interview if required for further clarification. It also included information on their rights to withdraw from the research with no questions asked, protection of privacy and confidentiality, as well as contact details for any concerns and complaints (Appendix B).

Consent Form
A Consent Form was also emailed together with the Information Sheet. This provided details of what they were consenting to do when participating in this research, as well as consenting to having the interview recorded on an audio-recorder. The participants were required to sign the Consent Form and present it to the researcher prior to starting the interview (see Appendix C).

Telephone calls and emails prior to interviews
The researcher contacted the participants via telephone and email to finalise arrangements prior to the interviews. This was to ensure that there were no unnecessary delays that would inconvenience the participants, or any anxiety on their part about their participation in the research.
Interviews conducted at the convenience of the participants
Interviews were conducted at a venue and time that were convenient to the participants. This included an interview venue that the researcher organised for those participants who preferred to come to the researcher.

Face to face interviews with use of digital audio recorder
Interviews were conducted face to face. In addition, a digital audio recorder was used to capture the interviews.

Feedback from the research to participants
The researcher informed all participants during their interview that they would receive a summary of the results by email or mail at the conclusion of the research. Participants wishing to receive results of the research were given the opportunity to provide their contact details on the Consent Form so that they could be sent a summary report of the research for their benefit.

Interview questions
The interview framework consisted of both semi-structured, open-ended questions, as well as unstructured open-ended questions. Semi-structured, open-ended questions were used to start the exploration process into ideas and themes the research was interested in investigating. In addition, unstructured, open-ended questions were used as supplementary questions to further draw out meaning, relevance, and rich information from each participant (see Appendix A).

Broad general questions
The first question was a broad question asking each participant to reflect and tell the researcher their story of their journey in learning Internet shopping for purchasing physical goods in a B2C e-commerce online environment (see Appendix A). This broad question was intended to allow each participant to tell their story and relate their lived learning experiences regarding Internet shopping for purchasing physical goods, without any interference from the researcher. The final question is also a broad question asking the participant if there is anything else they wish to share from their experience of the process by which they learned to use online shopping for purchasing physical goods.
These two broad questions, as well as supporting questions were intended to focus attention on gathering data that will provide a textual description and structural description (Creswell 2007; Moustakas 1994) of the Internet shopping learning experiences and ultimately provide a richer understanding of the phenomenon under enquiry. Furthermore, the universal essences gleamed from this process will provide the foundation blocks for the ISLM final version.

There were two sets of interview questions. Category A was for participants with Internet shopping experience in purchasing physical goods in a B2C e-commerce online environment (see Appendix A). Category B was for participants with no Internet shopping experience in purchasing physical goods online (see Appendix A). The main difference is that Category B has fewer questions because participants did not have B2C online experience for purchasing physical goods. The inclusion, however, of participants that share no online shopping experience of purchasing physical goods was to ensure that the research could also gain an insight from the perspective of those who have not become Internet shoppers of physical goods.

Semi-structured, open-ended questions
Based on prior theory information from the literature review (Chapter 2), a list of semi-structured interview questions was developed for the research. The semi-structured open-ended questions were used as a guide to inform the investigation. Moreover, semi-structured, open-ended questions were used so that comparative analysis could be performed. In addition, semi-structured, open-ended questions provided flexibility for the researcher to investigate other relevant and related information from each participant (Appendix A).

Unstructured and open-ended questions
All supplementary questions were unstructured and open-ended. These were the questions that followed the initial semi-structured, open-ended questions. They sought to further explore meaning and the unique realities of each participant. They were unstructured in that they were not predetermined. Moreover they were open-ended questions to encourage the participants to lead and direct their own discourse as per their unique Internet shopping experience.

3.9.9 The pilot interview
The first interview conducted was used as a pilot interview. It served as a practice interview to gauge if the questions were relevant, and if the interviewing protocol was appropriate for the
research, as well as learning from the pilot interview ways in which the remaining interviews could be improved.

The pilot interview in its audio form was reviewed by the research supervisor. The research supervisor suggested that the outcome, and the information gleaned from the pilot interview was rich and of a high standard. As such, it was decided that the pilot interview was to be included as the first interview for the research.

3.9.10 B2C online stores as a source of data collection

The researcher visited online stores used by nine participants for purchasing physical goods in a B2C e-commerce online environment. The researcher collected data and information, as well as making relevant observations relating to how specific enabling attributes of online stores contributed to the process by which participating online consumers became Internet shoppers of physical goods in a B2C online environment. For instance, the researcher considered and made observations as to the usefulness and ease of use of online stores to meet the needs of participants. In addition, considerations and observations were made in relation to the security of credit card payment systems and protection of personal privacy and confidentiality, as well as quality of visual presentation and easy layout of online vendors to promote a sense of confidence and trust (see Table 3.9) (also refer to Appendix E).

The researcher further considered evidence relating to company and brand recognition and their impact on this form of Internet shopping. The researcher also considered issues relating to contactability of online vendors post-ordering and payment stage, their order fulfilment and delivery service, as well as feedback from online customers in the form of testimonials.

Conducting these observations (see Table 3.9) enabled the researcher to collect more supporting data and relevant information from B2C online stores used by the participants to develop a richer understanding of the process by which some online consumers became Internet shoppers. The initial suggestions of the key enablers of the online shopping process for purchasing physical goods came about through prior theory in the literature review (chapter 2). Moreover, data and information from participants’ interviews identified specific key enablers of Internet shopping for purchasing physical goods via B2C online stores.
Table 3.9  
**The attributes of B2C online stores used by participants to purchase physical goods**

<table>
<thead>
<tr>
<th>Data collected</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Usefulness of online shop</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Online shop ease of use (user friendly)</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Security of credit and debit card payment system</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Protection of privacy and confidentiality</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Quality of online shop presentation and systems</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Perceived trust of the online vendor shop</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Recognised online vendor company / brand</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Contactability of the online vendor post-order and payment stage</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Order fulfilment and delivery service</td>
<td>• Yes / No</td>
</tr>
<tr>
<td>• Feedback from customers (e.g. online testimonials)</td>
<td>• Yes / No</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

The researcher also considered the process by which some online consumers purchase physical goods via Trade Me [www.trademe.co.nz](http://www.trademe.co.nz), and eBay [www.ebay.com](http://www.ebay.com) albeit that they are C2C online marketplaces. However, the inclusion of these C2C online marketplaces acts as secondary information to complement the primary sources of data.

**Follow-up emails**

The researcher contacted five of the nine participants again via email to request the names of the online shops that they used for purchasing physical goods online. The information sought did not warrant a further face-to-face meeting but just a list of website addresses to online stores used by them. The participants also responded to this request via email. The researcher visited B2C online stores that were used by participants to make observations and comments about their attributes in relation to online shopping.

**3.10  Data analysis**

It is the analysis of data gathered from the 12 participants and other supporting sources that formed the basis of theory building for the ISLM in this research. Data analysis was performed immediately after data was collected from each interview. NVivo 8 was used as the qualitative data storage and analysis software.
The researcher went through each recorded interview (audio recording) and familiarised himself with key ideas and concepts contained in the recording while waiting for each interview transcript to arrive. Once each transcript arrived, the researcher went through the data and highlighted significant statements that provided descriptions of the various components and features of the learning process of Internet shopping. Groups of words and rich descriptions of the lived experiences from the contents of each interview were coded into categories of ideas as free nodes in NVivo 8 (see Appendix G). Moustakas (1994) refers to this procedural step as horizontalization.

Next, the researcher used the significant statements to develop clusters of meaning in the form of themes (Braun & Clarke 2006; Creswell 2007, 2013; Moustakas 1994). The researcher then used these significant statements and themes to write descriptions of the participants’ experiences regarding their learning process of Internet shopping. Moustakas (1994) calls this type of description as textual description (Creswell 2007, 2013). These significant statements and themes were also used to write descriptions of the context and setting that influenced how the participants experienced the learning process of Internet shopping for purchasing physical goods. This type of description is known as imaginative variation or structural description (Creswell 2007, 2013; Moustakas 1994).

The researcher then developed and wrote composite descriptions that represented the shared common experiences of participants in regards to their learning process of Internet shopping for purchasing physical goods online as the phenomenon under investigation. The descriptions of the core essences of the phenomenon under investigation are known as the essential, invariant structure or essence (Creswell 2007, 2013; Moustakas 1994).

Finally, the themes were then sequentially organised to formulate the emerging ISLM. Quotations from in-depth interviews of participants, as well as data and observations from B2C online stores used by the participants are provided as part of the chain of evidence and justification of the final data analysis process in this theory building research.

Moreover, the ISLM was further refined by comparing the emerging model developed through the inductive and iterative process of this phenomenological research and comparing it to the initial ideas and concepts identified in the literature review (Section 2.6).
3.10.1 The unit of analysis

A phenomenon or concept under investigation constitutes the unit of analysis for phenomenology (Creswell 2007, 2013; Moustakas 1994; van Manen 1990). Therefore, the unit of analysis for this research is *the process by which some online consumers learned Internet shopping for purchasing physical goods in a B2C e-commerce online environment*.

Analysis took place after each interview

The researcher performed coding of recording and transcription after each interview. For instance, P1 was selected and interviewed followed by the coding of his interview recording and transcription, before P2 was selected and interviewed. This process continued to the point of theoretical saturation which was achieved with 12 participants (see Appendix D).

Listening, reflecting, making notes and drawing diagrams

The researcher used two concurrent data analysis pathways in analysing the interviews. The first pathway involved the researcher listening to each audio recording after each interview, reflecting on the interview content, and making notes of emerging codes and themes, as well as the relationships between ideas and themes. This process was repeated for each audio interview until the researcher was satisfied with his understanding of the emerging codes and themes, as well as the relationships between themes.

Through this process, the researcher started to identify emerging new ideas and themes contained in each interview. Furthermore, the researcher drew diagrams (see Appendix F) to conceptualise possible relationships between the emerging codes and recurring themes as part of theory building towards the ISLM. This process of analysis after each audio interview was repeated for all 12 participants.

Interview transcript in complete verbatim format

The second pathway involved the researcher electronically sending a copy of each audio-recorded interview to be transcribed by an independent transcription service provider. Each audio interview was transcribed using the complete verbatim principle which included all spoken words and filler words (see Appendix H).

Once each interview transcript was received by the researcher, they were imported into NVivo 8 for storage and coding. Each interview transcript was analysed and coded
individually within NVivo 8, one at a time. This process was performed for all 12 interviews. Having transcripts and the use of NVivo 8 made it easier to manage and continue analysing the data to further identify and verify the emerging codes and themes that were initially identified via listening to the audio interview earlier.

**Coding of interviews in NVivo 8**
Open coding was performed in NVivo 8 to develop and capture emerging ideas and organise them into categories (Ely 1991; Neuman 2006) in the form of free nodes (see Appendix G). Evidence of recurring ideas in each interview transcript was coded to the corresponding free nodes. Selective coding (Neuman 2006) was also performed by identifying specific data from source interview transcripts and coding them as evidence of recurring ideas and emerging themes. Most of the emerging new and indigenous ideas (Merriam 1998a; Patton 1990) and themes were brought out in the pilot interview and the next three subsequent interviews.

In addition, the demographic data were also looked at to identify any feature relating to the online consumers who were Internet shoppers for physical goods in a B2C online environment, and those who were not. Furthermore, it contributed to a better understanding of the reasons for and against Internet shopping for purchasing physical goods online.

**Further organisation and building of themes**
Through the coding process, descriptions of themes are developed and are further organised as per the sequence of events. The sequence of events within each story told by the participants provided relationship links between the emerging themes. Through this process, the theoretical ISLM continued to evolve towards its final form.

**Data analysis and triangulation**
Data analysis from each of the participants and the collective data from the 12 participants were used to triangulate the emerging and holistic theoretical ISLM. Data analysis was further organised into the three groups of online consumers as per their experience in Internet shopping (see Table 3.10). The adoption of multiple data collection sources and multiple data analysis procedures all contributed to the triangulation process. They further addressed the trustworthiness and dependability (i.e. issues of validity and reliability) of the research (Neuman 2006).
Cross-data analysis was also performed to identify similarities and differences (Miles & Huberman 1994; Patton 1990) between the three groups of online consumers in relation to the learning process and their reasons for becoming Internet shoppers. The three groups of online consumers are defined by the degree of their Internet shopping experience in purchasing physical goods in a B2C online environment. The first group consisted of experienced Internet shoppers of physical goods, the second group as new Internet shoppers of physical goods, and the third group have no experience (see Table 3.10).

Table 3.10 The three groups of participants according to their Internet shopping experiences

<table>
<thead>
<tr>
<th>Internet shopping experience</th>
<th>Internet shopping duration</th>
<th>Total participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experienced Internet Shoppers</td>
<td>Participating in Internet shopping, well over 12 months, with purchasing physical goods in a B2C e-commerce online environment.</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Participating in Internet shopping, about 12 months, with purchasing physical goods in a B2C e-commerce online environment.</td>
<td>3</td>
</tr>
<tr>
<td>New Internet Shoppers</td>
<td>No participation in Internet shopping for purchasing physical goods in a B2C e-commerce online environment.</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>12</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

3.10.2 The iterate process combining induction and deduction
This study used prior theory and extant research (Chapter 2) to identify initial ideas and sensitising concepts (Section 2.6) (Patton 1990; Teale 1999) to guide this phenomenological
research towards theory building (Creswell 2007, 2013; Eisenhardt 1989; Merriam 1988a; Sekaran 2000). As such, a degree of deductive process was included in the methodology of this research (see Figure 3.3). Furthermore, the initial ideas and concepts (Section 2.6) were used to shape the interview questions for data collection for this study. The findings from the qualitative analysis of the 12 phenomenological interviews formulate the ISLM (see Figure 3.3).

Figure 3.3  **Combining inductive and deductive processes in building the ISLM**

Source:  *Developed for this research with adaptations from Merriam (1988a) and Teale (1999).*

The development of the ISLM went through a systematic iterative process. An iterate process is where the same steps, procedures or routines are repeated again and again (Penguin 1988).
This research developed and revisited the ISLM after each participant interview was analysed, to be repeated again on the next participant (see Appendix F). The same process of collecting data and analysing data was repeated for each of the 12 participants.

The pilot interview with the first participant (P1) and the next three participants’ interviews (P2, P3, P4) provided most of the indigenous data (Patton 1990), including new ideas, concepts and themes that were used as codes (i.e. free nodes in NVivo 8) for data analysis. The findings from the pilot interview and the three subsequent interviews constituted the inductive or exploratory stage (Merriam 1988a; Yin 1993) of this research. These four participants generated specific indigenous ideas (Patton 1990), concepts and themes that formed the basis of the ISLM (Figure 3.3).

The latter interviews with the remaining participants provided more confirmation of the indigenous ideas (Patton 1990), concepts and themes, as well as relationships between themes. However, by participant five (P5), there were fewer new ideas to contribute to the ISLM (Figure 3.3). Theoretical saturation and redundancy of new ideas (Eisenhardt 1989; Merriam 1988a, 1988b) were reached by participant 12 (P12).

Finally, the theory-testing stage of the research, which consists of a deductive process, will be left to future studies to conduct (Figure 3.3). It is not part of this ISLM theory building research.

### 3.11 Ethical considerations and limitations

The research was considered to be ethically low risk. However, the following procedures were included to minimise any potential risks, inconveniences, discomforts, and uncertainties that participants may encounter.

#### 3.11.1 Research approval by Southern Cross University

Before the research could start with its data collection, it required ethics approval from the Human Research Ethics Committee. The research was granted approval with 12-month valid duration. The approval number is ECN-10-144.
Voluntary participation
Participation in this research was voluntary. Participants were given the freedom to choose not to participate in any part, or all of this research at any time, without any negative consequence to them. All participants were also provided with an Information Sheet, and Consent Form to formalise their involvement prior to participating in the research (see Appendix B).

Terminating involvement with, and withdrawing
Furthermore, participants were given the option and opportunity to terminate their involvement with the research, or withdraw from participating at any time without any negative consequence to them. This information was also included in the Information Sheet and Consent Form, and presented to them to make an informed decision over their participation, prior to taking part in the research.

Protection of privacy and confidentiality
Any information that would potentially identify the participants was de-identified at the time of analysis of any data. Therefore, any information that was provided by the participants cannot be linked to them personally. Furthermore, neither their names nor any identifying information will be disclosed or published. In addition, all information gathered in this research is confidential and it will be kept securely and confidentially for seven years.

Complaints about the research and or researchers
Participants were informed that should they have any concerns about the ethical conduct of this research, they can contact the Ethics Complaints Officer of Southern Cross University. They were also informed on the procedures for making a complaint in writing, and the contact details for the Ethics Complaints Officer (Appendix B). All information relating to a complaint would be handled confidentially and as soon as possible.

3.11.2 Limitations of phenomenological research method
While this phenomenological research is a distinct inductive qualitative investigation (Creswell 2007, 2013) focusing on what, how and why questions of the process by which some online consumers learned Internet shopping for purchasing physical goods in a B2C e-commerce online environment, its unique characteristics that provide the research with its strengths, may also produce its weaknesses (Merriam 1988a, 1988b; Perry 1998). This section
identifies the limitations of the phenomenological research method. Moreover, it explains how these limitations were overcome in this research (Table 3.11).

**Limitation relating to lack of rigour and bias**

Firstly, there is sometimes a misconception that qualitative research like phenomenological research lacks rigour and has an inherent bias (Creswell 2007; 2013; Eisenhardt 1991; Yin 1989). This research followed the research design as discussed in Section 3.8, and adopted data collection techniques discussed in Section 3.9. It also followed the data analysis process discussed in Section 3.10 which included procedural steps advocated by Creswell (2007, 2013) and Moustakas (1994). Furthermore, the researcher adopted the bracketing concept (Creswell 2007, 2013) to minimise researcher related biases. In addition, the phenomenological research method and all its qualitative techniques used at different stages of this study, contributed to addressing any issues of lack of rigour and inherent bias. Thus, possible limitations were dealt with by rigorous processes for this research (Table 3.11).

**Limitation of not making generalisations to a population**

The second limitation that is often raised against qualitative research, such as phenomenological study, relates to the issue of research findings not easily being open to generalisation (Creswell, 2007; 2013; Eisenhardt 1989; Yin 1989, 1994). In essence, the findings of this phenomenological research are only generalisable to the 12 participants concerned and to theoretical propositions, but not to specific populations (Creswell 2007, 2013; Yin 1989).

The 12 participants in this study do not represent a sample of a population. Instead, the participants investigated provide a more in-depth understanding of the process by which these online consumers learned and later adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment. The researcher’s goal was to build the ISLM by expanding on analytical generalisations and emerging rich data, but not theory testing to generalise theory to a population (Eisenhardt 1989; Yin 1989, 1994). This researcher argues that the adoption of the phenomenological research method with its associated strategies and techniques used (Table 3.11) to achieve analytical generalisations as the basis of theory building in formulating the ISLM are strengths and not limitations for this research.
<table>
<thead>
<tr>
<th>Limitations</th>
<th>Strategies used</th>
</tr>
</thead>
</table>
| 1. Limitation relating to lack of rigour and bias                         | • Validation strategies (persistent observation based on recorded interviews; triangulation; peer review; negative case analysis; clarifying the researcher bias; member checking; rich, thick description; and external audits)  
• Multiple sources for data collection  
• Interview protocol  
• Reliability perspectives  
• Evaluation criteria used  
• Chain of evidence techniques  
• Phenomenological data analysis and procedures used: horizontalization; coding; textual description; structural description; and developing essential, invariant structures  
• Adopting of bracketing concept |
| 2. Limitation of not making generalisations to a population               | • Generalisation to the 12 participants only and not to a population  
• 12 participants for more in-depth understanding  
• Generalisation to theoretical propositions  
• Analytical generalisations |
| 3. Limitation relating to resource constraints and logistical challenges    | • Purposive selection protocol  
• Sampling selection to the point of theoretical saturation which was achieved with 12 participants |

Source: Developed and adapted for this research from Creswell (2007, 2013) and Parkhe (1993).

**Limitation relating to resource constraints and logistical challenges**

The third limitation that may apply to qualitative study is the difficulty arising from potential logistics and operational challenges (Eisenhardt 1989; Merriam 1988a; Parkhe 1993). For instance, the realities of time constraints, people’s availability and resources could influence the number of participants available to be investigated. In this study, this limitation was overcome by adopting the principle of sampling selection to the point of theoretical saturation which was achieved with 12 participants. Furthermore, the phenomenological research design established criteria for purposive selection and interview protocol (Creswell 2007, 2013) to manage the logistical challenges. It also put in place systems as discussed in Sections 3.8, and
3.9 to manage the logistics and operational challenges as part of the overall research design to enable this research to overcome these limitations (see Table 3.11).

### 3.12 Conclusion

Chapter 3 began with a brief introduction summarising the literature review of Chapter 2 and linked it to the methodology discussion here in Chapter 3. The research then selected and provided justification for the adoption of a realism paradigm in Sections 3.2 and 3.3, after discussing three other paradigms (positivism, constructivism and critical theory), as well as their strengths and weaknesses. Following the selection of the realism paradigm, the research adopted qualitative methodology as described in Section 3.4 and a discussion on the use of prior theory in Section 3.5.

The next stage of the chapter described and justified the adoption of the phenomenological research as the chosen research method (Section 3.6) to investigate the process by which some online consumers learned and later adopted Internet shopping for purchasing physical goods in a B2C e-commerce online environment. The chapter then discussed in Section 3.7 the standards of validation for qualitative research, such as phenomenological research. Section 3.8 discussed the phenomenological research design used. This was followed by Section 3.9 describing how the data collection through multiple sources was conducted and the process of performing data analysis (Section 3.10). Ethical considerations and limitations of this phenomenological study were raised and addressed in Section 3.11. Finally, Section 3.12 provided a conclusion to Chapter 3 and links the research to Chapter 4 where the research findings and the formulation of the ISLM are presented.
Chapter 4

Findings

4.1 Introduction

The methodology in Chapter 3 discussed the selection and justification of the realism paradigm for this research. This was followed by the selection and justification of the qualitative methodology and phenomenological research method. The methodology chapter explained how the phenomenological research design and data-collection chain of evidence techniques were used to provide answers to the research question. The phenomenological interviews, demographic data and data on B2C online stores used by participants to purchase physical goods were the main data sources. Supporting observations, for further triangulation evidence, were also made from B2C online stores where non-physical products and services were bought, as well as from C2C online marketplaces used by the participants to purchase physical goods online. Finally, Chapter 3 discussed the ethical considerations and limitations associated with this phenomenological research and how they were satisfactorily addressed.

Chapter 4 consists of 12 sections (see Figure 4.1). The introduction section (4.1) briefly summarises the essence of Chapter 3 and links it to Chapter 4. Section 4.2 provides qualification of the online consumer participants for the research. The next section (4.3) provides the findings for the six established Internet shopper participants. Section 4.4 presents the findings for the three new Internet shopper participants. The findings for the three participants with non Internet shopping experience are noted in Section 4.5. The overall findings provide a full picture of the Internet shopping learning experiences of the 12 participants in response to the research question.

RQ: What is the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment?

The ISLM formulated from the research findings is presented in Section 4.6. Section 4.7 focuses on the before stage of the ISLM and is followed by the perceived barriers stage (4.8). Section 4.9 discusses the during stage of using Internet shopping. The becoming stage of the ISLM is provided in Section 4.10 and Section 4.11 focuses on Internet shopping as learned
behaviour. Finally, Section 4.12 presents the conclusion of Chapter 4 and links it to Chapter 5 for discussion (see Figure 4.1).

Figure 4.1  **Structure outline of chapter 4**

- 4.1 Introduction
- 4.2 Qualification of participants for the research
- 4.3 Established Internet shopper group
- 4.4 New Internet shopper group
- 4.5 Non Internet shopper group
- 4.6 Internet Shopping Learning Model (ISLM)
- 4.7 Before stage
- 4.8 Perceived barriers stage
- 4.9 During stage
- 4.10 Becoming stage
- 4.11 Internet shopping is learned behaviour
- 4.12 Conclusion

*Source: Developed for this research.*

### 4.2 Qualification of participants for the research

All 12 participants for the research are users of the Internet. For the purpose of this research, users of the Internet are defined as individuals who use any online application of the Internet
such as: email; Goggle; Facebook; YouTube; Skype or similar Voice over Internet Protocol (VOIP) programs; online chats and forums. They include those who use the Internet to search and research goods and services, as well as comparing online prices and product features.

Furthermore, online consumers are those who use the Internet to purchase non-physical goods and services from B2C online stores. Such non-physical goods include electronic tickets for concerts and airline tickets, or services such as Internet banking and paying bills online. In addition, the 12 participants include individuals who purchase physical goods from C2C online marketplaces, such as Trade Me and eBay.

There are nine out of 12 participants in this research that buy physical goods through Internet shopping in a B2C e-commerce online environment. The remaining three participants are also users of the Internet, however, they have not learned nor used Internet shopping to purchase physical goods from B2C online stores.

4.2.1 Three groups of consumer participants
There are three groups of participants selected for the research. The first group consists of six established Internet shoppers with experience in purchasing physical goods in a B2C e-commerce online environment. The second group consists of three Internet shoppers who are new to purchasing physical goods from B2C online stores. The third group consists of three online consumers who have not learned nor purchased any physical goods in a B2C online environment.

Consequently, the data analysis process and findings follow the same structure. Accordingly, the findings are organised under the three respective groups. Furthermore, similarities and differences between the three groups are explained in the context of the research question towards theory building of the ISLM.

4.3 The established Internet shopper group
This section (4.3) focuses on the findings from the phenomenological interviews of participants in the established Internet shopper group. The findings from this group are organised into sections and headings as presented in Table 4.1. In addition, the findings are
descriptions of the participants’ shared learning experiences of Internet shopping for purchasing physical goods in a B2C online e-commerce environment.

Table 4.1  **Sections and headings of findings for the established Internet shopper group**

<table>
<thead>
<tr>
<th>4.3 The established Internet shopper group</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.3.1 Internet shopping learning process evolving over time</td>
</tr>
<tr>
<td>4.3.2 The enabling process with its key influencing factors</td>
</tr>
<tr>
<td>4.3.3 Key motivational drivers</td>
</tr>
<tr>
<td>4.3.4 Perceived usefulness and benefits</td>
</tr>
<tr>
<td>4.3.5 Ease of use and perceived control</td>
</tr>
<tr>
<td>4.3.6 Social groups and media influences</td>
</tr>
<tr>
<td>4.3.7 Attitude towards Internet shopping</td>
</tr>
<tr>
<td>4.3.8 Prior knowledge and past experience</td>
</tr>
<tr>
<td>4.3.9 Individual trust propensity</td>
</tr>
<tr>
<td>4.3.10 Familiarity and familiarity building</td>
</tr>
<tr>
<td>4.3.11 Confidence and confidence building</td>
</tr>
<tr>
<td>4.3.12 Perceived barriers</td>
</tr>
<tr>
<td>4.3.13 Qualifying trust</td>
</tr>
<tr>
<td>4.3.14 Trustworthiness of B2C online merchants</td>
</tr>
<tr>
<td>4.3.15 Other factors</td>
</tr>
<tr>
<td>4.3.16 Crossing-over point</td>
</tr>
<tr>
<td>4.3.17 Instant payment but delayed fulfilment</td>
</tr>
<tr>
<td>4.3.18 Fulfilment of orders</td>
</tr>
<tr>
<td>4.3.19 Becoming stage</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

The group of established Internet shopper participants have Internet shopping experience in purchasing physical goods in a B2C online environment for more than 12 months, at the time of conducting this research. This group is made up of six participants. Their profiles indicate that all six purchase physical goods from New Zealand B2C online stores, including two participants that do their grocery shopping via Internet shopping. In addition, five of them also purchase physical goods from overseas B2C online merchants (see Table 4.2).
All of the six participants in this group use Internet shopping for purchasing non-physical goods and services in a B2C online environment (refer to Table 4.2). For example, their Internet shopping experience includes purchasing of electronic tickets to concerts and shows, airline tickets and digital music, as well as Internet banking and paying bills online. In addition, four also use Internet shopping for purchasing small physical items from New Zealand’s C2C online marketplace, Trade Me, www.trademe.co.nz. However, none of them purchase any physical goods from overseas C2C marketplaces, such as eBay (see Table 4.2).

Table 4.2  Profile of established Internet shopper participants in relation to Internet shopping

<table>
<thead>
<tr>
<th>Established Internet shopper group</th>
<th>NZ B2C online stores for physical goods</th>
<th>Overseas B2C online stores for physical goods</th>
<th>NZ C2C online marketplace for physical goods</th>
<th>Overseas C2C online marketplace for physical goods</th>
<th>Groceries from B2C online stores</th>
<th>Non-physical goods and services from C2C online</th>
<th>Internet shopping as learned behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P2</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P3</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P5</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P10</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P11</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

4.3.1. Internet shopping learning process evolving over time

All six participants in this group consider the process by which they come to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment as a learning process. Furthermore, they indicate that Internet shopping is learned behaviour (see Table 4.2).

It starts with having knowledge of the computer, Internet and online shopping, as well as having an understanding of their functions. It then progresses to their basic use for email and surfing for information or researching for physical goods online. Eventually, the online consumers learn to use online shopping for purchasing physical goods at B2C online stores. It also includes learning from purchasing non-physical goods and services from B2C online.
stores and from purchasing physical goods from C2C online marketplaces. The story of P1 captures this learning process well:

> It is a...learned behaviour...Most people would start off with...when they have access to the Internet, probably just doing email and surfing the Internet for information...I know for me it was “Okay, I’ll buy some tickets off a trusted retailer,”...because of the convenience or the availability...So having done it, having made some purchases...a few times and having a relatively...positive experience and getting what you wanted...and then migrating on to...actually purchasing physical goods. So I think it’s a gradual learning process. You try something, it worked. You try the next step up, it works. And so you...go to a certain level...on learned behaviour...I mean you learn how to use a computer, learn how to use the Internet, learn how to find things on a website...and then...learning how to use the shopping carts (P11, established Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

Furthermore, as participants continue to learn and use the Internet and Internet shopping, they become more familiar and confident in navigating their way around the B2C online stores. They become more coherent in their knowledge and experience of using Internet shopping. They also become more trusting of using Internet shopping for purchasing physical goods online. Finally, as a learned behaviour, Internet shopping becomes part of the participants’ lifestyle and shopping routine. P1 captures this theme in his Internet shopping learning process:

> As you begin to get confident around navigating your way around Internet...it will certainly help you become a better Internet shopper... we’ve become more confident...more coherent about what’s on offer...the opportunities...It’s actually become...our lifestyle...We’ve recognised that Internet shopping is...part of our routine (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

The participants from this group also indicate that they learn from the online shopping experience of members of their social groups of friends, family members and peers. They also learn and become more aware of Internet shopping through the media. For example, P11 learns from TV advertising and word of mouth that she can purchase via Internet shopping a DVD that she wants:
I had tried finding it in the stores here, they didn’t have it...the only way I was going to get it was going online...advertising through TV...and I guess word of mouth of others having bought things online (P11, established Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

**4.3.2. The enabling process with its key influencing factors**

Inclusive of the learning process is the enabling process by which established Internet shopper participants come to learn and use Internet shopping for purchasing physical goods online. It is likened to a journey. It involves a sequence of enabling factors and recurring learning events taking place over time. For instance, the key motivational drivers (see Table 4.3) are influencing factors that motivate this group to use Internet shopping for purchasing physical goods online. P5 comments on his motivation for using Internet shopping for purchasing their groceries online:

> On the basis that it would save time and both of us were working and they could be delivered to our door. So not only did it save us time in the shop, but it also saved time in bringing the goods there and it was reasonably cost effective (P5, established Internet shopper, male, age bracket of 46-55 years, refer to Table 3.8).

The participants learn and become more aware about Internet shopping during the enabling process. They are positively influenced by, and learn from members of their social groups who have had positive Internet shopping experiences. In addition, they receive meaningful information from the media informing them better on online shopping.

The enabling process also involves cognitive learning on the part of online consumers. As such, they form a perspective as to the usefulness of Internet shopping to meet their needs, or unmet needs and this encourages them to the point of using Internet shopping. In addition, their prior knowledge and acquired experience in the use of the computer and Internet also act as enablers of the process. Furthermore, they become more familiar, confident and begin to trust Internet shopping for purchasing physical goods in a B2C online environment. For instance, P3 relates his learning experience with Internet shopping:

> Learning comes with experience...was it a positive experience...how easy was it and so on...If it contributes to what I had in mind, why I came to Internet shopping in the first
place...the cost in time saving...We learn from there and move on and eventually coming from that positive experience, exploring other sources (P3, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

4.3.3 Key motivational drivers

The established Internet shopper participants in telling their stories express their motivations and reasons why they come to learn and use Internet shopping for purchasing physical goods online. From their stories emerge consistent themes of motivation that are associated with Internet shopping learning process. The following sections elaborate on key motivational drivers (see Table 4.3) of the enabling process by which established Internet shopper participants come to learn and use Internet shopping for purchasing physical goods from B2C online merchants.

Furthermore, participants in this group have multiple key motivational drivers (see Table 4.3). However, they all contribute to the enabling process by which online consumers migrate to using Internet shopping. For instance, one of P1’s motivations for using Internet shopping is his unmet need to purchase books for his special interest in street art that are not readily available in bricks and mortar bookstores. In addition, he comments about his motivation relating to cheaper prices online:

I’ve got a particular interest in street art...and there’s not a lot of books...in New Zealand about street art...So what I’ve had to do is shop like for example Fishpond...to access it, based in New Zealand but they’re able to access it overseas....You’ll find that on Internet sites...they have quite...reduced discounts. So if I was to find...a book in Borders say, if they had a book, you’ll always guarantee that online through somebody like Fishpond, they’re almost 20-30% cheaper and if you get two or three of them they also disregard the shipping fee. So there’s a lot of benefits...going through online (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Need or unmet need

One of the main motivational drivers for online consumers to migrate towards using Internet shopping for purchasing physical goods in a B2C online environment is a need that is not met at the time, or could be met only, or better met, through Internet shopping (see Table 4.3). For example, P1 cannot find what he is looking for in major bricks and mortar sporting goods
stores. Someone suggests looking online. ‘Go online and have a look...had a look and there it was’ (P1, established Internet shopper, male, aged bracket of 36-45, see Table 3.8). P1’s unmet need becomes the key motivational driver that leads his journey towards Internet shopping. Furthermore, Internet shopping provides him with a solution to meet his specific need.

Table 4.3  Key motivational drivers for Internet shopping for the established Internet shopper group

<table>
<thead>
<tr>
<th>Key motivational drivers</th>
<th>P1</th>
<th>P2</th>
<th>P3</th>
<th>P5</th>
<th>P10</th>
<th>P11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meet a need or unmet need</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Availability and accessibility</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Time saving</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Cost saving</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Cheaper prices</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Convenience</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Trying a new experience</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

A motivation in the form of a need or an unmet need is considered to be an enabler. It is also part of the enabling process in motivating online consumers to use Internet shopping as a means of meeting their need. Therefore, a need or an unmet need is an essential enabler of the enabling process towards the learning and using of Internet shopping for purchasing physical goods in a B2C online environment.

Availability and accessibility

Established Internet shopper participants surf online to search and research where their desired physical goods are available. Availability and accessibility are among the key drivers
that motivate all six participants in the established Internet shopper group to use Internet shopping. Availability includes such notions as being available and open 24 hours and 7 days a week. For instance, P10 comments, ‘I love the aspect of...it’s there when you want it. You know, it’s twenty-four hours, it doesn’t sleep’ (P10, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

It also includes the availability of more product choices and retail stores for online consumers. For example, P5 considers online availability as ‘...opening yourself up to a huge shop if you think of it in terms of worldwide retail rather than just your local corner store’ (P5, established Internet shopper, male, age bracket of 46-55 years, see Table 3.8).

Accessibility on the other hand is about being able to access physical goods irrespective of where B2C online stores are geographically located. All six established Internet shopper participants purchase physical goods from local New Zealand B2C online stores and five of them purchase from overseas B2C online merchants, as well. For instance, two of the established Internet shopper participants comment:

It’s superb....internationally it’s great because you can literally source products that you would not normally be able to in your own country (P5, established Internet shopper, male, age bracket of 46-55 years, see Table 3.8).

Even the fact that you can have...the world at your doorstep in terms of the market, it’s a wider market (P10, established Internet shopper, male, age bracket of 36-45 years, see Table 3.8).


**Time saving**

All six participants in this group identify time saving as one of the key motivational drivers for their coming to use Internet shopping. They consider Internet shopping as a time-saving tool. For instance, all six participants indicate that they have less time to go shopping, mostly
due to a busy work life and family commitments. Others note the ability to do shopping from their own home or work and not having to spend time travelling to do their shopping, as a real time saver (Table 4.3). It is also about the benefits of using their saved time for other more desirable activities, for example, spending more time with their family. Here are some of the responses from this group about time saving as a key motivational driver of the enabling Internet shopping process:

Time is absolutely...important and so for us to spend as a family (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

I don’t really have time to go out into the shops these days (P2, established Internet shopper, female, age bracket of 36-45 years, see Table 3.8).

I definitely know it’s time saving (P3, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

The predominant thing would be time saving, particularly as far as saving time to go to a particular location, to observe, then to make the purchase decision and then come back (P5, established Internet shopper, male, age bracket of 46-55 years, see Table 3.8).

Furthermore, these participants are able to save time by shopping at B2C online stores, in particular, if the online stores are located outside of Auckland or overseas. Otherwise, the travelling time required to go shopping would not be tenable.

**Cost saving**

Cost saving is one of the key motivational drivers that motivates five (P1, P3, P5, P10 and P11) of the six participants in this group to use Internet shopping to purchase physical goods online from both New Zealand and overseas B2C online stores (see Table 4.3). Cost saving relates to costs that are saved through not having to physically travel to do the shopping, this includes travelling costs, parking costs and associated costs with time spent in visiting bricks and mortar shopping malls. One of the responses from P11 about cost saving as a key motivational driver is ‘...if I had to purchase it through a retail outfit...it was going to be involving...a considerable amount of travel’ (P11, established Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).
In addition, the cost to have the goods delivered to the online shoppers’ doorsteps is cost effective. Sometimes free shipment is offered. Cost saving becomes a lot more important for this group where B2C online stores are located some distance away from home, or overseas. For instance, one participant comments about the expense relating to physically going around different stores to check what they are offering ‘…just with…the petrol hike…you just can’t afford to go around…different stores…and checking out’ (P10, established Internet shopper, male, age bracket 36-45 years, see Table 3.8).

As such, cost saving is one of the enablers in the process by which these participants are motivated to migrate towards using Internet shopping. For instance, P1 comments about his online grocery shopping experience and how it saves them money:

The interesting thing is we save money because in the supermarket when you walk around, they have at the end of each aisle, they have specials and usually it’s fizzy drinks, chips, biscuits…We don’t buy that, we haven’t bought that since I started shopping…Another factor is that we know we’re always going to stay within budget…It may help curb some of those…desirable goods as opposed to our need (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

**Cheaper prices**
A cheaper online price is one of the key motivational drivers for this group to shop online. Five of the six participants (P1, P2, P3, P5 and P10) in this group indicate that cheaper online pricing is an important factor in their overall decision-making process to purchase physical goods from B2C online stores (Table 4.3). They search and research their intended purchase and make price comparisons between purchasing online and purchasing from bricks and mortar stores. If purchasing online, it is mainly due to cheaper prices. For example, P2 purchases a perfume online because of its cheaper price. She explains:

I...know the price out there...in the market and so when it was...less than half price online...which is a really good deal...If it was slightly dearer then I wouldn’t have gone for it, I would have just waited until I could go out to the shops (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).
Furthermore, a cheaper or discounted online price is not the only reason why this group purchases online, albeit that cheaper pricing is part of their overall consideration. For instance, while cheaper prices are not P11’s main motivation to use Internet shopping, she nevertheless considers better online prices as important in her overall decision to use online shopping to purchase physical goods. For her, product availability and accessibility are her main motivations and cheaper prices to some extent. She comments, ‘I think... it boiled down to...availability of the product and some of them were only available online...and to a certain extent, the price’ (P11, established Internet shopper, female, age bracket 46-55 years, see Table 3.8).

**Convenience**

Five participants in this group (see Table 4.3) indicate that convenience is an important factor in their decision to use online shopping. P2 indicates that as a working person with time constraints, she uses the convenience of Internet shopping for some of her shopping. In addition, P1 remarks that his journey to becoming an Internet shopper is a matter of convenience.

I talked about now we’re doing our grocery shopping online, because it’s a matter of convenience. We save a couple of hours of our weekend...We had the guy come and knock on our door, dropped it off at our front door, we unpacked it, done (P1, established Internet shopper, male age 36-45 years, refer to Table 3.8).

The notion of convenience is related to both time saving and cost saving. For example, P1 and P5 indicate that they use Internet shopping to do their grocery shopping for reasons of convenience. Not only do they save time by not travelling to do the shopping but they also save costs by having Woolworths and Foodtown supermarkets deliver the grocery shopping to their doorsteps. Furthermore, both of these participants consider convenience, time saving and cost saving as real benefits of Internet shopping for purchasing physical goods online.

**Trying a new experience**

One of the key motivational drivers for P2 is a desire to try a new shopping experience by purchasing physical goods online (see Table 4.3). P2 comments, ‘...one of the first things I bought was something small just to try out this whole new Internet shopping’ (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).
P2 decides to try purchasing a specific Chanel perfume, a product that she is very familiar with. At the time, www.1-day.co.nz is offering this perfume for a much cheaper price. She considers the associated financial risks as small, in trying this new Internet shopping experience, if the perfume does not arrive. The Chanel perfume arrives a few days later which gives her much satisfaction and pleasure, as well as more confidence to continue shopping online.

The key motivational driver of trying something new is also alluded to by P10 when he considers extending his initial information-based Internet experience to include purchasing physical goods online. He wonders why it took him so long to use Internet shopping for purchasing physical goods from B2C online stores, given his extensive use of the Internet for his web design work. P10 comments, ‘one of the things that...I regretted is not doing it earlier’ (P10, established Internet shopper, male, age bracket 36-45 years, see Table 3.8).

4.3.4 Perceived usefulness and benefits
This group considers the perceived usefulness of Internet shopping (see Table 4.4) as part of the online shopping enabling process. In using the Internet to search and research for products and services information, these participants also learned and formed a view of the perceived usefulness of Internet shopping for purchasing physical goods online. They deem Internet shopping as useful in accessing multiple stores to purchase from, irrespective of their geographic locations. They also consider Internet shopping as useful for accessing products that are exclusively available online. For example, P11 comments that, ‘...there are some instances where without it I wouldn’t have got what I wanted, and so yes it is useful...It’s quite good, it’s convenient, it’s...any time (P11, established Internet shopper, female, age bracket 46-55 years, see Table 3.8).

Furthermore, Internet shopping is perceived as a useful means of accessing cheaper prices. For instance, P3 comments, ‘...most of the time online...will even be cheaper...from there on it’s...cost saving on a product’ (P3, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8). In addition, for P3, Internet shopping is a convenient shopping mode and it saves time, as well as costs (see Table 4.3).

Equally, participants consider Internet shopping as providing real benefits. For instance, this group identify convenience (see Table 4.4) as a real benefit. They perceive online shopping as
beneficial for purchasing physical goods from the comfort of home or work, without having to travel and deal with busy traffic or to find parking. Another benefit is the time saving associated with doing the grocery shopping online. Furthermore, there is the benefit of cost saving. For example, Foodtown delivers the groceries to the doorstep for a fee but it is more cost effective when considering the alternatives: time, travel and efforts associated with grocery shopping. Other online merchants also provide free shipment for bigger orders.

This research notes that the key motivational drivers (see Table 4.3) that enable and initiate the learning process towards Internet shopping are the same reasons given by this group as to their perceived usefulness and the benefits of Internet shopping (refer to Table 4.4). For instance, the motivational need to access physical goods that are not available in bricks and mortar stores (see Table 4.3) is the same perceived usefulness reason for Internet shopping providing a wider selection of product choices online (see Table 4.4).

Table 4.4  Perceived usefulness and benefit attributes of Internet shopping

<table>
<thead>
<tr>
<th>Attribute</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessing physical goods from multiple stores irrespective of location (local, national and overseas)</td>
</tr>
<tr>
<td>Providing a wider selection and choices</td>
</tr>
<tr>
<td>Finding and purchasing physical goods that are not available in bricks and mortar stores (availability and accessibility)</td>
</tr>
<tr>
<td>Convenience</td>
</tr>
<tr>
<td>Time saving</td>
</tr>
<tr>
<td>Cost saving and shopping efficiency</td>
</tr>
<tr>
<td>Cheaper prices</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

While the same attributes are apparent for perceived usefulness and the benefits of Internet shopping, this research considers that the two themes are two sides of the same coin. The former relates to a point in time of the learning process when online consumers perceive the usefulness of Internet shopping but have not yet experienced the benefits. The benefits of Internet shopping, on the other hand, concern the point in time where online consumers have experienced the benefits of favourable outcomes from their online shopping experience. The difference in perspectives is in relation to the context and the points in time on Internet shopping learning process continuum. The perceived usefulness perspective is viewed before the use of Internet shopping. The benefits perspective is in relation to the experience after
using Internet shopping. Thus, the two themes: perceived usefulness of Internet shopping and benefits of Internet shopping are two sides of the same coin.

4.3.5 Ease of use and perceived control

The participants in this group indicate that Internet shopping in a B2C e-commerce online environment should be easy to perform. They also express that they have more confidence and qualifying trust in shopping at B2C online stores that are easy to use, compared to the hard-to-use online stores. Ease of use relates to how easy it is to perform Internet shopping and to navigate a B2C online store. For instance, P5 comments about the importance of ease of use in his Internet shopping experience:

It’s very important, it needs to be as least clicks as possible and is clearly laid out...to guide a new purchaser to be able to understand and feel comfortable with what he’s doing...very, very important (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).

Another aspect of ease of use relates to the need for a simple and clear layout of B2C online stores. The participants in this group indicate that they prefer online stores that enable them to move around easily and logically, as part of their online shopping experience. Furthermore, an easy and logical layout will simplify the process by which they enter the online store and complete their transaction. For example, they consider that it should be easy to search for items, putting items into a cart and checking out. It should also be easy for them to enter their credit card details and submit, without being lost in the process, or not completing the Internet shopping process because it is complicated. For example, P11 comments on her frustration with online shopping:

Two areas that I’ve found...frustrating is actually finding what you want. Some websites aren’t easy to search. You know what you want, but trying to...find it on the website can be... frustrating...if they’re not easy to...navigate. The other one is... you start...the purchase process and you often time out before you’ve actually...completed it and so you have to go back through the process again (P11, established Internet shopper, female, age bracket 46-55 years, refer to Table 3.8).
The participants further indicate that a simple Internet shopping process enables them to consolidate their purchasing decisions quickly and easily. The ease of use impacts positively on their confidence and qualifying trust to make payment and submit their credit card details online. In addition, they consider that the least-resistance pathway has a higher chance of them completing their online purchasing process. The alternative is also true, when online consumers get frustrated they will leave the B2C online store and will not complete their Internet shopping. For instance, P3 tells of such situations, ‘I sometimes...get lost every so often and a few times I didn’t understand what I did...I did not get there at the end’ (P3, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

In addition, this group indicates that they prefer shopping in B2C online stores where there are only three or fewer clicks to be made, or pages to go through before they arrive at the actual shopping. Their view is that if there are more than three clicks or pages to get through before getting into the shopping itself, it is time wasted. In such situations, they will leave before completing an online purchase. P10 explains, ‘if I can’t find what I’m looking for in two clicks...I’m out of there’ (P10, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

Another Internet shopping principle associated with ease of use, for this group, is the notion that participants migrate to learning and using Internet shopping if they perceive that they are in control of their Internet shopping process to achieve a positive outcome. They consider that having user-friendly online stores increases their ability to control and safely complete their Internet shopping activities in a B2C online environment. Moreover, they regard that ease of use provides them with confidence and qualifying trust to reason that they are in control of effecting a successful outcome with their online shopping. P5 explains his perspective about ease of use and wanting to be in control of his Internet shopping activities:

You should be able to clearly see how you can acquire it and what the necessary steps are to do that...Those issues that complicate something, that frustrate you, that either end up making you feel like you’re wasting your time, or that you don’t trust the system...“No I don’t like this, I’m backing off.” ...cause the drama in...rectifying any problem that might occur can sometimes outweigh the pleasure of the time saving aspect of the purchase...I want something that doesn’t complicate...very simple and easy to do (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).
Furthermore, all six participants are experienced Internet users. As such, they are experienced in the use of the Internet and its features to perform Internet shopping. Accordingly, they use online stores that are easy to use. They also consider that they have more control of effecting successful Internet shopping outcomes with easy-to-use online stores, rather than those that are complicated and hard to use.

4.3.6 Social groups and media influences

Five participants (P1, P2, P3, P10, and P11) of this group indicate that the positive Internet shopping experience of their friends, family members and colleagues work to influence them to consider Internet shopping for purchasing physical goods online (see Table 4.5). P11 captures this notion well. She explains, ‘...knowing that others had bought things online...gave you that sense of confidence...more secure feeling to purchasing online” (P11, established Internet shopper, female aged 46-55, refer to Table 3.8). P10 also indicates that his learning about online shopping is through a friend.

Furthermore, online media provides information on the site’s address, products that are available and prices to assist online consumers with their decision-making process. The information is made available 24 hours a day and seven days a week for online consumers to access and understand. The information is presented in text format, pictures and videos to assist online consumers make informed shopping decisions. For example, P5 explains his usage experience of the Internet for online shopping purposes:

The Internet...allow you to explore a little bit deeper and allow you to have access to more in-depth information...It would give you contact numbers that you could ring and ask someone if you need to...There seemed to be a...greater offering of information...which was necessary to make a purchase decision (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).

In addition, P5 captures the essence of how the media and, in particular, the online media, became the main source of his information, searching, researching and learning about Internet shopping for purchasing physical goods online (see Table 4.5). He indicates that his social groups did not have any impact on his online shopping journey. He is more interested in personally seeing and experiencing Internet shopping and its operation, rather than depending on someone else’s experience. For example, P5 explains that his social groups ‘...wouldn’t
have influenced me as much as something that I’ve seen myself, or observed... online surfing presented opportunities’ (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).

Table 4.5  **Sources of influence in learning and using Internet shopping for established Internet shopper participants**

<table>
<thead>
<tr>
<th>Participants</th>
<th>Social group influence</th>
<th>Media influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Friends and work colleagues</td>
<td></td>
</tr>
<tr>
<td>P2</td>
<td>Friends</td>
<td></td>
</tr>
<tr>
<td>P3</td>
<td>Friends and family members</td>
<td></td>
</tr>
<tr>
<td>P5</td>
<td>TV and online media</td>
<td></td>
</tr>
<tr>
<td>P10</td>
<td>Friends</td>
<td>TV and online media</td>
</tr>
<tr>
<td>P11</td>
<td>Friends and work colleagues</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

### 4.3.7 Attitude towards Internet shopping

The established Internet shopper participants express a positive attitude, although cautious, about Internet shopping and its use. Their positive attitude is based on several factors. For instance, they positively view Internet shopping as meeting their needs. They also perceive Internet shopping as useful in achieving their desired benefits. For example, P10 explains why Internet shopping is useful for him. ‘I love it...it’s there when you want it...its price competitive...and you could shop anywhere in the world’ (P10, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

Furthermore, the group considers that perceived ease of use of Internet shopping and their belief that they are in control of the online shopping process impacts positively on their coming to use B2C online stores. In addition, the positive attitudes and experiences of their friends, peers and social groups, further add to their positive views of Internet shopping. Their prior computer and Internet knowledge and usage experience also enhances their familiarity and confidence to use online shopping.

Therefore, a positive attitude of online consumers towards Internet shopping is part of the enabling process by which they come to learn and use Internet shopping for purchasing physical goods online. In addition, their positive attitudes toward Internet shopping give rise
to their confidence in using Internet shopping. Their confidence then impacts positively on their qualifying trust in the Internet shopping process for purchasing physical goods in a B2C online environment.

4.3.8 Prior knowledge and past experience

All six participants indicate that they have extensive prior computer and Internet knowledge and usage experience (Table 4.6). As such, they consider that their prior knowledge and past experience contributes to their journey towards learning and using Internet shopping for purchasing physical goods from B2C online stores. For instance, P2 explains:

It definitely is an enabler because...Internet shopping’s all about doing it on the computer, so...if you don’t know where to go to look for stuff, you don’t know how to Google...if you don’t know how to get the Internet Explorer...to go into the website...or to go onto the Internet to Google what you want and press Enter, then...you won’t be able...to do the shopping on the Internet (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

Prior to their using Internet shopping, participants have been using computers and the Internet for personal use, work and educational purposes. Thus, they are very familiar with the use of computer functions, as well as Internet features, such as email for communications, surfing, searching and researching for goods and services online. Moreover, these are the same computer and Internet functions that are required to perform Internet shopping for purchasing physical goods in a B2C online environment. For instance, P5 comments:

I use a lot of...computing programs such as Microsoft Word and Excel and Outlook, the basic ones as far as...productivity tools. As far as communication with other off site things...email, that’s what I...predominantly use (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).

This group also considers that it is too difficult for online consumers without prior computer and Internet knowledge and usage experience to perform Internet shopping for purchasing physical goods online. The gap is too wide to bridge without adequate prior knowledge and usage experience. For example, P3 comments, ‘this is the entry level for people...They would
be very unlikely to be online shoppers. They still will go traditional way...with the shop’ (P3, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

Table 4.6  
Prior knowledge and past experience with computer, the Internet and online shopping for the established Internet shopper group

<table>
<thead>
<tr>
<th>Established Internet shopper participants</th>
<th>Prior computer knowledge</th>
<th>Prior computer usage experience</th>
<th>Prior Internet knowledge</th>
<th>Prior Internet usage experience</th>
<th>B2C Internet shopping experience</th>
<th>B2C Internet shopping for purchasing physical goods</th>
<th>B2C Internet shopping for purchasing non-physical goods and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P2</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P3</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P5</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P10</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P11</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

Past Internet shopping experience

All six participants have past Internet shopping experience in purchasing non-physical goods and services from B2C online stores (see Table 4.6). Their online shopping experiences for non-physical goods and services include online payment of airfares and paying for tickets to concerts. Their prior knowledge and Internet shopping usage experience provide them with familiarity and build their confidence. Furthermore, familiarity and confidence building give rise to qualifying trust to use Internet shopping for purchasing physical goods in a B2C online environment. The experience of P11 captures this process well. She indicates that she has:

A relatively positive experience in terms of buying...tickets, being able to feel that ...the security was there...with certain...outlets... So...buying tickets and buying...airline tickets and...that being successful and straightforward...the next time I needed something and I couldn't obtain it...through retail...outlets, I then...looked at that option of, okay, let’s try buying it online” (P11, established Internet shopper, female, age bracket 46-55 years, refer to Table 3.8).
It is also noted that four participants from this group comment that, as part of their overall online shopping experience, they have also used New Zealand’s C2C online marketplace, Trade Me www.trademe.co.nz, to purchase physical goods. For instance, P2 purchasing a phone from Trade Me. ‘It was...Trade Me...I bought a phone off’ (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8). Another example is P3 indicating his online shopping started with Trade Me. He comments, ‘it started probably more with first experience of...buying used goods...from Trade Me (P3, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

As such, the prior Internet shopping experience with purchasing non-physical goods and services from B2C online stores, as well as purchasing physical goods from New Zealand’s C2C online marketplace (Trade Me) (see Table 4.2). Prior knowledge and learning from Trade Me contribute to the learning of these participants towards using Internet shopping for purchasing physical goods in a B2C online environment. Furthermore, their becoming familiar and confident with their prior Internet shopping experience provides them with qualifying trust to break through to purchasing physical goods from B2C online stores.

4.3.9 Individual trust propensity

Online consumers have different individual personalities and trust propensity. Those with high trust propensity are more likely to learn and migrate to using Internet shopping for purchasing physical goods in a B2C online environment. This group of established Internet shopper participants are more trusting. This is reflected in their willingness to learn and use Internet shopping for purchasing physical goods online, compared to those participants with non Internet shopping experience (refer to Section 4.5.9). For instance, P1 comments on his experience as he considers:

Whether we should put our...Visa details on...because you hear so many stories...what can happen with your details, so it was a leap in faith in some ways, and so we did it (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Another example that demonstrates the theme of high individual trust propensity to using the Internet is P2. She indicates that she does not have much concern with purchasing online. ‘Other than...what I’ve just mentioned about it being physical...I don’t actually have a problem with credit card details online’ (P2, established Internet shopper, female, age bracket
36-45 years, refer to Table 3.8). Furthermore, she comments that she is trusting of online shopping. ‘I actually do trust...probably because nothing’s happened...no bad things have happened in my experience...So that, for me...plays a role’ (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

4.3.10 Familiarity and familiarity building
The process of becoming familiar with the use of Internet shopping for purchasing physical goods online is part of the enabling process. Such factors that impact on building familiarity include social groups and the media influence (see Figure 4.2). It also includes online consumers’ prior knowledge and usage experience of the computer and Internet (refer to Section 4.3.8). For instance, P2 indicates that familiarity with the computer and Internet enables her to arrive at using Internet shopping for purchasing physical goods online. ‘It definitely is an enabler because...Internet shopping’s all about doing it on the computer’ (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

In addition, because these participants are familiar with the online environment and have computer skills, they are able to consider extending their experience to Internet shopping. For instance, P10 tells of his experience in taking up Internet shopping on the basis of being familiar with the online environment and having computer skills:

You’re already confident...you’re already used to the environment...You’re aware of...the pros and cons already...It was an extension of a tool that I’d already used...and utilised...it’s just extending its capability...If I didn’t have those skills or the confidence with computers...I think the uptake would be a lot...longer (P10, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

Furthermore, the experience of all six participants, indicate that familiarity building includes their B2C Internet shopping experience for purchasing non-physical goods and services. It also includes their Internet shopping learning experience with purchasing physical goods from Trade Me, as a C2C online marketplace (see Section 4.3.8). In essence, as they become more familiar with the use of computers, the Internet and other forms of Internet shopping, they become more comfortable in considering the use of online shopping for purchasing physical goods in a B2C online environment.
4.3.11 Confidence and confidence building

The confidence-building process towards purchasing physical goods online is gradual and is impacted on by several key influencing factors. For instance, familiarity is one of those factors (see Figure 4.2). As the online consumers become more familiar with the whole online shopping environment, they become more confident in considering using Internet shopping for purchasing physical goods online.

In addition, confidence is built up over time with the online consumers’ positive experience. The online consumers’ confidence in Internet shopping provides a threshold level of qualifying trust that enables them to crossover the perceived barriers (Figure 4.2). For example, P11 considers her decision to purchase online as a gradual process of experience and confidence building towards the use of Internet shopping:

Going from having very little background to trying to buy something straightaway...I think it would be very difficult, but sort of gradually building up your experience of the Internet...and your awareness of what...was available...you’d be more inclined to...buy online (P11, established Internet shopper, female, age bracket 46-55 years, refer to Table 3.8).

The positive Internet shopping experience of social groups and the positive influence of the media impact positively on the confidence-building process of online consumers. Moreover, the media raises the participants’ awareness of the usefulness, as well as the benefits of Internet shopping and consequently increases their confidence to use online shopping. The participants’ confidence then impacts positively on their level of qualifying trust to use Internet shopping for purchasing physical goods online (refer to Sections 4.3.1 and 4.3.6).

Other enabling factors that impact positively on the confidence-building process include ease of use and perceived control of the Internet shopping process. It also includes the participants’ positive attitude towards online shopping. Prior computer and Internet usage experience, and individual propensity also impact positively on confidence towards using online shopping for purchasing physical goods.

Furthermore, the participants that have experienced positive outcomes with using the Internet medium and Internet shopping are more confident in using and continuing using Internet
shopping for purchasing physical goods online. For instance, P1 tells of his positive experience when buying his first physical goods online. He paid for it and ‘...then within the next couple of days received the good, and haven’t looked back really since then’ (P1, established Internet shopper, male age 36-45 years, refer to Table 3.8). As such, the participants’ trust to use online shopping is qualified on the basis of their confidence in the Internet shopping process delivering the expected outcome.

4.3.12 Perceived barriers
The common perceived barriers to Internet shopping are perceived fears about online credit card fraud; perceived lack of trust in the Internet medium; and perceived fear of products arriving and not meeting the expectations that are promoted online. Barriers also includes perceived challenges of returning goods and perceived fear of not receiving refunds, or the seller not honouring goods replacement policy. These are the perceived fears and lack of trust that act as barriers to Internet shopping. For example, P1 and P2 reflect on their fears:

There’s a lot more at stake...you either go ahead or you may not. Our anxiety and our fear was that if we did pass on our credit card details, was there some loophole at the other end that people can expose it...You hear stories and...you watch Fair Go...to see how people have been ripped off through Internet...shopping...So that created us a whole...lot of angst about wanting to cross that bridge (P1, established Internet shopper, male age 36-45 years, refer to Table 3.8).

The subtle fears...that you’d...get your statement at the end of the month and you’d see other stuff on your...credit card. So that’s always a fear...The fear that...because it was the first time...I wasn’t sure...who they are, I mean...you assume it’s a New Zealand company but you’re still not sure, so the fear that the product won’t come...and there’s no way of you getting that and then that money’s gone...The fear that it’s not what you ordered...and there’s...no money back or no returns policy (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

However, all six established Internet shopper participants broke through the perceived barriers to use Internet shopping for purchasing physical goods in a B2C online environment (see Figure 4.2). Notwithstanding their initial fears of the perceived risks, their prior computer knowledge (refer to Section 4.3.8), Internet usage and online shopping experience provide
them with familiarity and confidence (refer to Section 4.3.10) so they progress to using Internet shopping. Furthermore, their familiarity and confidence give rise to a qualifying trust to break through the perceived barriers. This enables them to crossover the perceived barriers and actually use Internet shopping for purchasing physical goods from B2C online stores. For example, P5 comments on his experience. ‘Once you’ve overcome that initial barrier it’s a piece of cake, there’s no holding back’ (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).

4.3.13 Qualifying trust

The participants in this group indicate that they do not fully trust the Internet-cum-Internet shopping. Their trust to use Internet shopping is qualified. For instance, P1 is not sure if trust is the right word. ‘Trust is quite a strong word, but certainly confidence’ (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8). In addition, P2 also comments, ‘most probably 95% of the time I do trust...the technology, meaning that it will work’ (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

As a whole, this group considers that they are cautious about shopping online and therefore, their trust is qualified. They are selective and careful with online stores they shop at. They tend to shop with online merchants that they are familiar with and consider to be trustworthy. These participants are also security conscious and they look for security features that should be displayed by credible B2C online stores. For instance, P11 relates her cautious approach to Internet shopping:

Being very careful...of where you shop...in terms of online...what sites you use, what you’re familiar with, it’s made me cautious and...aware of what to look for in a website in terms of...keeping that...risk to a minimum...the actual security code, the security awareness...the payment systems...what kind of...system it’s being paid through (P11, established Internet shopper, female, age bracket 46-55 years, refer to Table 3.8).

Although these participants do not fully trust the Internet medium and Internet shopping for purchasing physical goods online, they have enough qualifying trust to purchase physical goods from B2C online stores. They indicate that their qualifying trust is given on the basis of their familiarity and confidence with the online environment. Moreover, their familiarity and confidence are built up from their prior knowledge and usage experience of the computer and
Internet technology (refer to Section 4.3.8). In addition, their Internet shopping experience of purchasing non-physical goods and services from B2C online stores, as well as their Internet shopping experience in purchasing physical goods from Trade Me (see Section 4.3.8) further enhance their confidence and qualifying trust to eventually purchase physical goods from B2C online stores.

Furthermore, the positive influence of friends, family members and peers (refer to Section 4.3.6) also enhance the trust level of this group into performing Internet shopping for purchasing physical goods in a B2C online environment. Moreover, they have a more positive attitude towards the use of Internet shopping (see Section 4.3.7). Their perception of the usefulness and the benefits of Internet shopping (refer to Section 4.3.4) for purchasing physical goods online also contribute to their confidence and qualifying trust in Internet shopping.

In essence, this group breaks through the perceived barriers by having their qualifying trust exceed their perceived fears. This results in them submitting their credit card details and completing their online ordering process with payment. For example, P1 comments about having more trust now to use Internet shopping compared to the initial stage:

Now I’m actually sold on the whole idea...I don’t have a problem with pulling out my credit card now and putting the details in....There is some caution there but...I feel a lot more comfortable as opposed to doing something like that previously (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

4.3.14 Trustworthiness of B2C online merchants

The trustworthiness of B2C online merchants is noted by all six participants as an important enabler in their arriving at the place where they commit to performing Internet shopping for purchasing physical goods online. It provides confidence and qualifying trust for these participants to overcome the perceived barriers of fear and lack of trust in Internet shopping. For example, P5 comments:

The other issue too is whether the organisation has a name...I still wouldn’t send something to a Romanian website even if it had displayed a PayPal secure site. There are certain things that you would still require as being a prerequisite before you started throwing your credit
Furthermore, the trustworthiness of B2C online merchants is considered by this group as relating to who the actual organisation or the brand is behind the online store and their ability to deliver. For instance, P1 explains that he purchases from official sites because of the trusted organisations behind the online stores:

I would look for official sites...for example...the Warriors, I’ll buy a Warriors top...I’m in the process of looking at a Phoenix top...I’ll look at the Phoenix official site... so I’ll ...look for some level of credibility (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Another important aspect of trustworthiness for online stores is that, as they perform well over time in delivering the expected outcomes, their credibility with online consumers, increases. As their credibility increases, online consumers’ qualifying trust also increases to purchasing physical products from those trustworthy B2C online stores. Therefore, the trustworthiness of online stores gradually impacts positively on the qualifying trust of these participants to use Internet shopping over time. For instance, P2 explains:

There are some sites that I now trust that if you order off them that you’ll receive the goods, in good condition. So, the trust in some of the merchants has built over time, but initially, making that first step...it was like the first step to building that trust in them...If they delivered then ...I can definitely rely on them...with my goods, but if they don’t deliver then you’re a bit...stuck...Those merchants that deliver the first time they’ve delivered every time, so that trust is there (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

Furthermore, the trustworthiness of online merchants includes having effective security protection protocols and policies. It also includes the use of credible credit card merchants. For example, P5 comments on his initial fear and what gives him trust to purchase online:

There is a degree of fear in the sense of, is my credit card secure...That was overcome reasonably quickly when you look into the digital encryption techniques and the trusted...symbols like the PayPal’s and...the systems that have been set up to ensure that
everything’s fine (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).

Other aspects of trustworthiness of the online merchants include the ease of use of the online store (refer to Section 4.3.5) and how easy it is to effect their refund or replacement policy when there is a problem. It also relates to the professional visual presentation of the online store. For instance, P5 explains the importance of a professional look to his confidence and trust. ‘If you can see something that looks professional it gives me confidence that in fact this is a company that is real and that you can trust’ (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8). In addition, P3 comments on Amazon as an example in his experience of a trusted B2C online merchant:

You really have to go through trusted companies first of all, so that’s why, I didn’t have great fear, so there is definitely a certain trust...I know...Amazon that’s where I got a lot of my things from, they are around for a long time. And you try, and if it’s a positive experience...then you trust the source...I stick to a certain source because it’s trusted, even when it’s maybe a few dollars...more (P3, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8).

4.3.15 Other factors
This group of established Internet shoppers indicate that they trust organisations with established brands more than the less-known brands. They also trust larger organisations more than small-sized online merchants. The larger organisations provide a level of perceived credibility as to their ability to effect and deliver on their Internet shopping promises. For instance, P3 shares that one of the reasons he trusts Amazon is ‘because it’s...been around for a long time...I would be...reluctant with any sources which are very new on the market’ (P3, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8). P5 also expresses a similar view about Amazon and Dick Smith, ‘so the Amazons and the Dick Smiths...they’re...established companies, so...there’s a degree of familiarity with the technology, but also with the actual brand name itself’ (P5, established Internet shopper, male, age bracket 46-55 years, refer to Table 3.8).
Furthermore, this group of participants trust online merchants that have adequate contact details and an effective means of communicating back to them if there is a problem with their online purchase. Five of the six participants in this group have purchased physical goods from both local and overseas B2C online stores. However, one participant (P1) prefers to purchase physical goods only from New Zealand online stores (refer to Table 4.2). Notwithstanding their preference for purchasing from local or overseas stores, all of them consider having an effective means of contacting online merchants to address their concerns to be important. This view is captured well by P1, albeit that he prefers to purchase from New Zealand B2C online stores only:

Everything that we’ve done...is through New Zealand...maybe it’s a trust issue...at least if we had any problems...it’ll be easy to trace back through...a New Zealand company...I haven’t dared to go even overseas yet...I think that will take a greater leap of faith...so...it’s mainly just New Zealand (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

4.3.16 Crossing-over point

The crossing-over point in the process of arriving at using Internet shopping occurs when participants make their decision to purchase physical goods online and actually submit their credit card details, or PayPal details to complete their online payment. Up to this point in the enabling process, the participants have not performed Internet shopping for purchasing physical goods online. The crossing-over point is the actual point in the enabling process where they consummate their Internet shopping process by submitting their credit card details to complete their purchase of physical goods in a B2C online environment (Figure 4.2). For example, P1 likens his transitional point to crossing a bridge:

I didn’t have a problem of being able to look up things it was just when we came into entering our credit card details which was the tester...So we’re...quite savvy on the Internet...but when it came to buying a good...I think the bridge is...when they asked us for our credit card details (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).
The crossing-over point to using Internet shopping

The test for participants is when they are required to submit their credit card details to complete their online payment process for the first time (see Figure 4.2). This requires an element of faith in crossing over the perceived barriers and submitting their credit card details. P1 provides another example of crossing over to the use of Internet shopping:

iTunes is a good example...You can navigate yourself through...then when you want to buy a song. You like this song, you can download this song...but in order to buy the song you need to add your credit card details (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

4.3.17 Instant payment but delayed fulfilment

Once participants have made their online payment, they then wait for their orders to be filled by B2C online stores. While the online payment is instant, fulfilment of orders is not. In essence, participants purchase and make instant online payment on the understanding that the goods are available and secured for delivery. P2 tells of her first online purchase from New Zealand’s B2C www.1-day.co.nz, online store. The fulfilment period for her first perfume purchase was two days. ‘I knew the perfume that I wanted...when it came up on this deal...I

Source: Developed for this research.
just purchased it and...two days later, I got the product (P2, established Internet shopper, female, age bracket 36-45 years, refer to Table 3.8).

4.3.18 Fulfilment of orders
As goods arrive at the participants’ doorsteps, they then assess if they are receiving what is expected and have paid for. Furthermore, they check for any damage. Where participants receive goods in satisfactory conditions, they enjoy the goods and their inherent benefits. If not, the participants will then seek to contact the online merchants to address the problem: either to return, or replace the goods, or to receive a refund. The experience of P1 demonstrates this theme well:

I’ve only had...a book that...the binding wasn’t...glued properly...So I made a complaint...So what they did is said, “Look we can give you...a discount on that” and so they gave me a discount, so I got the book really, really cheaply...They gave me quite a positive response back, so I didn’t feel at all ripped off...from the experience (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

4.3.19 Becoming stage
The becoming stage is when the participants complete their first Internet shopping episode for purchasing physical goods in a B2C online environment. This includes the fulfilment of orders from the Internet shopping process. It is here that the participants then decide whether to adopt Internet shopping or reject it. It is the completion of the Internet shopping process but also the beginning of further Internet shopping activities for those choosing to adopt Internet shopping for purchasing physical goods online. P1 shares his experience after receiving his initial online shopping for physical goods. ‘And then within the next couple of days I received the good, and haven’t looked back really since then’ (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Most participants receive their goods without any problem and in good condition. Although, there are a few occasions when participants receive goods that are damaged during transit, or the wrong goods have been delivered. As such, the customer satisfaction experience of participants in this group is mixed. For those participants who receive goods without any problem, they express positive and favourable attitudes toward the Internet shopping process and towards the B2C online merchants concerned. However, those participants who have
experienced less than satisfactory outcomes have a negative view of the online merchants concerned but not of the Internet shopping process, albeit they are more cautious. For instance, P11 expresses her view after a bad experience with a poor-performing B2C online store. ‘After having quite a negative experience... I’d be hesitant...about buying from a website...if there was concern about the website (P11, established Internet shopper, female, age bracket 46-55 years, refer to Table 3.8).

**Adopting Internet shopping**

All six participants of the established Internet shopper group, over a period of time, decided to adopt Internet shopping for purchasing physical goods in a B2C online environment. It is a gradual process. It is not based on a one-off outcome. Adoption of Internet shopping is based on a series of positive online shopping experiences and outcomes that then become routine. It is in the continual use of Internet shopping for purchasing physical goods in a B2C online environment, that participants adopt Internet shopping as part of their shopping routine. For instance, P1 comments:

> Once we’ve got more savvy and once we’ve established our routine, and that’s probably what it is, once we’ve recognised that Internet shopping is part of our routine, just as...we would go physically...to the grocery store, was part of our routine (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Furthermore, all six participants in the established Internet shopper group have more positive than negative Internet shopping experiences and outcomes with purchasing physical goods in a B2C online environment. Consequently, they all adopted Internet shopping. Furthermore, they are continuing to use Internet shopping for purchasing physical goods from B2C online stores.

**Encouraging future Internet shopping**

Given their positive Internet shopping experience, these participants are further encouraged and, consequently, continue to use Internet shopping for purchasing physical goods online. In addition, their positive Internet shopping experience impacts positively on their confidence and qualifying trust to further use Internet shopping for purchasing physical goods from B2C online stores. They also view well-performing online merchants as more trustworthy to purchase from in the future. As such, the cycle restarts and continues to feed into more future
Internet shopping activities. This notion is clearly seen with P1’s evolving Internet shopping experience:

We realised...that we can begin to get things online and...one thing that lead from sporting goods, to books, to our air flights, to our...now more recently...grocery shopping. So it’s just evolved (P1, established Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Rejecting poor-performing B2C online stores
The alternative to adopting Internet shopping is to reject it. In a few instances, some participants complain to the online merchants about receiving damaged goods, or the wrong goods. Where their concerns are dealt with well, they continue to maintain a positive view of both the Internet shopping process and the online merchants concerned. For example, P1 receiving a damaged book. He complains to the online merchant and he receives a further discount. He considers that his complaint is well addressed by the online merchant. Furthermore, he feels very satisfied with the outcome (refer to Section 4.3.18).

On the other hand, some participants did not receive, in part, or in full, their online shopping goods as expected and paid for, as P10 relates his experience. ‘I’ve had a couple of problems with purchasing stuff with...PayPal and different vendors...where...the thing didn’t actually arrive. But, you know, very few and far between that’s ever happened’ (P10, established Internet shopper, male, age bracket 36-45 years, refer to Table 3.8). In addition, online merchants sometimes fail to satisfactorily address the complaints by these participants. As such, these participants express a negative attitude towards the online stores concerned and choose not to buy from them anymore. Nevertheless, they continue, but with much caution, to use the Internet shopping mode for purchasing physical goods online. Furthermore, they will only purchase from credible and trustworthy B2C online stores. The story of P11 demonstrates this theme well:

It’s that kind of...scenario of having...once been bitten, you’re very, very cautious about...who you buy from...if it was something I think I really wanted, if there were concerns about the website I would be...very hesitant. I think I’d rather say, “No, I’ll just have to wait and see if I can find it somewhere else,” rather than go through and either have...the difficulties of credit card fraud or the whole scam of the thing not turning up and then you’ve
got that double disappointment of...you haven’t got it and now you probably won’t get it...and you’ve lost your money to boot (P11, established Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

However, none of the six participants of the established Internet shopper group reject Internet shopping as a shopping mode for purchasing physical goods online. Although for those participants experiencing the failures of online merchants, they reject the poor performing B2C online stores for future shopping. The failures of those B2C online stores are in not fulfilling their obligations, as any good business will do.

### 4.4 The new Internet shopper group

This section (4.4) focuses on the findings from the new Internet shopper group. The findings from this group are organised as per the sections and headings presented in Table 4.7. Furthermore, the findings are descriptions of the participants’ shared experiences, from their phenomenological interviews, about their learning of Internet shopping for purchasing physical goods in a B2C online e-commerce environment.

The main difference between the established Internet shopper group and the new Internet shopper group is observed on the basis of how long they have participated in Internet shopping for purchasing physical goods in a B2C online environment. The new Internet shopper group is made up of three participants (refer to Table 4.8). This group has Internet shopping experience in purchasing physical goods online for less than twelve months at the time of conducting this research. However, there is one participant (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8) who has been purchasing physical goods online for slightly more than 12 months. She is included in this group because her Internet shopping experiences are more typical of this group, rather than those of the established Internet shopper group.
The profile of this group shows that all three participants purchase physical goods from New Zealand B2C online stores. Furthermore, two of them have also purchased physical goods from an overseas B2C online store. All three participants indicate purchasing physical goods via New Zealand’s C2C Trade Me online marketplace, and one of them (P8) has purchased physical goods from an overseas C2C online marketplace, eBay (see Table 4.8).

In addition, all three participants in this group indicate that they have Internet shopping experience in purchasing non-physical goods and services in a B2C online environment. These participants have performed Internet shopping by purchasing online tickets and digital music from B2C online stores. None of these participants has performed grocery shopping via
the Internet. All three participants in this group consider that Internet shopping for purchasing physical goods in a B2C online environment is learned behaviour (Table 4.8).

Table 4.8  **Profile of new Internet shopper participants in relation to Internet shopping experience**

<table>
<thead>
<tr>
<th>New Internet shopper group</th>
<th>NZ B2C online stores for physical goods</th>
<th>Overseas B2C online stores for physical goods</th>
<th>NZ C2C online marketplace for physical goods</th>
<th>Overseas C2C online marketplace for physical goods</th>
<th>Groceries from B2C online stores</th>
<th>Non-physical goods and services from B2C online environment</th>
<th>Internet shopping as learned behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>P7</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P8</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P12</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

4.4.1. **Internet shopping learning process evolving over time**

All three participants in this group indicate that Internet shopping is a learning process that evolves over time. Furthermore, they comment that online shopping is learned behaviour. This view is shared with the established Internet shopper group (see Table 4.8). An example that demonstrates this notion of Internet shopping as learned behaviour is reflected upon by P12. She comments on the need to learn the language of Internet shopping ‘because you have...to read...the vocab of whatever website you’re on when you’re purchasing online’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8). Another example supporting this idea is expressed by P7. He comments:

It’s not something that you’ve known before...so it’s more of a...personal experience...or you’re learning through others...And you also become aware of the different ways you can purchase things cheaper and comparing the different prices...because...other vendors...are available online (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

This theme of Internet shopping as learned behaviour is further captured by the perspective of P8. She starts by noting the need to know that Internet shopping exists as an option for
shopping. In addition, she comments that learning is a combination of both knowledge and experience. She shares a view that knowledge is required to learn how to use a computer and to navigate around the Internet. Moreover, she considers that experience is necessary to assess the available online options to effect favourable outcomes, as well as learning about new sites, and novel ways to find physical goods online. She explains:

The first thing you learn about is that it exists and that it’s actually an option...that you can...shop online. I think another thing you learn about it is how to assess...whether the deal’s going good or not...assessing whether the price is worth it...I definitely think it’s a combination of...knowledge and experience...The knowledge of how to use a computer and how to get around on the Internet...as well as the experience of...how to assess what’s bad or good...and...continue to learn... about new sites, or...new ways of finding things (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Furthermore, the three participants also indicate that they learn about Internet shopping from their social groups of friends, family and work colleagues, as well as from the media. They learn from the Internet shopping experience of their social groups. In addition, they also consider the role of the media as important in raising their level of awareness as to the options available via Internet shopping. The experience of P7 is a good example of learning among his social groups and from the media:

My sister referred me to the vendor and they automatically...had my email address under their system. So they give daily up-dates of sales and that...recurs every twenty-four hours...There’s always three purchases that you can have each day at...reasonable prices...It’s quite attractive but it...doesn’t force you to buy if you don’t want to. It just gives out the options (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

On the other hand, P8 indicates that her learning about Internet shopping is primarily from the online media. This includes product reviews and reading testimonies of satisfied online customers. It also includes YouTube postings and product online tutorials. As such, she attributes the success of her coming to use Internet shopping to her learning from the online media. She explains:
I read a lot of comments that people have said...“Oh yeah I received this really well and your service is really good.” So I bought it and yeah it was good...I was on YouTube quite a lot and there are...girls on there that are like...fashion gurus and make-up gurus and so I...really loved watching them and how they do like tutorials on how to do make-up... and they would shop online...They would say, “Oh yeah I got this online”...They shop online a lot...more regularly than retail shopping (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

4.4.2 The enabling process with its key influencing factors

The enabling process by which new Internet shopper participants come to use Internet shopping for purchasing physical goods online is the same as that of the established Internet shopper group. However, the amount of details presented by these two groups differ on the basis of how long the participants have been using Internet shopping and how recently they have performed online shopping at the time of their participation in this research.

The established Internet shopper group provides the researcher more details from their experience than the new Internet shopper group. This is likely due to the longer duration of their Internet shopping involvement and their continuous participation, including their most recent online shopping transaction. This compares to those who are still new to Internet shopping, and are still evolving in their Internet shopping learning experience.

The new Internet shopper participants like those of the established Internet shopper group comment on the cyclical enabling process towards the use of Internet shopping for purchasing physical goods from B2C online stores. It is a process that involves key motivational drivers, learning from members of their social groups, and the perceived usefulness and benefits of Internet shopping. It includes the role of ease of use and the participants’ belief that they are in control of their online shopping process to effect positive outcomes. It also includes their individual trust propensity and prior knowledge and usage experience. In addition, it involves familiarity and confidence to trust the Internet shopping process and online merchants. The journey towards Internet shopping is an enabling process that enables participants to break through the perceived barriers to complete their Internet shopping experience.
4.4.3 Key motivational drivers
Motivation is considered by this group of new Internet shoppers as an important enabling factor in the process by which they come to use Internet shopping. The main key motivational driver for this group is availability and accessibility. In addition, five other key motivational drivers are noted: need or unmet need; cost savings; cheaper prices; convenience; and wanting to try Internet shopping as a new experience. Only one participant (P7) in this group indicates time saving as a motivation for performing Internet shopping (Table 4.9).

Table 4.9 Key motivational drivers towards Internet shopping for the new Internet shopper group

<table>
<thead>
<tr>
<th>Key motivational drives</th>
<th>P7</th>
<th>P8</th>
<th>P12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meet a need or unmet need</td>
<td></td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Availability and accessibility</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Time saving</td>
<td>√</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost saving</td>
<td>√</td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Cheaper prices</td>
<td>√</td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Convenience</td>
<td>√</td>
<td></td>
<td>√</td>
</tr>
<tr>
<td>Try a new experience</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

Like the established Internet shopper group, the new Internet shopper group also has several key motivational drivers that are involved in the enabling process by which they come to use Internet shopping. For instance, P7 has five key motivational drivers that collectively motivate him towards its use (see Figure 4.9). Furthermore, all of the different key motivational drivers are interrelated and are inclusive of the overall enabling process by which these participants come to use Internet shopping for purchasing physical goods from B2C online stores.
Need or unmet need
One of the key motivational drivers for this group is having a need or an unmet need that can be met by Internet shopping in a B2C online environment (Table 4.7). For instance, P8 needs a dress that is unique and exclusive for her school ball. She wants her dress to be different from the ball dress of other girls. She did not like what is available in the bricks and mortar clothing stores. As such, Internet shopping provides her with the option of finding and purchasing her exclusive and unique ball dress from China to meet her need. She explains:

The first thing I bought online was...a dress. I was just looking online because I went to all the retail stores and everything I didn’t like...or it was just really common and I knew everyone would have it...I looked up dresses, ball dresses...I came across one site that was...really good and the prices were quite cheap...I kind of thought, “Oh maybe I could just buy mine actually online” (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

A need or an unmet need is part of the motivational drivers for two participants (P8 and P12) in this group. The two participants, like those of the established Internet shopper participants, consider a need or an unmet need as part of the enabling process towards using Internet shopping for purchasing physical goods online. In essence, it is the key motivational drivers that motivate the participants to use Internet shopping to meet their needs that are not met by what is being offered to them via physical stores.

Availability and accessibility
The main motivational driver for this group is availability and accessibility (see Table 4.9). All three participants purchase physical goods from New Zealand B2C online stores and one participant (P8) purchases from overseas online merchants. The perspective of this group in relation to physical goods’ availability and accessibility is the same as that of the established Internet shopper group. They share the same view of the benefits that Internet shopping provides in accessing a wide selection of physical goods and B2C online stores. This view also includes having the products readily available in stock for purchasing when visiting online stores. For example, P8 shares her experience in accessing in a unique ball dress from an online retailer in China:
I’d look on…not just the dress that I was wanting to get. I looked on lots of other products that they had. “Cause they’ve got…a range of electronics, to clothing, to home ware and stuff like that”. So I just…browse through a lot of…things and just looked down at what people said…Everything was good...The ball dress...I wanted...uniqueness and...the price to me was like quite good...plus the shipping and all of that...I felt like it was worth it (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

**Time saving**

P7 of the new Internet shopper group identifies time saving as a key motivational driver that motivates him towards Internet shopping (Table 4.7). While time saving is important to P8 and P12, they have some available time due to their working part-time. P7 on the other hand is in full-time employment, at the time of the research. As such, he has less available time for shopping. Therefore time saving is an important factor for him. He comments about time saving through the use of Internet shopping:

> It’s not time consuming, it saves a lot of time and time is something that a lot of people don’t have due to…working constraints. And you wouldn’t be able to shop after work as well because of…family commitments and having to get home fast and shopping is one of the last things on your mind at the end of…a hard day’s work (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

This group of participants and the established Internet shopper group both indicate time saving as a key motivational driver. They also consider time saving as an important factor in the learning process by which they come to use Internet shopping for purchasing physical goods in a B2C online environment.

**Cost saving**

Like the participants in the established Internet shopper group, P7 and P8 express that the value of cost saving (see Table 4.9) is a key motivational driver in the enabling process towards Internet shopping. Their view is that Internet shopping saves them costs in not having to physically travel to do their shopping. There is also cost saving in having their shopping delivered to their doorsteps (Table 4.7). For instance, P7 gives his perspective on cost saving:
You didn’t have to physically get in a car and go to the shop and it was very accessible and it was just fast...So you cut out going, waiting at the lights, or jumping in a car and...physically going to the shops, which is quite time consuming (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

**Cheaper prices**

Cheaper prices constitute one of the key motivational drivers that motivate P7 and P8 towards the use of Internet shopping (Table 4.9). For example, P7 expresses his view about the prices that are offered by www.1-day.co.nz for their daily sales. ‘There’s always three purchases that you can have each day at...reasonable, reasonable prices...It’s quite attractive’ (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8). P8 also expresses a similar view. She comments, ‘so I...looked up dresses, ball dresses...just looking on random sites. And then...I came across one site that was...really good and the prices were quite cheap’ (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8). On the other hand, P12 is motivated by cheaper prices. However, she notes that her online purchases are on sale. The prices are the same online as they are at the bricks and mortar stores. As such, for P12, there is no cheaper price advantage in shopping online, other than convenience and having the new full experience of online shopping.

Cheaper or discounted prices are noted by both the new and the established Internet shopper groups as important in their overall decision-making process to use Internet shopping for purchasing physical goods online. Moreover, their subsequent online purchases are further encouraged and motivated by achieving cheaper and discounted prices, as well as other benefits of Internet shopping.

**Convenience**

Two participants from this group (P7 and P12) specifically note convenience as one of their key motivational drivers in their journey to arrive at the point of actually using Internet shopping (Table 4.9). The notion of convenience also relates to time saving through not having to travel to do the shopping but letting the fingers and computer mouse do the shopping. As P12 comments, ‘it was just more convenient’ (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).
Another example is P7, being in full-time employment means that he has limited time to go shopping. Internet shopping gives him the alternative of clicking the mouse to do his shopping online. Internet shopping enables him to mitigate his time constraints. It also lessens the pressure that salespeople put on him if visiting a bricks and mortar store. P7 explains:

> My thoughts are it’s very convenient, very easy to use...There’s no pressure on your buying it, in comparison to a shop where you go and someone’s trying to physically sell it to you and they’re pressuring you at the same time (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

In addition, convenience is one of the primary domains of Internet shopping. Convenience is noted by both the new and the established Internet shopper participants as an important motivational driver in the process of arriving at using Internet shopping for purchasing physical goods in a B2C online environment. Convenience also relates to cost saving and reducing the effort shopping requires by having the goods delivered to their doorsteps. It is also about accessing a wide selection of online malls and stores to choose from.

**Trying a new experience**

Two of the participants in this group (P7 and P12) point out that their desire to try a new experience motivates them to use Internet shopping (Table 4.9). For instance, P7 initially used Internet shopping as an experiment to see if it is what it is made out to be. For him, it is accessibility and cheap prices. P7 comments:

> It was really an experiment just...to try it out to see if it was what it was made out to be, which was accessible and cheap, cheap most of all. So yeah it’s...been a good experience (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

Another example is that of P12 wanting to try Internet shopping to purchase physical goods as part of her evolving online shopping experience. She indicates that, since she has just come to own her first debit card (around the time of the research) she wanted to try it with Internet shopping. As such, she uses her debit card to buy a physical CD online so she can have the full Internet shopping experience of purchasing online and having the CD package couriered to her doorstep. P12 explains:
It was just...a new experience. I was just quite excited to receive something from like the courier. Cause I...like receiving packages, everyone does. I wanted to just receive it as a package as well (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In essence, P7 and P12 of the new Internet shopper group share the same key motivational driver of wanting to try something new with P1 and P10 of the established Internet shopper group (see Table 4.3). These participants of both groups indicate that their desire to try a new experience motivated them towards using Internet shopping for purchasing physical goods in a B2C online environment.

Furthermore, the research notes that all three participants in this new Internet shopper group are the youngest (18-24 age bracket) in this study. Their new Internet shopping experience corresponds to their new-found ability to own a credit or debit card to facilitate their online shopping. For example, P12 starts using online shopping once she owns her own debit card. Prior to having her own card, she and her mother shopped together via Trade Me using her mother’s credit card.

4.4.4 Perceived usefulness and benefits
This group of new Internet shopper participants share the same view as the established Internet shopper group, in relation to perceived usefulness and benefits of Internet shopping (refer to Table 4.4). These three participants, like the established Internet shopper group, have been using the Internet to surf, search and research for physical goods online, prior to their coming to use Internet shopping. They are well informed of the usefulness and the benefits of Internet shopping. Both groups indicate that perceived usefulness and benefits of Internet shopping are part of their decision-making process in coming to use Internet shopping for purchasing physical goods from B2C online merchants. For instance, P8 explains her experience with perceived usefulness and benefits of Internet shopping towards making an online purchase:

I think it was just the combination of...just browsing wanting to look at pictures and not really think of buying the things, but then trying to look at the pictures and get ideas, but then seeing the prices and thinking, “Oh that’s quite affordable and maybe like it’s an
option.”...A combination of that and...just watching the...girls on YouTube (P8, new
Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In addition, this group of new Internet shopper participants comment on the benefits of
Internet shopping in meeting their motivations. For instance, they comment about having
access to a wider selection of products and online shops to choose from, as well as time
saving, cheaper prices and convenience.

4.4.5 Ease of use and perceived control
All three participants in this group indicate that Internet shopping’s ease of use is an important
consideration in their enabling process towards using Internet shopping for purchasing
physical goods online. They comment that in their view Internet shopping is supposed to be
easy to use. If there are more than three pages, or clicks to navigate before actually getting to
the shopping part, then it is too much and they are out. This theme is well explained by P7:

If there are probably more than...three pages to navigate, to actually press the paid button,
then it’s too much. You’re out...you don’t want to sign this, or agree to these. If it’s all on
under three pages...then you’re willing to do it (P7, new Internet shopper, male, age
bracket of 18-25 years, refer to Table 3.8).

In addition, this group of new Internet shopper participants considers that ease of use is
strongly related to their being in control of the Internet shopping process. They note that if
Internet shopping is hard to perform with a particular B2C online store, then that will raise
doubts as to the credibility of the store. It also raises concerns for online consumers as to their
ability to control their online shopping with that particular online merchant to achieve a safe
Internet shopping outcome. They consider that if a B2C online store is not easy to use, it will
not go well for their being in control of completing a successful online shopping purchase.
P12 explains her view about ease of use and being in control of the Internet shopping process:

If I can’t clearly see what I...purchase, like the process of my purchase then I won’t...There
is a thought in my head if it’s legit or not?...I would like something that’s simple...for me,
Internet shopping should be simple...So I just think if it’s not easy... if it’s not a three step
process...then I won’t go through it, I’d rather just go to an actual store (P12, new Internet
shopper, female, age bracket of 18-25 years, refer to Table 3.8).
Furthermore, this group notes the importance of these two related factors in giving them confidence and qualifying trust towards using Internet shopping. The participants’ view of being in control of their Internet shopping process directly influences their willingness to complete their online purchase. P8 explains her view:

I think it’s really important...being it so new...it has to be really easy to use for people...It’s a new thing already, so if they...find it hard to use, I don’t think they would. They’d change side (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In essence, the new Internet shopper group shares the same view as that of the established Internet shopper group, in relation to perceived ease of use and control of the Internet shopping process. These two sides of the same theme are part of the overall enabling and learning process by which participants of both groups come to perform Internet shopping for purchasing physical goods in this environment.

4.4.6 Social groups and media influences

Two of the participants (P7 and P12) in this group indicate how family members and friends positively influence their learning to try Internet shopping for purchasing physical goods in a B2C environment for the first time. For instance, P7 is referred by his sister (see Table 4.10) to check out www.1-day.co.nz. This is how he started using online shopping. He has since been frequently purchasing physical goods online from B2C online stores.

Another example is P12 telling her story of how she started to use online shopping with her mother (see Table 4.10) on a C2C online marketplace, Trade Me. She has since been using Internet shopping to purchase CDs and DVDs from www.marbecks.co.nz and a jacket from www.kathmandu.co.nz. P12 comments on her mother’s influence in her coming to use Internet shopping:

It was through Mum...cause she does a lot online...It was her gift to me, so she just told me...what’s best to do, if I want to get that...DVD...so it was just through Mum (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).
On the other hand, P8 is mainly influenced by the online media and its social network groups. For instance, in her journey towards performing Internet shopping, she relies heavily on the online media for information. She reads customers’ testimonies of their Internet shopping experiences with particular B2C online stores. She reads product reviews to establish the credibility of both the product and the B2C online stores. She also watches YouTube clips to actually see the product being used and hear from fashion user experts as to their assessment of the actual products and services being offered by the B2C online stores. P8 uses the online media and its social network groups to inform her and, in effect, to positively influence her journey towards using Internet shopping for purchasing physical goods online.

This group and the participants in the established Internet shopper group share the same view about the positive influence of members of their social groups (see Table 4.10) on their coming to use Internet shopping. They indicate that the media (refer to Table 4.10) also provides a positive impact on the enabling and learning process towards using Internet shopping for purchasing physical goods.

**Table 4.10**  
**Sources of influence to use Internet shopping for new Internet shopper participants**

<table>
<thead>
<tr>
<th>Participants</th>
<th>Social group influence</th>
<th>Media influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>P7</td>
<td>Family and friends</td>
<td>Online media</td>
</tr>
<tr>
<td>P8</td>
<td>Online social network</td>
<td>Online media</td>
</tr>
<tr>
<td>P12</td>
<td>Family and friends</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**4.4.7 Attitude towards Internet shopping**

The new Internet shopper participants, like those of the established Internet shopper group, indicate a positive attitude towards Internet shopping. They comment positively on its usefulness and benefits (see Section 4.4.4). They note that, while there are risks associated with the activity, there are sufficient safety systems in place to protect online consumers. For instance, P12 comments, ‘it is...risky, but at the same time there’s more safety...’
protection...online...to protect from that risk’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In addition, these participants have prior knowledge and user experience of computers and the Internet (see Section 4.4.8) that contribute positively to their attitude, confidence and qualifying trust in coming to use Internet shopping for purchasing physical goods online. They have prior B2C online shopping experience in purchasing non-physical goods and services. They also have online shopping experience with purchasing physical goods from C2C online marketplaces such as Trade Me and eBay. As such, their Internet usage and online shopping experience impact positively on their attitude towards purchasing physical goods from online stores. Furthermore, the influence of social groups and the media impact positively on the attitudes of new Internet shopper participants toward using Internet shopping (see Section 4.4.6).

4.4.8 Prior knowledge and past experience

All three participants in the new Internet shopper group indicate wide use of computers and Internet technology. They also consider that their prior knowledge and usage experience of computers and the Internet (see Table 4.1) as being most helpful in their learning towards the use of Internet shopping for purchasing physical goods. For instance, P8 comments about her growing up with computers. ‘We’ve pretty much had a computer all our lives...I’ve taken computers at high school...We’ve got...three laptops in our house, so...computers are second nature to us’ (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8). Furthermore, P8 explains the importance of computer and Internet knowledge and usage experience in her journey towards purchasing physical goods online:

I think more than that, it was my knowledge of...how to use a computer, or like the knowledge of how to search for things...some of the big sites that have a range of things. There are so many products and so many pages and...you have to know...what category you want....You have to convert currency because it’s all in American dollars...and then your credit card, you have to do all that (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Another example is P7. He notes that being computer-literate brings the familiarity and confidence that are necessary for the online shopping environment. This is especially true
when it gets to the stage where money is needed to be transacted to consummate online purchases. P7 comments on his experience:

It’s...daunting...if you weren’t very computer literate because once money gets involved then you become...quite afraid of...using your credit card...because you’ve seen what happens on the media and how they portray...money being lost over the Internet. But once you become familiar and the security measures that are in place, you become more comfortable in using it (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

Both the new Internet shopper and the established Internet shopper groups share the same view in relation to prior computer and Internet knowledge and usage experience. Both groups consider that their prior computer and Internet knowledge and usage experience (see Table 4.11) have helped them become shoppers of physical goods from B2C online stores.

### Table 4.11 Prior knowledge and past experience in computer, the Internet and online shopping of the new Internet shopper group

<table>
<thead>
<tr>
<th>New Internet shopper participants</th>
<th>Prior computer knowledge</th>
<th>Prior computer usage experience</th>
<th>Prior Internet knowledge</th>
<th>Prior Internet usage experience</th>
<th>B2C Internet shopping experience</th>
<th>B2C Internet shopping for purchasing physical goods</th>
<th>B2C Internet shopping for purchasing non-physical goods and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>P7</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P8</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P12</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**Past Internet shopping experience**

This group of new Internet shopper participants indicate that they have past Internet shopping experiences in purchasing non-physical goods and services in a B2C e-commerce online environment (see Table 4.9). Their past experiences have been positive and consequently contribute to their journey towards having qualifying trust to purchase physical goods from B2C online stores. For instance, P12 comments on her positive experience with purchasing airline and concert tickets online. ‘I purchase a lot of...airline tickets and concerts and I
haven’t had any trouble yet, which is good…they’ve all been positive (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

It is also noted that all three participants indicate that they have used online shopping with New Zealand’s C2C online marketplace, www.trademe.co.nz. For example, P12 explains, ‘I started buying goods online with my mum, because she does a lot of Internet shopping, but...on Trade Me’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8). Another example is P8. She has purchased from both New Zealand’s Trade Me and the overseas C2C online marketplace, www.ebay.com. P8 comments, ‘I bought another dress...for my eighteenth birthday...I think it was from eBay...and then I’ve used Trade Me, I think twice’ (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Both the new Internet shopper and the established Internet shopper groups indicate that their prior Internet shopping experiences with B2C online stores and C2C marketplaces contribute to their learning process to use Internet shopping for purchasing physical goods in a B2C online environment. Their becoming familiar and confident with their prior online shopping experience provides them with qualifying trust to extend their Internet shopping experience to purchasing physical goods from B2C online stores.

4.4.9 Individual trust propensity
Some participants are more trusting than others. The theme of high individual trust propensity and its impact on Internet shopping is well demonstrated by P8 in her experience of purchasing a ball dress from a B2C online retailer in China. P8 is more trusting and she explains:

I was a bit iffy...if I should do it or not, but I’m...the type that...doesn’t really...care about that and will just take a risk...even though Mum was saying, “Don’t do it, don’t do it.” But I...just tried it. I think I’m just a trusting person...The comments in the reviews that I read were like a huge part of...why I...eventually chose to do it...I’ve always been a bit gullible and a bit trusting (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

On the other hand, P7 relates his lack of individual trust propensity towards Internet shopping. He indicates that at the beginning he did not have much trust to purchase physical goods
online. However, his propensity to trust is enabled, over time, by B2C online stores demonstrating competence and fulfilment of his online transactions. For instance, he comments:

I didn’t trust it at first, but then when you have tried it and at the end of all these applications and buying and if you get your...product and you’re happy with it, then...there’s more trust (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

The experience of participants in this group shows that online consumers are more likely to use Internet shopping for purchasing physical goods online where they have high individual trust propensity. In addition, they indicate that they are positive about the Internet to perform online shopping activities, notwithstanding their concerns of possible risks of becoming a victim to online fraud or scam. Furthermore, positive online shopping experience enables individual trust propensity towards Internet shopping, as with the experience of P7.

4.4.10 Familiarity and familiarity building

These three participants share the same view with the six participants of the established Internet shopper group that familiarity is part of the learning towards using online shopping for purchasing physical goods online. Their becoming familiar with the online environment is based on their learning, prior knowledge and usage experience. Furthermore, their becoming familiar with the online environment gives them confidence to purchase physical goods from B2C online stores. For example, P12 comments, ‘yes, my positive experience...because I’ve become more familiar with knowing the process of purchasing online’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In addition, the participants’ prior Internet shopping knowledge and usage experience extend their online shopping activities to include purchasing physical goods from B2C online stores. Their cumulative learning and online shopping experience also provide them with more familiarity, knowledge and skills for the best use of Internet shopping for their future advantage. For instance, P7 comments on his familiarity-building process towards using Internet shopping:

Once you become familiar and the security measures that are in place, you become more comfortable in using it...You become more confident...once you try it the first time...you’d
know how to do it all the time. And you also become aware of the different ways you can purchase things cheaper and comparing the different prices online (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

Furthermore, the influence of members of social groups impacts positively on the enabling process of familiarity building for these participants. They are also made more aware and informed of online shopping benefits by the media. Through the enabling process, familiarity is generated that consequently gives confidence to online consumers about using Internet shopping for purchasing physical goods online.

4.4.11 Confidence and confidence building
The familiarity these participants developed in the course of the enabling process provide them with confidence to extend their experience to online shopping of physical goods from B2C online stores. Moreover, their positive experience with using the Internet and Internet shopping for purchasing non-physical goods and services online further enhance their confidence. For instance, P12 comments about her familiarity with the online environment and positive experience with purchasing non-physical goods online. ‘I purchase a lot of...airline tickets and concerts...I haven’t had any trouble yet...They’ve all been positive because I’ve become more familiar with knowing the process of purchasing online’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In addition, as participants become more familiar with the online environment they become more confident in the use of the Internet for purchasing physical goods from B2C online stores. For example, P7 explains how he becomes more confident over time with the Internet and Internet shopping:

You become more confident...once you try it the first time,...you’d know how to do it all the time...The more confident you become in yourself using it, not in terms of the actual Internet...but...the application and just knowing your way around the different websites and the little tips that you...acquire when you actually get on the Internet and apply...it (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

Furthermore, as participants start using Internet shopping for purchasing physical goods from B2C online stores and experience the benefits, they become more confident in the use of
Internet shopping and the merchants concerned. For instance, P8 comments on her positive experience of receiving favourable Internet shopping outcomes. ‘They’ve all come and...quite fast...The merchants have been really good and...it’s been worth the money I’ve paid....So...up till now, I have more confidence’ (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

This enabling process of familiarity and confidence building, gives the participants qualifying trust to proceed to use Internet shopping. As such, they consummate their Internet shopping with submitting credit card details to complete their online transaction. In essence, this group of new Internet shopper participants share the familiarity and confidence-building learning process of the established Internet shopper group. Furthermore, their confidence gives them qualifying trust to perform Internet shopping for purchasing physical goods online.

4.4.12 Perceived barriers
The participants in this group relate their fears of the unknown leading up to and during their initial Internet shopping for purchasing physical goods from B2C online stores. They fear online credit card fraud where computer hackers may access their bank accounts and steal their money. For instance, P7 explains, ‘I’ve heard of cases...personally and on the media, in terms of people stealing accounts and getting into different people’s accounts through the Internet’ (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8). In addition, they fear online merchants receiving payments but may not honour the fulfilment of their orders. For example, P8 explains her fear of not receiving the goods she has purchased. ‘You’re never really guaranteed it until you actually have it in your hands (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

The participants in this group also fear the risk of receiving the wrong product or damaged goods. For instance, P12 expresses her fear about the ‘risk of receiving the wrong product’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).
Furthermore, P8 also comments on her fear of the product not arriving at all or receiving a different product. She explains:

That it wasn’t the same as the picture, or the colour’s different, or the size is wrong, or...that the product that I thought I was getting, wouldn’t be the one that I received (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).
Most of their fears are perceived fears of the unknown and possible risks. Nevertheless, the participants of the new Internet shopper group, like those of the established Internet shopper group, break through to the other side of the perceived barriers to perform Internet shopping. In essence, the positive impact of the enabling factors all contribute to the enabling process by which these participants learn to use Internet shopping for purchasing physical goods from B2C online stores.

4.4.13 Qualifying trust

Qualifying trust is an important factor in the process towards using Internet shopping. Furthermore, qualifying trust results from the positive impact of different enabling factors in the process, including their growing familiarity and confidence with the Internet and online shopping environment. For instance, P7 tells of his first successful online purchase. He did not trust Internet shopping when purchasing a heater online, nor did he trust the online merchant but he does trust his sister and cousin. He explains:

I really didn’t have any trust at all...but...there was enough from my sister and my cousin in terms of users themselves to trust them. So that influenced me much, so it gave a bit of...trust to the actual vendors, through them (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

In addition, the three participants indicate the same themes as those noted by the established Internet shopper group. Their computer and Internet prior knowledge and usage experience (see Section 4.4.8) provide them with familiarity, confidence and qualifying trust to perform Internet shopping for purchasing physical goods there.

Furthermore, their prior experience in Internet shopping for non-physical goods and services in a B2C online environment and purchasing experience from C2C online marketplaces provide them with familiarity. As such, familiarity enables them to have more confidence and consequently qualifying trust to perform Internet shopping for purchasing physical goods from B2C online stores. Other enabling factors such as the positive influence of their social groups (refer to Section 4.4.6), their own positive attitude towards Internet shopping (see Section 4.4.7) and their trust propensity (refer to Section 4.4.9), all contribute to achieving a sense of trust that encourages them to perform Internet shopping for purchasing physical goods in a B2C online environment.
The new Internet shopper participants, like those of the established Internet shopper group, break through the perceived barriers by having their qualifying trust exceed their level of fear about the risks associated with Internet shopping. Therefore, they submit their credit card details to complete their Internet shopping transactions.

Since completing their initial Internet shopping for purchasing physical goods online, the participants have accorded more trust to the Internet shopping process and online merchants where they have received satisfactory outcomes. This theme is well demonstrated through P7’s growing qualifying trust with the Internet shopping process and online merchants. ‘I’ve given them more trust because...satisfaction is high with what I’ve received’ (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

4.4.14 Trustworthiness of B2C online merchant

The trustworthiness of B2C online merchants is of importance to this group of new Internet shopper participants. For instance, P12 starts her Internet shopping by purchasing a CD from www.marbecks.co.nz. Marbecks is one of New Zealand’s leading music stores. For this online consumer, Marbecks has credibility. They are considered a trusted brand and a trustworthy online merchant by P12. As such, P12 comments to this effect. ‘I would only purchase from trusted brands’ (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Furthermore, participants assess the trustworthiness of B2C online merchants by reading product reviews and customer feedback. Therefore, customers’ feedback and product reviews provide online shoppers with some knowledge of what to expect. For instance, P8 uses product reviews, customer testimonials and feedback to establish the trustworthiness of online retailers before committing to purchasing from them. She explains:

I read a lot of comments that people have said...like saying, “Oh yeah I received this really well and your service is really good”...I really wanted to make sure that I wasn’t getting...in a dodgy business, or one that hadn’t been tried a lot (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In essence, the trustworthiness of online merchants is an important factor in the decision-making process of this group to purchase goods. Furthermore, the trustworthiness of online
merchants increases with their good performance and ability to fulfil online orders. For example, P7 comments about his view of online merchants becoming more trustworthy over time. He explains his view about the trustworthiness of B2C online stores he purchases from...’ Probably more than it was before only because I haven’t...encountered any problems yet with...my personal shopping (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8).

4.4.15 Other factors

The new Internet shopper participants have a perception that organisations with established brands are more credible and thus more trustworthy, than newly established organisations. This is evidenced with P12 purchasing only physical CDs and DVDs from Marbecks www.marbecks.co.nz as an established music store. She also purchases clothing from Kathmandu www.kathmandu.co.nz because she considers it to be a credible store.

The ability to contact B2C online stores is another important aspect of trustworthiness for online merchants. For instance, P8 comments about the need to remain in contact with online merchants after making online payment. In addition, she also suggests requesting a tracking number for one’s parcels. She considers this important in minimising the chances of becoming a victim to online fraud, as she explains:

I always make sure that...they give me like a tracking number, so I can track...where the package is at each time...All the merchants I’ve had, have kept in contact with me...they haven’t just like stopped talking to me...I think being in contact with the merchant is very important cause it keeps you...know that you’re on top of it and...you’re not going to get...scammed (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Furthermore, the participants perceive B2C online stores with professional visual storefront presentations as more trustworthy than those with poor visual online presentation. This theme of online visual storefront presentations is an important factor in trustworthiness issues. It is amply demonstrated by the experience of P8. She explains:

What got me about it was it was...very professional, the site itself, just how it looked...It looked like very developed and...constantly changing, so I knew...it was a running business
that they kept up to date (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In essence, both groups of new and established Internet shopper participants share the same view as to the positive impact of other factors on the enabling process towards Internet shopping. Such factors as: well-established organisations; credible brands; contactability of online merchants and professional storefront presentation contribute positively towards Internet shopping for purchasing physical goods in a B2C online environment.

4.4.16 Crossing-over point
At the crossing-over point there is anxiety and concerns. This is where the participants decide whether to go through with their online shopping or not. The new Internet shopper participants tell of the same learning process by which they crossover to using of Internet shopping as that given by the group of established Internet shoppers (see Section 4.3.16). They comment on their initial fears acting as perceived barriers (refer to Section 4.4.12) to prevent them from submitting their credit card details to complete their online shopping. In addition, they fear that their credit card details are not safe in the online environment. For instance, P8 comments on her anxiety at the crossing-over point:

Very scary...’cause you don’t really have to do anything until you get to that point, like you can just get all the way up there and then just leave and then just go, “Okay I don’t want that anymore”...so that’s definitely the point of...am I going to do this or not (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

In essence, the crossing-over point occurs when the participants submit their credit card details and believe that all will be well. All three participants in this group of new Internet shopper crossover this point into purchasing physical goods from B2C online stores. They then wait for the fulfilment of their purchase to be delivered to their doorsteps within a stipulated delivery timeframe.

4.4.17 Instant payment but delayed fulfilment
One of the key features of Internet shopping in purchasing physical goods from B2C online stores is that the placing of an order and making full payment are instant but fulfilment is delayed. The instant payment aspect provides online consumers with some level of confidence
that they have secured the products they want, while products are presumed available. For example, P12 wanting to buy a jacket on sale from Kathmandu online store while it is still available. She explains:

I just bought it because I was flicking through their catalogue on the Internet and they had a sale...So I thought I might as well just buy it online and then just to make sure that it’s secure and like get it sent to me (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

The other aspect of instant online payment but delayed fulfilment is that it presents some risks relating to the ability of B2C online stores to complete the fulfilment part of the full Internet shopping experience. For instance, P8 tells of her problem with one Chinese online retailer:

Something went wrong with it...It couldn’t get past customs...in...Hong Kong...so they couldn’t give it to me anymore...but I’d paid for it... I kind of was freaking out...and I was emailing them but they were...being quite slow in replying to me and I was getting quite anxious...So I actually called them and...finally got someone that could speak English...so that they could refund me and they did...It was a bit scary for a while (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

The group of new Internet shopper participants expresses the same view as those of the established Internet shopper participants in this matter. They indicate that part of their fear is related to this aspect of Internet shopping where ordering and online payment for physical goods is immediate but fulfilment is not, due to the reality of shipment and freighting logistics. Nevertheless, this group of new Internet shopper participants did have the confidence and a sense of qualifying trust to complete their initial online transactions.

4.4.18 Fulfilment of orders

The level of customer satisfaction with the fulfilment aspect of Internet shopping for purchasing physical goods online, for this group, is varied. On the whole, they are happy with their Internet shopping experience. Of the three participants in this group, P7 expresses high fulfilment satisfaction with his online shopping experience. However, there are situations where the wrong product is received or the product did not arrive. One such example is that of P8. She requested a refund when her order did not arrive (see Section 4.4.17). Another
example is P12. She tells of her experience in purchasing a DVD but receiving an album instead. She explains:

I was expecting the DVD to come...but instead I was sent the wrong DVD inside. They actually gave me the album instead of the DVD...I just went back to the actual...store and exchanged it, using the receipt (P12, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Nevertheless, all three participants in this group, like those of the established Internet shopping participants, have continued to purchase physical goods from B2C online stores. Their positive Internet shopping experiences outweigh the negative online shopping incidents. Furthermore, these participants have shown their willingness to seek redress when there is poor fulfilment performance on the part of online merchants, rather than rejecting Internet shopping.

4.4.19 Becoming stage
The becoming stage is the same for the new and established Internet shopper groups. These participants complete their initial purchase online and wait for B2C online stores to fulfil their paid orders. The becoming stage is at the completion of the Internet shopping process when the participants receive their goods. This is the end of the initial Internet shopping process but it is the start of future Internet shopping activities for those choosing to adopt Internet shopping for purchasing physical goods in a B2C online environment. The overall online shopping experience of these participants, over time, provides them with knowledge of the better-performing B2C online stores and those to avoid. For instance, P8 explains this theme well:

I think, I have enough experience to know when something’s...like dodgy, or whether to buy from this company and not from that company...So I think it’s...a lot less risky for me but still risky (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

Adopting Internet shopping
All three participants in the new Internet shopper group adopt Internet shopping for purchasing physical goods from B2C online stores. They also share the same experience in
adopting Internet shopping with the established group. Moreover, it is not a one-off online purchasing event but a series of online purchasing activities.

In addition, their adoption of Internet shopping is based on their receiving more positive online shopping experiences than negative outcomes with purchasing physical goods online. It is also a gradual and evolving process. For example, P8’s adoption of Internet shopping is indicative of the number of online purchases she has made. ‘I’ve gotten like about four or five...items now...online without any problems except...one’ (P8, new Internet shopper, female, age bracket of 18-25 years, refer to Table 3.8).

**Encouraging future Internet shopping**

The initial positive online shopping experiences and outcomes achieved by new Internet shopper participants give them more confidence and a qualifying trust to continue with further online shopping participation. For example, P7 gives a perspective of the impact of positive online shopping experience on future Internet shopping involvement. He comments, ‘when you have tried it...and if you get your...product and you’re happy with it, then...there’s more trust’ (P7, new Internet shopper, male, age bracket of 18-25 years, refer to Table 3.8). As such, positive online shopping experience increases the kind of trust that encourages participants to continue the next cycle of new Internet shopping activities for purchasing online.

**Rejecting poor performing B2C online stores**

Two of the new Internet shopper participants (P8 and P12) have experienced poor performing B2C online merchants. However, this has not put them off from continuing to participate in Internet shopping. For instance, P12 considers the mix-up of a CD for a DVD as a minor problem. She is still positive about online shopping. Furthermore, no one from this group has rejected Internet shopping for purchasing physical goods in a B2C online environment, although they are more cautious about their choices of online stores. Both the new and established Internet shopper groups have rejected poor-performing online stores but not Internet shopping itself.
4.5 The non Internet shopper group

This section (4.5) focuses on the findings from the non Internet shopper group. The findings are organised into sections and sub-sections as presented in Table 4.12. Furthermore, the findings from the phenomenological interviews of participants in this group present descriptions of their common lived experiences regarding their learning of Internet shopping for purchasing physical goods in a B2C online e-commerce environment.

Table 4.12 Sections and headings of findings from non Internet shopper group

<table>
<thead>
<tr>
<th>4.5</th>
<th>The non Internet shopper group</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.5.1</td>
<td>Learning process for shopping at bricks and mortar stores</td>
</tr>
<tr>
<td>4.5.2</td>
<td>Absence of the enabling process and different key influencing factors</td>
</tr>
<tr>
<td>4.5.3</td>
<td>Lack of key motivational drivers</td>
</tr>
<tr>
<td>4.5.4</td>
<td>Lack of perceived usefulness and benefits</td>
</tr>
<tr>
<td>4.5.5</td>
<td>Perceived difficulty of use and not in control</td>
</tr>
<tr>
<td>4.5.6</td>
<td>Social groups and media influences</td>
</tr>
<tr>
<td>4.5.7</td>
<td>Attitude towards Internet shopping</td>
</tr>
<tr>
<td>4.5.8</td>
<td>Prior knowledge and past experience</td>
</tr>
<tr>
<td>4.5.9</td>
<td>Individual trust propensity</td>
</tr>
<tr>
<td>4.5.10</td>
<td>Familiarity and familiarity building</td>
</tr>
<tr>
<td>4.5.11</td>
<td>Confidence and confidence building</td>
</tr>
<tr>
<td>4.5.12</td>
<td>Perceived barriers</td>
</tr>
<tr>
<td>4.5.13</td>
<td>Lack of qualifying trust</td>
</tr>
<tr>
<td>4.5.14</td>
<td>Trustworthiness of B2C online merchants</td>
</tr>
<tr>
<td>4.5.15</td>
<td>Other factors</td>
</tr>
<tr>
<td>4.5.16</td>
<td>Intention to use Internet shopping</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

This group of three participants (P4, P6 & P9), unlike the other two groups of Internet shoppers, has not undertaken Internet shopping for purchasing physical goods in a B2C online environment (see Table 4.13). Their group profile indicates that P9 purchases physical goods from New Zealand’s online marketplace www.trademe.co.nz, as part of his overall Internet shopping experience. In addition, P6 and P9 have purchased non-physical goods and services
from B2C online stores. However, both of these two participants do not use B2C online stores to purchase physical goods. P4 on the other hand, does not use the Internet for any form of online shopping (see Table 4.13).

Table 4.13  Profile of the non Internet shopper participants in relation to Internet shopping

<table>
<thead>
<tr>
<th>Non Internet shopper participants</th>
<th>NZ B2C online stores for physical goods</th>
<th>Overseas B2C online stores for physical goods</th>
<th>NZ C2C online marketplace for physical goods</th>
<th>Overseas C2C online marketplace for physical goods</th>
<th>Non-physical goods and services from B2C online environment</th>
<th>Internet shopping as learned behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>P4</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Thinks so</td>
</tr>
<tr>
<td>P6</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>P9</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

4.5.1. Learning process for shopping at bricks and mortar stores

The three participants with no Internet shopping experience for purchasing physical goods online belong to social groups that prefer to purchase physical products from bricks and mortar stores. For instance, P4 comments about her social groups and their sharing:

I like to be recommended by word of mouth and...some of my best recommendations are from mothers...at schools...you get a lot of really good advice...more options in mulling ideas over and where to purchase things (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.

This group uses the Internet for searching and gathering information. Two of the participants in this group (P6 and P9) use the Internet, primarily for searching and researching products and services but not for online shopping. For instance, they use Google for searching and researching of websites that inform them of the physical goods they are interested in, before visiting the bricks and mortar stores to physically inspect the products prior to purchasing. They also use the PriceSpy www.pricespy.co.nz website to do price and feature comparisons. For example, P9 explains his information searching and researching process:
Yep surf, probably have a look at a few products that...have got some good reviews... or...I'll go to the main retailers online. I’ll go to either Dick Smith...Harvey Norman…There’s a website called PriceSpy...I’ll check on there to see...if there are any bargains...If I see something that looks okay, I might go...to that store...to see what they have...So I...do a little bit of research...online. But I also do a bit of research using my feet (P9, non Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Furthermore, both P6 and P9 use Internet shopping for purchasing non-physical goods and services from B2C online stores but not for buying physical goods online. In addition, P9 uses Internet shopping for bidding and purchasing small items from a C2C online marketplace, Trade Me. On the other hand, P4 thinks that Internet shopping is learned behaviour but has not used it in any form.

In contrast, the established and new Internet shopper groups consider Internet shopping as a learning process. They further indicate that Internet shopping is learned behaviour. This is primarily based on their experience as Internet shoppers of physical goods in a B2C online environment. While all three groups consider Internet shopping as learned behaviour, the group with no Internet shopping experience is yet to perform Internet shopping for purchasing physical goods from B2C online stores.

4.5.2 Absence of the enabling process and different key influencing factors
The stories of these three participants indicate an absence of the enabling process that is instrumental in the online shopping journey as seen with the established and new Internet shopper participants. They consider different factors (see Table 4.14) as more important to them. These factors are not the same as the key influencing factors for Internet shopping. In addition, important influencing factors to this group are contrary to the enabling process that enables the two groups of Internet shoppers to migrate towards using online shopping. For example, P4 does not consider Internet shopping as a means of saving time. Instead, she considers online shopping as a waste of time. She explains:

At this point of time...it requires time and that my priorities are directed elsewhere...I don’t have the time to shop around on the Internet...because you need that time...for me it’s a time
waster (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

Table 4.14  **Lack of an enabling process and key influencing factors for Internet shopping with the non Internet shopper group**

<table>
<thead>
<tr>
<th>Non Internet shopping Participants</th>
<th>Lack in the enabling process</th>
<th>Lack of perceived usefulness and benefits of Internet shopping</th>
</tr>
</thead>
<tbody>
<tr>
<td>P4, P6, &amp; P9</td>
<td>• Lack of key motivational drivers for Internet shopping to purchase physical goods in a B2C online environment.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Motivation to inspect, see, touch, taste, hear, smell, and try physical goods prior to purchasing.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Motivation is to shop at bricks and mortar stores rather than B2C online stores.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Social group influences do not support Internet shopping.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Media communicating risks and reinforcing fear and lack of trust in Internet shopping.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• More cautious and risk-averse participants.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Lack of trust in Internet shopping and online merchants.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Perceived no material usefulness and benefits of Internet shopping.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Consider Internet shopping as time waster, an ineffective and inconvenient mode of shopping for physical goods.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Consider Internet shopping as too hard to perform online.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Preference to shop at bricks and mortar stores.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Prefer social interaction as part of the shopping experience available at bricks and mortar stores.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Prefer to physically see, touch, taste, hear, smell, and try out physical goods prior to purchasing, which cannot be performed via Internet shopping.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Do not believe that they are in control of Internet shopping process and desired outcome.</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

Furthermore, these participants do not consider Internet shopping for purchasing physical goods online as a meaningful shopping mode for them. They view Internet shopping as limited in its ability to purchase physical goods from B2C online stores. As such, there is a lack of key influencing factors, such as motivational drivers and perceived usefulness that are instrumental in facilitating the enabling process towards learning and using of Internet shopping for purchasing physical goods online.
In the context of Internet shopping, the primary concern of these participants is their not being able to touch, feel, and taste the physical goods when purchasing via the Internet. Furthermore, the lack of enabling factors inhibits the enabling process from reaching the online shopping stage for purchasing physical goods in a B2C online environment. For instance, P4 tells her reasons for not purchasing physical goods online:

I’m one of these people that...need to touch things...feel it...and taste and being able to decide...I need to think about it and then come back to...relocate where I think I might purchase something (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

### 4.5.3 Lack of key motivational drivers

Unlike the participants in the established and new Internet shopper groups, these participants with no Internet shopping experience of purchasing physical goods in a B2C online environment, do not have the same motivation for purchasing physical goods online. As such, they lack the motivational drivers that are conducive to Internet shopping for purchasing physical goods from B2C online stores. For instance, P9 does not consider Internet shopping as an effective shopping mode to purchase physical goods online. Rather, he prefers to visit bricks and mortar stores where he can bargain and negotiate as part of his shopping mode. He explains:

I would compare...I will go and look around the store and I’d just say, “Hey...if I paid an extra hundred, maybe I could get this,” but I didn’t see this online, this next model up. But, it...gives me a more of an all-round...taste of what’s out there, rather than just seeing one product that I like and staying at that (P9, non Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

In addition, one of the primary key motivational drivers for this group is their desire to inspect, see, touch, taste, smell, hear or try the physical goods prior to purchasing. In effect, this becomes one of the determining factors for them. Equally, it is also one of the primary inhibiting factors as to why they will not use Internet shopping to purchase physical goods in a B2C online environment. Their motivation of wanting to inspect and check physical goods prior to their purchasing (see Table 4.14) is contrary to the Internet shopping mode. For
instance, P9 explains why he is not motivated to purchase physical goods from B2C online stores:

I don’t get to see them or touch them...That’s important, because...pictures can only tell you so much...sometimes...specs can only tell you so much. I like to actually see what I’m buying and touch it...I would try out some of the features (P9, non Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

Furthermore, these participants indicate their preference for shopping at bricks and mortar stores where they can have social interaction and a rapport with shop assistants rather than just a shopping process via cyberspace. They also consider that Internet shopping for purchasing physical goods online is complicated and hard to use. It is inconvenient for them. Moreover, they express a view that shopping at bricks and mortar stores is equally easy as doing it online (Table 4.14). In essence, the motivation perspective of participants with non Internet shopping experience is on the opposite side of the Internet shopping spectrum compared to those participants in the established and new Internet shopper groups. P9 tells of his experience and why he prefers to purchase from bricks and mortar stores:

At a store when you’re buying a physical good...you can ask the questions. Whereas online you’ve got to type...and then you’ve got to wait for them to reply, sometimes it might be a day or two later...So you sort of get a lot of options as far as communicating with the salesperson...There’s certain stores where I know certain people and are familiar with them, so I have a record with them...This guy...he always gives me a good price and I know that I can bargain with him, whereas if I do it online there’s no bargaining...unless you’re on Trade Me (P9, non Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8).

4.5.4 Lack of perceived usefulness and benefits

From the perspective of participants with non Internet shopping experience there is no material usefulness or benefit in Internet shopping for purchasing physical goods in a B2C online environment. Their preferred mode of shopping is at bricks and mortar stores. As such, they do not consider Internet shopping as meeting their needs. Therefore, it is not perceived as useful in achieving shopping benefits (refer to Table 4.14).
In addition, they consider that the primary roles of the Internet are for communication and to conduct their search and research of the physical goods that they want to purchase. However, it is not for online shopping. They perform feature and price comparisons online and thereafter they go to bricks and mortar stores to see, touch, taste, hear, smell, try and inspect the physical goods, prior to purchasing (see Table 4.14). While this group acknowledges some of the possible benefits of Internet shopping such as cheaper prices online, it is not enough to convince them, in the overall scheme of their decision making, to use Internet shopping for purchasing physical goods in a B2C online environment. For example, P6 indicates that Internet shopping is not useful for her when considering purchasing physical goods. She comments:

I guess for me and my lifestyle it’s not that useful...I find it useful to do the research because then I go out as a shopper into the mall...armed with knowledge...when I do get to the mall...I guess it saves me a lot of time (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

4.5.5 **Perceived difficulty of use and not in control**

The common view of participants in this group is that Internet shopping in a B2C online environment is complicated to use for purchasing physical goods. It is seen as even more complicated when something goes wrong with the purchase or products need to be returned or exchanged. As such, they perceive that they will not be in control of their Internet shopping process. For instance, P6 explains:

It’s much easier...if you’ve bought something from the mall...and it breaks in the first five minutes...just taking it back to the mall is a lot easier to deal with a human being...and get a refund than...dealing with someone online (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

In addition, they consider that purchasing from bricks and mortar stores is equally, if not more, efficient, convenient, and safe compared to purchasing online. P4 relates her experience with a bricks and mortar store when needing to return a bag without a receipt:

It happened with...my daughter’s...bag that she purchased last week, she lost her receipt, didn’t know who she was talking to. I was able to return it and with that one-on-one contact I
was able to purchase another bag. Now that was done...all within an hour...I don’t think I could do that with returning products you’ve got to mail it back, email...I don’t want to deal with that situation (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

4.5.6 Social groups and media influences
The social groups of these participants tend to be those that do not favour Internet shopping for purchasing physical goods online but prefer to purchase from bricks and mortar stores. Furthermore, this group also tends to focus more on negative media about the misadventures of Internet shopping, rather than on its perceived usefulness and benefits.

In addition, there is a contrast between the positive influence toward Internet shopping for purchasing physical goods online from the social groups of the established and new Internet shopper participants (see Sections 4.3.6 and 4.4.6), versus the negative influence towards online shopping of the social groups of these participants. Moreover, these participants feed off their social groups as to their preference to shop at bricks and mortar stores, rather than shopping online. For instance, P4 tells of the impact of her social groups’ influence on her shopping practices:

I like people’s opinions...I cannot just look at a product online...I get customer’s advice through the bank, their experience, so I do go a lot on word of mouth...my sister...with her occupation....at church, so I suppose I had...a lot of contact (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

The social groups of these participants are not interested in purchasing physical goods from B2C online stores. In essence, their friends, family members and peers tend to be in the same non-Internet shopping category. As such, their perspective is tantamount to a preference to shop at bricks and mortar stores, rather than at B2C online stores. For example, P6 relates her typical shopping approach, including the use of online media primarily for product researching. ‘Even things like buying a vacuum cleaner...a fridge/freezer...I did all the research on the Internet, compared the prices...I looked through all the functions...even used the consumer magazine online’ (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).
4.5.7 Attitude towards Internet shopping
The attitude of these three participants is that they do not have a need to purchase physical goods online. Furthermore, their preference is to purchase physical goods from bricks and mortar stores, where they can touch and see products before purchasing. Therefore, their attitude towards Internet shopping for purchasing physical goods in a B2C online environment is not positive and contrasts that of the established and new Internet shopper groups (see Sections 4.3.7 and 4.4.7). For instance, P4 indicates that she does not need online shopping for purchasing physical goods:

It’s not a necessity for me at this point of time. Most things I can purchase...CDs, I have a special shop that I go to...I don’t do a lot of shopping for myself but for the children. Education resources....I know exactly where to go...There’s nothing really that I necessarily need to purchase online (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

4.5.8 Prior knowledge and past experience
These three participants have mixed prior computer and Internet knowledge and usage experience (see Table 4.15). Two participants (P6 and P9), both indicate that they have extensive prior knowledge and usage experience of both computers and the Internet. However, P4 indicates that she has limited knowledge and usage experience of both computers and the Internet besides the skills relating to her banking job. In addition, P4 has not purchased any item, including non-physical goods or services from B2C online stores.

Furthermore, there is no impact of prior computer and Internet knowledge and usage experience, within this group, on their wanting to use Internet shopping for purchasing physical goods online. Their prior computer and Internet knowledge and usage experience are mainly put to use for their jobs, as well as for communication purposes. They also apply their online prior knowledge and usage experience for Internet surfing in searching and researching of products, rather than for online shopping.
Table 4.15  **Prior knowledge and past experience with computer, the Internet and online shopping of the non Internet shopper group**

<table>
<thead>
<tr>
<th>Non Internet shopper Participants</th>
<th>Prior computer knowledge</th>
<th>Prior computer usage experience</th>
<th>Prior Internet knowledge</th>
<th>Prior Internet usage experience</th>
<th>B2C Internet shopping</th>
<th>B2C Internet shopping for purchasing physical goods</th>
<th>B2C Internet shopping for purchasing non-physical goods and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>P4</td>
<td>Limited</td>
<td>Yes</td>
<td>Limited</td>
<td>Limited</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>P6</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>P9</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**Past Internet shopping experience**

Two participants in this group (P6 and P9) use Internet shopping for purchasing non-physical goods and services online. However, they have not purchased any physical goods from B2C online stores. In addition, P9 tells of his early Internet shopping experience with Trade Me. ‘I first started...as far as buying is concerned on Trade Me...So migrating from not buying to buying and...having access to the Internet’ (P9, non Internet shopper, male, age bracket of 36-45 years, refer to Table 3.8). Furthermore, P9 now purchases digital music and software as non-physical goods and services via Internet shopping.

On the other hand, P6 is an extensive Internet user but not an Internet shopper for purchasing physical goods online. She uses the Internet and the Intranet at work every day. She also uses Internet shopping for purchasing non-physical goods and services online. As such, she is very familiar with the online environment but chooses not to use it for purchasing of physical goods. She shares her story:

> I am an Internet user and have been an Internet user...probably as long as the Internet’s been around...I do use it for email, I do use it...at work...We have...both, Internet and Intranet...So...I’m using the Internet every day...I will use it to buy...an air ticket and...ticket to a concert. Those are typically things that I’ve used it for...but I don’t tend to use it to buy...
something physical...I do all my banking on the Internet...So it is a big part of our day-to-day life, I mean for me at home and at work (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

While P6 and P9 have past Internet shopping experience in purchasing from B2C online stores for non-physical goods and services, as well as P9 purchasing from Trade Me as a C2C online marketplace, they have not progressed to purchasing physical goods from B2C online stores. Other factors, such as wanting to inspect, touch and feel products prior to purchasing, as well as having social interaction with shop assistants have inhibited them from adopting the use of Internet shopping for purchasing physical goods online.

4.5.9 Individual trust propensity
Different individuals have different levels of trust propensity. These participants tend to be less trusting of Internet shopping. For instance, P9 indicates that he takes a long time to decide before purchasing something and thus will not shop online. Another example is P6 considering the issues of trusting the unknown and the associated risks. She comments:

There’s still that element of the unknown...when you very trustingly whack in your credit card details and sit and wait for something to arrive. And there’s also the fact that if I don’t like it, what arrives, or it does arrive broken...I’m busy. I work...so packing that thing back up and sending it back...is a hassle (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

For various reasons, this group lacks individual trust propensity to purchase physical goods in a B2C online environment. They are not confident with online shopping and its likely outcomes. For example, P4 expresses her anxieties over purchasing items online. She explains:

I’m a little bit of an...apprehensive shopper...I need to think about it...So I don’t make decisions quickly...I am apprehensive to release money online...it’s that developing of trust...I suppose if I started to form the habit once I started purchasing then...maybe that trust basis would develop (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).
In essence, P6 and P9 have shown enough individual trust propensities to purchase non-physical goods and using online services in a B2C online environment, as well as P9 purchasing physical goods from Trade Me as a C2C online marketplace. Nevertheless, all three participants have not purchased physical goods from online merchants, primarily because of their lack of trust and fear of the associated risks of purchasing products without being able to touch, see and physically inspect them prior to purchasing. Furthermore, they consider that their preferred shopping mode is to shop at physical stores, but not online.

4.5.10 Familiarity and familiarity building
All three participants are more familiar with shopping at bricks and mortar stores than they are with shopping for physical goods online. They do not purchase physical goods from B2C online stores and thus are not as familiar with doing so. For instance, while P4 is competent in the use of computers and the Internet, her online usage experience is limited to mainly the scope of her banking job. Therefore, P4 lacks familiarity with the online shopping environment. She explains, ‘I’m only computer literate within the banking circles’ (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8). Furthermore, P4 indicates that her Internet usage is primarily 90% for email purposes.

On the other hand, P6 and P9 are familiar with using Internet shopping to purchase non-physical goods from B2C online stores. Furthermore, P9 uses Internet shopping for purchasing small products from Trade Me as a C2C online marketplace. However, while both participants are familiar with the online shopping environment, they choose not to use Internet shopping for purchasing physical goods from B2C online stores.

In essence, the shopping orientation for these three participants is to shop at physical stores, not online stores. Despite the three participants having varying degrees of familiarity with the online shopping environment, all three choose not to shop at B2C online stores for purchasing physical goods. As such, their familiarity-building process is for shopping at bricks and mortar stores.

4.5.11 Confidence and confidence building
Confidence in purchasing physical goods from B2C online stores is an issue for this group. All three participants are not confident in the practice. This is primarily due to their preference to shop at bricks and mortar, rather than online, stores. Furthermore, their concern
relates to their not being able to physically see and touch products prior to and during the Internet shopping process. For instance, in P6 buying a remote control car for her son, she researched her purchase online and then went to the mall to buy it. She explains:

My son wanted a remote control...car. So I did all the research,...what were the different functions of the car...what the costs were and...what the delivery times would be if I did buy it from the Internet...Just looking at the pictures and...them telling you...how big it is...You actually need to see it and...so I went...to a mall...and actually bought...him a remote control car at the mall (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

The shopping orientation of these three participants is to purchase physical goods at bricks and mortar stores. Furthermore, their shopping familiarity and confidence are in the context of shopping at these shops. Therefore, without familiarity and confidence, there is no trust in the use of the Internet shopping process for purchasing physical goods online.

In summary, these participants are less confident and less trusting of purchasing physical goods via Internet shopping. All three participants in this group with no Internet shopping experience in purchasing physical goods online, express a lack of confidence, as well as lack of trust in purchasing physical products via the Internet. Instead, they have more confidence and trust in purchasing physical goods from bricks and mortar stores where they can physically inspect goods prior to purchasing. In addition, in the event of a problem with their purchase, they can contact the store directly, or physically go to the store to address the problem in person. Therefore, their shopping mode focuses on building confidence and trust with shopping at physical stores, rather than B2C online stores.

4.5.12 Perceived barriers
All three groups participating in this research experience the same fears about the possibility of online credit card fraud, fear of products arriving that are the wrong products, and perceived fear of not being treated fairly when seeking refunds, or product replacement. They also experience a lack of confidence and trust in the ability and safety of the Internet medium. However, the established and the new Internet shopper groups are able to break through the perceived barriers of their fears and lack of trust and onto the other side where they actually use Internet shopping for purchasing physical goods from B2C online stores.
In contrast, the participants with no Internet shopping experience are stuck at the perceived barriers stage. Their perceived fears become actual fears and their lack of trust prevents them from progressing any further to using Internet shopping for purchasing physical goods online. Therefore, the three participants from the non Internet shopper group did not crossover the perceived barriers to become Internet shoppers of physical goods in a B2C e-commerce online environment.

4.5.13 Lack of qualifying trust

There is a mixed level of qualifying trust among the three participants in this group. On the one hand is P4 expressing a lack of trust with anything connected to online shopping and on the other, are P6 and P9 who have qualifying trust for buying non-physical goods and services online. For instance, P4 indicates her lack of trust in the Internet medium, as well as in the whole Internet shopping notion. She much prefers the local bricks and mortar malls and stores where she can physically inspect the products before purchasing and have a social interaction with the shop personnel. In addition, she does not trust the Internet as a medium for sending credit card details. She explains her perspective from her banking experience:

Not just...putting your credit card online, because...I handle so many issues with it at the bank...There’s so many...preventatives that we have installed in the bank. However it’s when you see the worst side of it at the bank...it does make you a bit apprehensive (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

On the other hand, P6 and P9 are already purchasing non-physical goods and services via Internet shopping in a B2C online environment. Furthermore, P9 purchases small and less-expensive physical goods from Trade Me. Hence, they already have qualifying trust and the experience to perform Internet shopping but choose not to use Internet shopping for purchasing physical goods in a B2C online environment. Their primary issue is not a lack of trust in the Internet shopping technology but in their need to physically inspect the product prior to purchasing, as well as dealing in person with the merchants to discuss and negotiate better terms as part of their shopping process, especially if they are expensive items.

4.5.14 Trustworthiness of B2C merchants

The trustworthiness of a merchant is still very important to this group. However, it is not in relation to the online environment because they do not favour Internet shopping for
purchasing physical goods online. Instead, they prefer to purchase from bricks and mortar stores. They can judge the trustworthiness of a merchant when they are dealing with them face to face. They perceive that it is more difficult to address shopping issues with online merchants compared to turning up at bricks and mortar stores. Moreover, they can address any issue relating to the trustworthiness of the merchant by turning up on-site if there is a problem with their purchase. For instance, P6 does all her searching and researching online and then goes to a reputable bricks and mortar store where she can physically see and touch the product as part of her shopping process.

I’ll do all that...but...at the end of the day I’ll go and buy it where I can see it, feel it, touch it and...know that it’s coming from a reputable source (P6, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8).

4.5.15 Other factors
One of the key decision-making factors for this group is their preference to shop at bricks and mortar stores where they can physically inspect, and experience the product as part of their shopping process. In addition, this group also values social interaction with salespeople as part of their shopping experience, rather than just a virtual experience.

In addition, the ability to easily contact merchants is an important aspect of shopping for this group. For instance, one of the reasons why they prefer to purchase from bricks and mortar stores is the ability to easily contact the stores by telephone or in person if they have problems with their purchase. This is part of their risk-management approach, as opposed to dealing with online stores that have only email addresses and online forums for contact. All of these factors contribute to this group rejecting Internet shopping for purchasing physical goods online.

4.5.16 Intention to use Internet shopping
Of the three participants in this group, P9 indicates that he intends to use Internet shopping for purchasing physical goods from B2C online stores in the future. He is also the most advanced, within the group, with his Internet shopping experience with digital music and software online purchases, as well as buying small physical items from Trade Me. Therefore, he is the most likely participant from this group to continue towards using Internet shopping for purchasing physical goods in a B2C online environment. However, whether he will or not, depends
largely on his desire to physically touch and see products as part of his shopping process, as well as other factors such as the ability to negotiate better terms with online merchants.

On the other hand, P4 and P6 do not intend to purchase physical goods via Internet shopping in a B2C online environment. They are both tactile shoppers who wish to touch, see and feel products as part of their shopping experience, rather than just viewing the products online. They enjoy the social opportunity of physically going shopping. Furthermore, they prefer the social interaction with shop assistants at bricks and mortar stores, rather than the virtual option of shopping online.

4.6 Internet Shopping Learning Model (ISLM)

The primary aim of this research is to build a model of the learning process by which some online consumers learn to use and later adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment. Therefore, this section undertakes to build the ISLM based on the common Internet shopping learning experiences of 12 participants as presented in the findings above. In essence, the ISLM embodies the summary of the research findings and it is presented as per the sections in Table 4.16 below.

The researcher captures the process by which the established and new Internet shopper groups of online consumers learn to use Internet shopping for purchasing physical goods in a B2C online environment (see Figure 4.7), in the form of the ISLM. In addition, the non Internet shopper group also provides a perspective as to why some online consumers have not learned to Internet shopping for purchasing physical goods online. As such, the findings from the non Internet shopper group also contribute to a better understanding of the Internet shopping learning process. Furthermore, the ISLM includes the enabling process, as well as the perceived barriers that online consumers need to overcome in order to use Internet shopping for purchasing physical goods at B2C online stores.
Table 4.16   Sections and headings of the ISLM

<table>
<thead>
<tr>
<th>4.6</th>
<th>Internet Shopping Learning Model (ISLM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.7</td>
<td>Before stage</td>
</tr>
<tr>
<td>4.7.1</td>
<td>Internet shopping learning process evolving over time</td>
</tr>
<tr>
<td>4.7.2</td>
<td>The enabling process with its key influencing factors</td>
</tr>
<tr>
<td>4.8</td>
<td>Perceived barriers stage</td>
</tr>
<tr>
<td>4.8.1</td>
<td>Fear of perceived risks and lack of trust</td>
</tr>
<tr>
<td>4.8.2</td>
<td>Qualifying trust</td>
</tr>
<tr>
<td>4.8.3</td>
<td>Trustworthiness of B2C online merchant</td>
</tr>
<tr>
<td>4.8.4</td>
<td>Other factors</td>
</tr>
<tr>
<td>4.9</td>
<td>During stage</td>
</tr>
<tr>
<td>4.9.1</td>
<td>Crossing-over point</td>
</tr>
<tr>
<td>4.9.2</td>
<td>Instant payment but delayed fulfilment</td>
</tr>
<tr>
<td>4.10</td>
<td>Becoming stage</td>
</tr>
<tr>
<td>4.10.1</td>
<td>Fulfilment of orders</td>
</tr>
<tr>
<td>4.10.2</td>
<td>Adopting Internet shopping</td>
</tr>
<tr>
<td>4.10.3</td>
<td>Encouraging future Internet shopping</td>
</tr>
<tr>
<td>4.10.4</td>
<td>Rejecting poor-performing B2C online stores</td>
</tr>
<tr>
<td>4.11</td>
<td>Internet shopping is learned behaviour</td>
</tr>
<tr>
<td>4.12</td>
<td>Conclusion</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

There are four stages of the ISLM. The first stage is the *before stage* (Figure 4.3) where the online consumer participants do not have any Internet shopping experience in purchasing physical goods in a B2C online environment. This is the stage where the enabling process begins as part of the learning that takes the online consumers in this research towards the use of Internet shopping. The second stage is the *perceived barriers stage* (Figure 4.4) where the online consumer participants face perceived barriers in the form of fear of risks and lack of trust in Internet shopping for purchasing physical goods in a B2C online environment.

The third stage is the *during stage* (Figure 4.6). At this stage, the online consumer participants either break through the perceived barriers to perform Internet shopping, or not.
The fourth and final stage is the *becoming stage* (*Figure 4.7*). This is where the online consumer participants are either satisfied with the outcomes of their Internet shopping experience and choose to adopt Internet shopping for purchasing physical goods in a B2C online environment or alternatively, they are not satisfied with the outcomes and choose to reject Internet shopping for purchasing physical goods online, or adopt Internet shopping but reject the poor-performing B2C online stores.

### 4.7 Before stage

*Figure 4.3* illustrates the *before stage*. At the before stage of the Internet shopping learning process (see (a1) in *Figure 4.3*) the online consumer participants have knowledge of computer, the Internet and online shopping, as well as an understanding of their functions but they have not used Internet shopping for purchasing physical goods in a B2C e-commerce online environment (a3). They have primarily used the Internet for email, Google, Facebook, YouTube, online chats and forums. In addition, they have also used the Internet for searching and researching purposes, as well as comparing prices and product features but not for purchasing physical goods at B2C online stores.

Some of the participants, at the *before stage*, have already used Internet shopping for purchasing non-physical goods and services from B2C online stores. For instance, they have purchased tickets for concerts and airline tickets through Internet shopping. They have also used the Internet for such services as banking and paying bills online. Furthermore, some participants have used Internet shopping for purchasing small physical items from C2C online marketplaces, such as Trade Me and eBay but not from B2C online stores.
Figure 4.3  Before stage of Internet shopping for purchasing physical goods in a B2C e-commerce online environment

(a1) Before stage

(a2) Internet shopping learning process evolving over time

(a3) Online consumers without Internet shopping experience for purchasing physical goods in a B2C online environment

(a4) The enabling process with its key influencing factors

(a5) Key motivational drivers
(a6) Perceived usefulness and benefits
(a7) Ease of use and perceived control
(a8) Social groups and media influences
(a9) Attitude towards Internet shopping
(a10) Prior knowledge and past experience
(a11) Individual trust propensity
(a12) Familiarity

(a13) Confidence

Source: Developed for this research.
4.7.1 Internet shopping learning process evolving over time

There is an evolving learning process taking place over time within this stage (a2). The participants are surrounded by many social and environmental factors that influence their perspective and consumer behaviour towards Internet shopping. Their social, home, education and work environments, all have an impact on their evolving and cyclical learning process towards the use of Internet shopping for purchasing physical goods online.

The overall Internet shopping learning process includes an enabling process and its key influencing factors (see Section 4.7.2). They facilitate the learning of the online consumers towards the use of online shopping. For instance, during this stage, the online consumers learn from their social groups and the media about the usefulness and benefits of Internet shopping. Furthermore, they learn from their prior knowledge and past experience of using the Internet and online shopping for purchasing non-physical goods and services, as well as purchasing physical goods from C2C online marketplaces. Subsequently, their learning develops confidence and qualifying trust in using online shopping.

On the other hand, the three participants with no Internet shopping experience in purchasing physical goods at B2C online stores also belong to social groups that share the same preference of purchasing physical goods from physical stores, rather than online. They and their social groups of friends and networks tend to share the view that the risks of online shopping exceed the benefits. Therefore the views of their social groups become part of their learning experience and consequently the person chooses not to use Internet shopping for purchasing physical products online.

4.7.2 The enabling process with its key influencing factors

The enabling process (a4) is part of the overall learning by which some of the online consumers, in this study, arrive at using Internet shopping for purchasing physical goods in a B2C e-commerce online environment. The enabling process facilitates Internet shopping learning process.

The following sections elaborate on the influencing factors that constitute the enabling process (a4). They include: key motivational drivers (a5); perceived usefulness and benefits (a6) of Internet shopping; perceived ease of use and control (a7) of the Internet shopping process. Other factors forming the enabling process are: social groups and media influences
(a8) on Internet shopping; attitudes towards Internet shopping (a9); prior knowledge and past experience (a10); individual trust propensity (a11); familiarity building (a12); confidence building (a13); trustworthiness of online merchants ((b4) in Figure 4.4); and other factors (b5) that impact on qualifying trust (b3).

The enabling process extend from the before stage (Figure 4.3) to the perceived barriers stage (Figure 4.4). It is the enabling process that initiates the learning process of Internet shopping for the consumer participants, as well as enabling them to cross the perceived barriers stage onto performing online shopping for purchasing physical goods.

**Key motivational drivers**

Key motivational drivers (a5) are important factors in motivating the online consumers, in this study, to use Internet shopping for purchasing physical goods online. Key motivational drivers are not exclusive to the ones identified in this research. They can include other factors that are relevant and of significant importance to online consumers concerned.

Furthermore, key motivational drivers are part of the enabling process. Examples of key motivational drivers (see Table 4.17) as identified in this research include: a need or an unmet need that can be met, or better met through Internet shopping; availability and accessibility of physical goods online irrespective of geographical boundaries. They also include: time saving; cost saving; cheaper prices; convenience and wanting to try a new experience. In addition, key motivational drivers are not in isolation to each other but are inter-related.

In addition, the key motivational drivers are influencing factors in the journey towards Internet shopping for purchasing physical goods online. The motivation factors impact positively on the online consumers’ perceived usefulness and benefits of Internet shopping (a6). Furthermore, key motivational drivers impact positively on the consumers’ perspectives as to the ease of use of Internet shopping, as well as to their sense of being in control of the Internet shopping process to achieve the expected outcomes (a7). Moreover, the key motivational drivers impact positively on attitudes towards Internet shopping (a9), confidence (a13) and qualifying trust ((b3) in Figure 4.4) of the online consumers to use Internet shopping for purchasing physical goods online.
Table 4.17  **Examples of key motivational drivers of Internet shopping for purchasing physical goods in a B2C online environment**

- Need or unmet need
- Availability and accessibility
- Time saving
- Cost saving
- Cheaper prices
- Convenience
- Wanting to try a new experience

*Source: Developed for this research.*

On the other hand, the key motivational drivers of the participants who did not use Internet shopping for purchasing physical goods in a B2C online environment are different and contrary to those who use Internet shopping. One of the primary key motivational drivers for the non Internet shoppers is their desire to physically check the products prior to purchasing. They also prefer social interaction at bricks and mortar stores rather than just participating in a virtual online shopping experience.

**Perceived usefulness and benefits**

The participants’ perception that Internet shopping is useful and beneficial (a6) is part of the process by which they learn to use Internet shopping for purchasing physical goods in a B2C online environment. Those who perceive Internet shopping as useful are more likely to migrate towards using Internet shopping for purchasing physical goods online. For instance, they perceive that Internet shopping is a useful tool to access and purchase physical goods from B2C online stores irrespective of geographic location. They also consider Internet shopping as a useful means of accessing physical goods that are exclusively available online, or that are not available at their local stores.

The findings from this group indicate that perceived usefulness and benefits of Internet shopping have a positive impact on the online consumers’ attitude towards Internet shopping (a9) for purchasing physical goods online. The findings also indicate that perceived usefulness and benefits of Internet shopping also have a positive influence on the online consumers’
confidence (a13) that impacts on their trust to use Internet shopping for purchasing physical goods online.

Furthermore, the researcher asserts that perceived usefulness relates to the participants’ perspectives of the usefulness of Internet shopping prior to using it. On the other hand, the benefits relate to the actual positive outcomes of using Internet shopping, albeit that they have the same attributes but constitute different sides of the same theme. They include online accessibility to physical goods irrespective of geographical boundaries; availability of online stores 24 hours and 7 days a week, as they never close and there is a wider choice of stores in the online environment; convenience; time saving; cost savings associated with not having to travel to do the shopping but having the goods delivered to their doorsteps and cheaper online prices.

Equally, some participants in the study do not perceive Internet shopping as useful or of benefit to them. They consider Internet shopping as a waste of time, inconvenient and full of unnecessary risks. As such, they consider shopping at physical stores as a far better and safer option. They also enjoy the social interactions rather than the isolated virtual online shopping experience. Therefore, they choose not to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

**Ease of use and perceived control**

Some of the participants consider that the ease of use (a7) of Internet shopping is an important influencing factor in the process of migrating towards online shopping for purchasing physical goods online. They consider that Internet shopping should be easy to perform, with no more than three clicks to get to where they need to do their shopping. They indicated that B2C online stores should have a logical layout that is easy to navigate. It should be easy to enter B2C online stores, move to the aisles where the required goods are located, select and place the goods into their electronic cart, go to the checkout, make online payment and exit safely, without getting lost in the process, or not completing their online transaction.

Furthermore, the Internet shoppers in this research associate ease of use of Internet shopping with their perceived ability to control their Internet shopping process. It is also important to note that, prior to using Internet shopping for purchasing physical goods online, they have already used most, if not all, of the Internet features required for online shopping. They use
the same Internet features for online surfing and product searching and researching. In essence, the online consumers are already familiar with the ease of use of online stores, except for the online payment component that remains for them to complete an online shopping transaction.

In addition, the participants’ experience of ease of use of the Internet and B2C online stores impact positively on familiarity. It also impacts positively on their confidence that they are in control of the shopping process to effect satisfactory outcomes. As such, ease of use and perceived control are important enabling factors in the learning process of Internet shopping for purchasing physical goods in a B2C online environment.

Equally, some participants in this research do not perceive Internet shopping as being easy to use for purchasing physical goods online. They also perceive that the risks associated with purchasing of physical goods online are too high and not justifiable. Furthermore, they do not perceive that they are in control of the experience. Therefore, they choose not to use Internet shopping for purchasing physical goods online.

**Social groups and media influences**

The Internet shopping experience of social groups (a8) impacts positively on the way the online consumers view Internet shopping. Some online consumers learn from the Internet shopping experience of their friends, family members and peers. Their attitude, confidence and qualifying trust about Internet shopping are greatly influenced by the shared online shopping experience of their social groups.

The media also plays an important part in promoting positive information about Internet shopping. Positive media promotes positive messages of online shopping’s usefulness and benefits, as well as ease of use and the online consumers’ perception of their being in control of the Internet shopping process. In essence, the media helps better inform the participants and mitigates misinformation cum bad publicity about online shopping. Thus, positive media influences the Internet shopper participants’ motivation, attitude, familiarity and confidence towards Internet shopping for purchasing physical goods online.

Equally, the non Internet shopper participants in the study are part of social groups that do not prefer Internet shopping. As such, they share the same view as their social groups. Their
friends and social groups tend to view Internet shopping as a waste of time and not an effective mode for purchasing physical goods. They prefer shopping at bricks and mortar stores over Internet shopping. They do not trust online shopping and view it as too risky. The social groups’ negative influence has a negative impact on the attitude of online consumers. As such, it does not provide them with confidence and qualifying trust to migrate towards learning and using Internet shopping for purchasing physical goods in a B2C online environment.

**Attitude towards Internet shopping**

The participants in this research that use Internet shopping for purchasing physical goods from B2C online stores tend to also have a positive attitude (a9) towards Internet shopping. In addition, they positively perceive the usefulness and benefits of online shopping. They further perceive the importance of ease of use of Internet shopping, as well as having a self-belief in their ability to successfully control their Internet shopping process to achieve positive outcomes.

Furthermore, the positive influences of social groups and the media impact positively on their attitude towards Internet shopping for purchasing physical goods online. In addition, their attitude is positively influenced by their prior computer and Internet knowledge, as well as usage experience. Therefore, they also believe that their prior knowledge and experience enable them to successfully perform Internet shopping for purchasing physical goods in a B2C online environment.

Positive attitudes towards Internet shopping have an overall positive effect on the confidence of online consumers to use Internet shopping for purchasing physical goods online. Therefore, those online consumers in this research with positive attitudes towards Internet shopping tend to have confidence to migrate towards learning and using it.

On the other hand, those online consumers in this research with negative attitudes towards Internet shopping for purchasing physical goods online tend not to adopt online shopping. They do not consider Internet shopping as an effective way of purchasing physical goods without physically inspecting the products prior to purchasing. Furthermore, they prefer to purchase physical goods from bricks and mortar stores. They are also negative about Internet shopping because of their lack of trust in the Internet, as well as their perceived fear of the
associated risks. In addition, the negative views of their social groups and some media towards Internet shopping impact negatively on their motivation to use Internet shopping for purchasing physical goods online.

**Prior knowledge and past experience**
Participants’ prior computer knowledge, Internet knowledge and past usage experience (a10) are part of the enabling process by which some online consumers learn to use Internet shopping for purchasing physical goods from B2C online stores. Their prior knowledge and usage experience provide them with familiarity (a12) in the use of both computer and Internet for purchasing physical goods online. They also impact positively on the participants’ attitude towards Internet shopping.

In addition, the participants’ prior knowledge and past experience give them familiarity and this familiarity provides them with confidence (a13) in the use of Internet shopping. Moreover, confidence gives the participants the qualifying trust ((b3) in Figure 4.4) that is needed for them to perform Internet shopping for purchasing physical goods online. For instance, Internet shopping has its own vocabulary and language. Therefore, it requires a certain level of prior knowledge and skills to competently and safely perform Internet shopping for purchasing physical goods online.

The participants with prior knowledge and past experience of computer, the Internet and the online environment are more likely to use Internet shopping for purchasing physical goods online. This also includes prior knowledge and past Internet shopping experience in purchasing non-physical goods and services from B2C online stores, as well as Internet shopping experience in purchasing physical goods from C2C online marketplaces. On the other hand, the participants without prior knowledge and past experience are less likely to use Internet shopping for purchasing physical goods online.

**Individual trust propensity**
Individual trust propensity (a11) is also part of the enabling process to using Internet shopping for purchasing physical goods from B2C online stores. The participants have their own individual trust propensity either towards or away from Internet shopping for purchasing physical goods online. As such, each participant has their own individual trust predisposition
that impacts on their confidence and qualifying trust to use Internet shopping for purchasing physical goods online, or not.

In essence, on one end of the individual trust propensity spectrum are those who are more trusting and on the other side, are those that are less trusting. The online consumers that are more trusting are also more likely to use Internet shopping for purchasing physical goods online. However, those that are less trusting are less likely to use Internet shopping for purchasing physical goods at B2C online stores.

**Familiarity and familiarity building**

One of the key enabling factors that influence the process of familiarity (a12) building towards the use of Internet shopping is the participants’ prior knowledge and past experience (a10). The ease of use experience also contributes to familiarity building. The online consumers become more familiar with the online shopping environment through their cumulative learning knowledge and experience of using computer and the Internet. It also includes their prior knowledge and experience in using Internet shopping for purchasing non-physical goods and services in a B2C online environment, as well as purchasing physical goods from C2C online marketplaces.

Moreover, as the participants become more familiar with Internet shopping, they also develop their confidence to use Internet shopping for purchasing physical goods online. As such, familiarity impacts positively on the confidence of the participants to use Internet shopping for purchasing physical goods in a B2C online environment.

**Confidence and confidence building**

The enabling factors of confidence building (a13) include key motivational drivers (a5); perceived usefulness and benefits (a6); of Internet shopping; ease of use and perceived control (a7) of the Internet shopping process. They also include positive social groups and media influences (a8); positive attitude towards online shopping (a9); prior computer, Internet knowledge and usage experience (a10), individual trust propensity (a11); and familiarity (a12). In addition, familiarity has a positive influence on confidence (a13) cum the confidence-building process. Being familiar with the online shopping environment provides confidence for the online consumers in this research, to shop via B2C online stores.
Furthermore, these influencing factors are part of the enabling process by which the confidence of the participants towards Internet shopping is developed. In turn, confidence impacts positively on qualifying trust to use online shopping for purchasing physical goods. As such, the Internet shopper participants, in this study, are able to break through the perceived barriers to use Internet shopping for purchasing physical goods from online merchants. Therefore, the Internet shoppers’ confidence, in this study, is an important influencing factor for qualifying trust that sets in motion the using of Internet shopping.

4.8 Perceived barriers stage

Figure 4.4 illustrates the *perceived barriers stage*. The perceived barriers stage (refer to (b1) in Figure 4.4) is the phase of the learning process by which online consumers in this study face fear of perceived risks associated with Internet shopping, as well as the issue of trust (b2) in the Internet’s shopping application for purchasing physical goods. This is the junction in the journey towards Internet shopping for purchasing physical goods online where some of the online consumers in this study continue towards the use of Internet shopping, while others decide that the associated risks are too high to warrant its use. This is the point where the online consumers in this study either crossover to use Internet shopping, or not.
Figure 4.4  Perceived barriers stage of Internet shopping for purchasing physical goods in a B2C e-commerce online environment

(a1) Before stage  (b1) Perceived barriers stage

(a2) Internet shopping learning process evolving over time
(a3) Online consumers without Internet shopping experience for purchasing physical goods in a B2C online environment

(b2) Fear of perceived risks and lack of trust

(a4) The enabling process with its key influencing factors

(a5) Key motivational drivers
(a6) Perceived usefulness and benefits
(a7) Ease of use and perceived control
(a8) Social groups and media influences
(a9) Attitude towards Internet shopping
(a10) Prior knowledge and past experience
(a11) Individual trust propensity
(a12) Familiarity

(b3) Qualifying trust
(b4) Trustworthiness of B2C online merchant
(b5) Other factors

Source: Developed for this research.
4.8.1 Fear of perceived risks and lack of trust

Prior to undertaking Internet shopping, all online consumers in this study are confronted with the same perceived risks and the issue of trust (b2) in purchasing physical goods from B2C online stores. They perceive the fear of becoming victims of online credit card and identity fraud (see Figure 4.5). They also perceive the fear of goods purchased online but not delivered or lost in shipment. There is the risk of goods arriving and being the wrong goods. Another risk is that of goods arriving and being damaged in transit. There are also the associated risks of further costs and time delays with goods needing to be returned. Furthermore, there is the risk of not getting a refund or replacement for the returned goods (Figure 4.5).

Figure 4.5 Risks of Internet shopping for purchasing physical goods in a B2C online environment

Source: Developed for this research.

For the participants in this study that are able to overcome their fears and lack of trust through the enabling process towards Internet shopping, they cross these perceived barriers and move on to use Internet shopping for purchasing physical goods online. Equally, for those participants that consider the dangers as too great and the risks as not justifiable, they did not cross the perceived barriers. They also lack confidence and qualifying trust and thus, reject Internet shopping for purchasing physical goods in a B2C e-commerce online environment.
4.8.2 Qualifying trust

The online consumers in this research that go on to use Internet shopping for purchasing physical goods at B2C online stores have confidence and qualifying trust (b3) to move them beyond the crossing-over point. *Qualifying trust is defined for the purpose of this research as an online consumer’s threshold level of trust to use Internet shopping.* On the whole, consumers do not fully trust the Internet and Internet shopping but qualify their trust in using online shopping. It is their qualifying trust that enables them to crossover the perceived barriers to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

Some Internet shopper participants qualify their trust based on their online experience. If their online experience has been positive, they are more likely to have confidence and qualifying trust in using online shopping. They also qualify their trust by purchasing only from credible online merchants with trusted brands. In addition, they trust online merchants that use well-known and trusted payment systems such as Visa, MasterCard and PayPal. As such, Internet shopper participants consider, as part of their qualifying trust, their risk exposure in the best and worse scenarios before they are willing to purchase physical goods online. They also consider approaching their banks to stop payment if they believe that their credit card is compromised.

Furthermore, some Internet shopper participants build their confidence and qualifying trust based on the impact of the influencing factors that are part of the enabling process. In addition, their qualifying trust is positively influenced by the trustworthiness of B2C online store merchants (b4) and other trust-related influencing factors (b5).

On the other hand, the non Internet shopper participants are not confident about using Internet shopping. They lack qualifying trust to proceed towards online shopping. As such, their perceived fears become actual fears and their lack of trust prevent them from using online shopping to purchase physical goods. In essence, their worldview is different to that of Internet shoppers. They trust bricks and mortar stores more for their shopping where they can physically inspect, see, touch, taste, hear, smell, try and check the products prior to purchasing. Therefore, they do not trust online shopping and consequently reject Internet shopping for purchasing physical goods in a B2C e-commerce online environment.
4.8.3 Trustworthiness of B2C online merchant

The trustworthiness of B2C online store merchants is very important for the Internet shopper participants in this research given the virtual nature of online shopping. They gauge the trustworthiness of B2C online store merchants through the credibility of the actual organisation or brand that is behind the online stores. They trust well-established and larger organisations behind B2C online stores, as opposed to the smaller and not well-known organisations. They have more confidence and trust in B2C online stores that are easy to use and have a professional visual presence and online presentation. Furthermore, the trustworthiness of B2C online store merchants impacts positively on the qualifying trust of the participants to use Internet shopping for purchasing physical goods online.

The non Internet shopper participants in this study choose not to use Internet shopping for purchasing physical goods. They also consider the trustworthiness of store merchants important. However, they are able to establish the trustworthiness of bricks and mortar stores more easily through their actual dealings with them in person. Furthermore, they can physically go back to the physical stores to address any problem they may have with their purchase. This is not the situation when dealing virtually with B2C online merchants.

4.8.4 Other factors

There are other factors that play important roles in the enabling process for Internet shopper participants that use Internet shopping for purchasing physical goods online. For instance, the Internet shoppers in this study value the ability to contact online stores when something is not going well with their online purchase. As such, Internet shopper participants positively view B2C online merchants that provide their physical contact address details, albeit overseas, as well as a contact telephone number, rather than just an email address. These contact details provide confidence and trust for the online consumers to communicate with the online merchants in the event of a need for updates or help with their online shopping transaction.

Other factors include the size of organisations and how long the organisations have been around. Online consumers tend to have more confidence and qualifying trust in larger and well-established organisations, compared to those which are small and newly formed. They also have more confidence and qualifying trust with organisations that have professional
visual presentations on their storefront, compared to those with less presentable online storefronts.

In addition, easy to use B2C online stores, with customer reviews and testimonials are important for the participants in their decision-making process towards using Internet shopping. There is also an age bias. Younger participants who have grown up with the emerging digital age are more positive than the older participants about using Internet shopping for purchasing physical goods online. Moreover, there is a positive impact from factors such as higher education, higher income levels and discretionary income on the use of Internet shopping for purchasing physical goods online, albeit that these trends may be transient as the technology is becoming much easier to use, and cheaper to own.

Equally, the non Internet shopper participants prefer to shop at bricks and mortar stores. Their shopping process favours the opportunity to physically assess goods, prior to purchasing. They also prefer having social interactions as opposed to having just a virtual shopping experience. In essence, they have more confidence and qualifying trust in shopping at bricks and mortar stores rather than at B2C online stores.

4.9 During stage

Figure 4.6 illustrates the during stage. The during stage ((c1) in Figure 4.6) is the segment of the learning process where Internet shopper participants in this research cross over the perceived barriers and perform their online payment for their orders. They break through the perceived barriers of risks and lack of trust to crossover to use online shopping. For the non Internet shopper participants, they decide not to use Internet shopping for purchasing physical goods online, they stop at the perceived barriers point of the process and will not proceed to this stage (c1).

4.9.1 Crossing-over point

The crossing-over point (c2) is the place in the learning process where the Internet shopper participants break through the perceived barriers to use Internet shopping for purchasing physical goods online. As part of the process by which Internet shopper consumers in this study learn Internet shopping for purchasing physical goods, they have to submit their credit
card details to consummate their Internet shopping transaction. Up to this point, they have not participated in purchasing physical goods at a B2C online environment. Therefore, the crossing-over point is the point at which online consumers actually submit their credit card details to complete their Internet shopping online payment.

In addition, the researcher asserts that the enabling process and recurring learning over time facilitate the learning journey of Internet shopping for purchasing physical goods online. Furthermore, the enabling factors contribute positively to the Internet shopping process. They include qualifying trust; trustworthiness of the B2C online store merchant; ease of use and perceived control of the Internet shopping process; prior knowledge and past experience. Other factors such as the organisation and size of online merchants and their professional visual presentations also have positive impacts on the process by which some online consumers learn Internet shopping for purchasing physical goods online.

4.9.2 **Instant payment but delayed fulfilment**

Submitting the online order with payment is instant (c3). However, the fulfilment of any Internet shopping order for physical goods is necessarily delayed. This sequence is similar to the service model, where service is ordered but the delivery of service follows some time later. In essence, the logistics relating to shipping, freighting, and couriering of physical goods, all contribute to the timeframe delay between the time physical goods are ordered and paid for online, to the time they arrive at the consumers’ doorsteps.
**Figure 4.6** During stage of Internet shopping for purchasing physical goods in a B2C e-commerce online environment

(a1) Before stage

(b1) Perceived barriers

(c1) During stage

(a2) Internet shopping learning process evolving over time for purchasing physical goods in a B2C e-commerce online environment

(a3) Online consumers without Internet shopping experience for purchasing physical goods in a B2C online environment

(b2) Fear of perceived risks and lack of trust

(c2) Crossing-over point

(c3) Instant payment but delayed fulfilment

(a4) The enabling process with its key influencing factors

(a5) Key motivational drivers

(a6) Perceived usefulness and benefits

(a7) Ease of use and perceived control

(a8) Social groups and media influences

(a9) Attitude towards Internet shopping

(a10) Prior knowledge and past experience

(a11) Individual trust propensity

(a12) Familiarity

(a13) Confidence

(b3) Qualifying trust

(b4) Trustworthiness of B2C online merchant

(b5) Other factors

Source: Developed for this research.
4.10 Becoming stage

Figure 4.7 illustrates the *becoming stage*. The becoming stage ((d1)) in Figure 4.7) is the final phase of the learning process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment. This stage begins with Internet shopper participants waiting for the fulfilment of their order (d2).

Furthermore, this is the phase in the learning process where the Internet shopper participants either adopt Internet shopping (d3) for purchasing physical goods online, or not. Alternatively, the Internet shopper participants may adopt Internet shopping but reject poor-performing B2C online stores (d5) for future online shopping.

4.10.1 Fulfilment of orders

Once orders are placed and online payments made, the Internet shopper participants then wait for B2C online stores to fulfil their part of the Internet shopping process (d2). This is the logistical part of Internet shopping where shipping, freighting and couriering are involved. The further away B2C online stores are to the online consumers, the longer the timeframe for the goods to arrive on their doorsteps. In addition, this is where the risks of goods lost in freighting or damaged in transit are greater. Experienced Internet shoppers make sure that they have a tracking number to track their purchase in the event of it being lost.

In most situations, the Internet shopper participants receive their purchase when it is delivered to their doorsteps. On receiving their purchase, they inspect the product to ensure that they are receiving the correct product. If all is well, they are satisfied with the outcome. If something is amiss, they will contact the B2C online stores concerned and start the process of seeking a refund, or returning the goods, or seeking a replacement.

4.10.2 Adopting Internet shopping

At the *becoming stage*, the Internet shopper participants either adopt Internet shopping (d3) for purchasing physical goods online, or not. Alternatively, they may reject poorly performing B2C online stores (d5) but adopt Internet shopping.

The Internet shopper participants are more likely to adopt Internet shopping and use trustworthy B2C online merchants if they are consistently satisfied with their online shopping
outcomes. Furthermore, in adopting Internet shopping, they have also taken into account the overall benefits of Internet shopping, such as cheaper prices, convenience and being able to access goods that are not available at local stores. Therefore, adopting Internet shopping for purchasing physical goods at B2C online stores is an outcome of a successful Internet shopping process by which Internet shoppers are satisfied with the benefits of online shopping.

4.10.3 Encouraging further Internet shopping
The adoption of Internet shopping for purchasing physical goods in a B2C online environment is a gradual process. Each successful online shopping outcome generates more qualifying trust and trustworthiness of B2C online merchants. For instance, as Internet shoppers experience satisfaction with the outcomes of their online shopping, they are further encouraged to perform more Internet shopping for purchasing physical goods from B2C online stores. Therefore, Internet shoppers that adopt Internet shopping are further encouraged to purchase physical goods online as part of the feedback loop of the learning process of online shopping (d4).

Moreover, successful Internet shopping outcomes positively influence the Internet shoppers’ future decisions to submit their credit card details for online payment at the crossing-over point. It also impacts positively on qualifying trust and the Internet shoppers’ perception of the trustworthiness of B2C online store merchants. Therefore, the combined effect of the Internet shopping learning process further encourages Internet shoppers to purchase physical goods online.

4.10.4 Rejecting poor-performing B2C online stores
The alternative to adopting Internet shopping for purchasing physical goods in a B2C online environment is to reject it. This is still a possible outcome if online consumers continue to be dissatisfied with the outcomes of their online shopping experiences. However, the findings of this study indicate that the Internet shopper participants adopt online shopping for purchasing physical goods but reject poor-performing B2C online stores (d5).
Figure 4.7  Internet shopping learning model (ISLM) and the becoming stage for purchasing physical goods in a B2C e-commerce online environment

(a1) Before stage  (b1) Perceived barriers stage  (c1) During stage  (d1) Becoming stage

(a2) Internet shopping learning process evolving over time for purchasing physical goods in a B2C e-commerce online environment

(a3) Online consumers without Internet shopping experience for purchasing physical goods in a B2C online environment

(a4) The enabling process with its key influencing factors

(a5) Key motivational drivers
(a6) Perceived usefulness and benefits
(a7) Ease of use and perceived control
(a8) Social groups and media influences
(a9) Attitude towards Internet shopping
(a10) Prior knowledge and past experience
(a11) Individual trust propensity
(a12) Familiarity

(b1) Perceived barriers stage

(b2) Fear of perceived risks and lack of trust
(b3) Qualifying trust
(b4) Trustworthiness of B2C online merchant
(b5) Other factors

(c1) During stage

(c2) Crossing-over point
(c3) Instant payment but delayed fulfilment

(d1) Becoming stage

(d2) Fulfilment of orders
(d3) Adopting Internet shopping
(d4) Encouraging further Internet shopping
(d5) Rejecting poor-performing B2C online stores

Source: Developed for this research.
4.11 Internet shopping is learned behaviour

From the responses of both the established and the new Internet shopper participants, they indicate that the process by which they arrive at using Internet shopping for purchasing physical goods in a B2C online environment is a learning process. Furthermore, they indicate that Internet shopping is learned behaviour (Tables 4.2 and 4.8). In addition, the non Internet shopper participants also indicate that they consider Internet shopping as learned behaviour (refer to Table 4.13). However, they have not used Internet shopping for purchasing physical goods from B2C online stores.

In essence, this research focuses on the learning process by which the participants in this study journeyed through to arrive at using Internet shopping for purchasing physical goods online. It is a learning process that evolves over time through four stages. Therefore, the researcher asserts that the process by which some online consumers come to use Internet shopping for purchasing physical goods in a B2C e-commerce online environment is a learning process. Furthermore, Internet shopping is learned behaviour.

4.12 Conclusion

Chapter 4 started with an introduction (Section 4.1) that summarises the qualitative methodology and phenomenological research method of Chapter 3 and links it to the research’s findings in Chapter 4. Section 4.2 reiterates the qualification of the 12 online consumer participants for the research. The findings begin in Section 4.3 focusing on the established Internet shopper group of six participants. Section 4.4 provides the findings for the three participants of the new Internet shopper group. The findings for the non Internet shopper group with three participants having no Internet shopping experience for purchasing physical goods in a B2C e-commerce online environment are given in Section 4.5.

The findings from the three groups of online consumers in this research give rise to the formulation of the ISLM as presented in Section 4.6. The ISLM is further elaborated on, through its developmental sequence of four stages. The first stage is the before stage (Section 4.7) followed by the perceived barriers stage (Section 4.8). The third stage is the during stage (Section 4.9) followed by the final phase, the becoming stage (Section 4.10).
The researcher in Section 4.11 asserts that the process by which the Internet shopper participants in this research came to use and later adopt Internet shopping for purchasing physical goods in a B2C online e-commerce environment is a learning process. Furthermore, for these research participants, Internet shopping is learned behaviour. Finally, Section 4.12 concludes Chapter 4 and links the findings to the discussion in Chapter 5.
Chapter 5

Discussion

5.1 Introduction

Chapter 1 presented an overview of this study. It outlined the research problem and its research question. It provided the justifications for and contributions of this research. It also presented an overview to the research methodology used. Furthermore, it provided the context and scope of the research including delimitations and the structure of this five chapter thesis.

Chapter 2 provided the literature review of prior theories relating to five parent disciplines that are relevant to Internet shopping as the immediate discipline for this research. The review also identified key initial ideas and concepts (Section 2.6) to guide the research and to formulate a set of open questions and semi-structured questions for the interview protocol (Appendix A).

Chapter 3 presented the methodology for this study. It selected the realism paradigm as the most suitable for this research. The qualitative methodology was selected and phenomenological research method was justified and adopted for this study. The methodology chapter also included the strategies for data collection and data analysis.

Chapter 4 performed a qualitative data analysis as per the data from the 12 online consumer participants. In addition, the qualitative data analysis findings of this study were organised into three groups: the established Internet group with six participants; the new Internet shopper group with three participants and the non Internet shopper group also with three participants. The overall findings from the qualitative data analysis were then used to formulate the ISLM.

Chapter 5 presents a discussion of the overall findings of the study and draw conclusions regarding the research question and the research problem. Section 5.1 provides the introduction. Section 5.2 presents the conclusions about the research question. The conclusions about the research problem are presented in Section 5.3. The implications of this
study for research theory are discussed in Section 5.4; policy and practice in Section 5.5; limitation of the research in Section 5.6 and further research in Section 5.7. Finally, the conclusion of Chapter 5 is presented in Section 5.8 and the overall structure of this chapter is presented in Figure 5.1.

Figure 5.1  The overall structure of chapter 5

Source: Developed for this research.
5.2 Conclusions about the research question

This section discusses the conclusions of the study in relation to the research question. It identifies the areas of agreement and disagreement between the research’s findings and the literature. In addition, it discusses the areas of advances and contributions this study makes to knowledge.

Furthermore, this section acknowledges the use of prior theories to explore the initial ideas and concepts for this research. For instance, prior theories were used as part of the sensitising process in identifying possible initial ideas and themes of relevance to shape and develop the interview questions as a guide for this phenomenological research.

The research question states:

*RQ:* What is the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment?

5.2.1 Conclusions of this study in relation to the learning theories

This section concludes that:

1. Internet shopping for purchasing physical goods online is learned behaviour.
2. Some online consumers learn and later adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment, through a learning process.

**Literature.** The principles of learning theories by associations (Kim, Lim & Bhargava 1998; Landy 1985; Pavlov 1897/1902; Skinner 1938; Wallace 2004) have commonly been exploited by merchants to sell their products and services (refer to Sections 2.3.1 and 2.3.2) Other researchers (Chen 2007; Glasman & Albarracin 2006; Landy 1985) assert that there is more to learning than just simple associations. They argue that there are cognitive processes involved in learning, such as reasoning; imagination; concept formation; attitude towards given behaviours; judgement formation and decision making.

In addition, cognitive and developmental literatures (Cummins 1992; Dickerson & Gentry 1983; Gregan-Paxton et al. 2002; Moreau, Lehmann & Markman 2001) indicate that prior knowledge and past experience (refer to Sections 2.3.1 and 2.3.2) play important roles in learning. Moreover, other studies (Chen & Chang 2005; Gregan-Paxton et al. 2002; Wang et
al. 2007) have argued that prior knowledge and past experience play key roles in learning Internet shopping.

Furthermore, the cognitive learning theories are further extended by social learning theories (see Sections 2.3.1 and 2.3.2) (Bandura 1969; Landy 1985; Wallace 2004). The social learning theories bring to light the social context of learning. This includes the social interactions between people as opportunities for learning, as well as the impact of the media.

**Findings.** The findings from this research provide empirical evidence that supports the notion that some online consumers learn and later adopt Internet shopping for purchasing physical goods in a B2C online environment (refer to Sections 4.3.1; 4.4.1 and 4.7.1), through a learning process (see Figure 4.7). The Internet shopping learning process is likened to a journey that evolves over time (see Sections 4.3.1 and 4.4.1) (refer to Figure 4.7 (a2)). Eleven participants indicated that Internet shopping is learned behaviour and one participant (P4) *thinks* that Internet shopping is learned behaviour because she had not undertaken Internet shopping at the time of the research (see Tables 4.2; 4.8 and 4.13).

One of the key findings of this study is the role of the enabling process and its key influencing factors (Sections 4.3.2 and 4.4.2) (see Figures 4.3 and 4.4) as part of the overall Internet shopping learning process. The enabling process facilitated the learning of the online consumer participants from having no online shopping experience, to having Internet shopping knowledge and experience for purchasing physical goods online. For instance, the key motivational drivers (Sections 4.3.3 and 4.4.3) provide the motives that influence the online consumers’ decision to migrate towards using of Internet shopping for purchasing physical goods at B2C online stores.

However, the key motivational drivers are not in themselves the only important influencing factors in the enabling process. Other important influencing factors include perceived usefulness and benefits (Sections 4.3.4 and 4.4.4) ease of use and perceived control (Sections 4.3.5 and 4.4.5), social groups and media influences (Sections 4.3.6 and 4.4.6), prior knowledge and past experience (Sections 4.3.8 and 4.4.8), confidence (Sections 4.3.11 and 4.4.11) and qualifying trust (Sections 4.3.13 and 4.4.13). These influencing factors work in conjunction with key motivational drivers to enable Internet shopping learning process to take place.
In addition, the findings of this study indicate that the principles of learning by association are also part of Internet shopping learning process. For instance, some online consumer participants were motivated to use Internet shopping through its association with such benefits as time saving, cheaper prices and convenience (Sections 4.3.3 and 4.4.3). Moreover, they associated the professional visual presentations of online stores with the trustworthiness of online merchants (refer to Sections 4.3.14 and 4.4.14). As such, the online consumers considered online stores with professional online visual presentations as more credible and trustworthy than those with poor online presentations.

The empirical evidence from this study also supports the notion that the Internet shopping learning process includes cognitive learning. The research findings indicate that cognitive learning principles are part of Internet shopping learning process in relation to key motivational drivers (refer to Sections 4.3.3. and 4.4.3), perceived usefulness and benefits (Sections 4.3.4 and 4.4.4), ease of use and perceived control (Section 4.3.5 and 4.4.5) and attitude towards Internet shopping (Sections 4.3.7 and 4.4.7). Other key influencing factors that also involve cognitive learning include individual trust propensity (Sections 4.3.9 and 4.4.9), familiarity (Sections 4.3.10 and 4.4.10), confidence (Sections 4.3.11 and 4.4.11), perceived barriers (Sections 4.3.12 and 4.4.12) and qualifying trust (Sections 4.3.13 and 4.4.13).

Another key aspect of Internet shopping as a learning process involves prior knowledge and past experience (see Figure 4.3 (a10)). The Internet shopper participants’ prior computer and Internet knowledge, as well as their past online shopping experience (Sections 4.3.8 and 4.4.8) were part of the learning process that enabled them to learn Internet shopping for purchasing physical goods in a B2C online environment. For instance, all nine participants from both the established and new Internet shopper groups (see Tables 4.2 and 4.8) indicated that they learned Internet shopping from their prior knowledge and past experience of using computer and the Internet, as well as from purchasing non-physical goods and services at B2C online stores. Seven of the participants also learned online shopping from their prior knowledge and past experience of purchasing small products from C2C online marketplaces.

Furthermore, the research’s findings indicate that prior knowledge and past experience of the Internet shopper participants contributed to building their familiarity with the online shopping environment (refer to Sections 4.3.10 and 4.4.10) (see Figure 4.3 (a12). In addition, their prior
knowledge and past experience positively enhanced their confidence (Figure 4.3 (a13)) to use online shopping. Moreover, prior knowledge and past experience also contributed positively to the Internet shoppers’ qualifying trust (Sections 4.3.11. and 4.4.11) (see Figure 4.4 (b3)) to use Internet shopping for purchasing physical goods at B2C online stores.

The findings of the research also provide empirical evidence of social learning principles (see Figure 4.3 (a8)) in Internet shopping learning process. For instance, the Internet shoppers in this study learned Internet shopping from their social groups of friends, families and peers. They also learned from the media. As such, social groups and media influences (Sections 4.3.6 and 4.4.6) are key influencing factors of the enabling process within the overall Internet shopping learning process.

Finally, the ISLM (refer to Section 4.6) (see Figure 4.7) is a newly developed theoretical framework that focuses on Internet shopping from a learning process perspective. Furthermore, the ISLM was formulated from the findings of this study. The researcher concludes that Internet shopping results from a learning process that evolves over time and is cyclical in nature (refer to Sections 4.7.1 and 4.7.2) (see Figure 4.7). The researcher further concludes that Internet shopping is learned behaviour. In addition, the findings indicate that Internet shopping learning includes an enabling process with key influencing factors that enable some online consumers to learn Internet shopping for purchasing physical goods online.

**Agreements.** The findings of this research including the newly formulated ISLM agree with the learning principles of prior learning theories that Internet shopping for purchasing physical goods results from a learning process (see Table 5.1). Furthermore, Internet shopping is learned behaviour.

This study’s findings (Table 5.1) provide evidence of Internet shopping as a result of a learning process: including learning by association (refer to Sections 2.3.1; 4.3.14 and 4.4.14); cognitive learning (Sections 2.3.1; 2.3.2; 4.3.3. and 4.4.3); learning from prior knowledge and past experience (Sections 2.3.1; 2.3.2; 4.3.8 and 4.4.8); as well as social learning (Sections 2.3.1; 2.3.2; 4.3.6 and 4.4.6).
Table 5.1  Agreement between learning theories and findings of this study

<table>
<thead>
<tr>
<th>Key concepts</th>
<th>Findings of this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning by associations</td>
<td>Support</td>
</tr>
<tr>
<td>Cognitive learning</td>
<td>Support</td>
</tr>
<tr>
<td>Social learning</td>
<td>Support</td>
</tr>
<tr>
<td>Internet shopping is a learning process</td>
<td>Support</td>
</tr>
<tr>
<td>Internet shopping is learned behaviour</td>
<td>Support</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

**Contributions.** The findings of this research provide empirical evidence to conclude that the process by which some online consumers learn and later adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment is a learning process (see Table 5.2). In addition, the enabling process and its key influencing factors are part of the overall Internet shopping learning process. Furthermore, Internet shopping is learned behaviour.

The common Internet shopping learning experiences of the 12 online consumer participants were used as the building blocks to formulate the ISLM version. As such, the ISLM is a learning process theoretical model. It captures the learning process of the 12 online consumer participants as they began their journey from not having online shopping experience to having Internet shopping experience for purchasing physical goods in a B2C online environment (see Table 5.2).

Furthermore, the ISLM provides a contribution to knowledge as a newly developed theoretical model (see Table 5.2). It has a specific focus on Internet shopping as a learning process. In addition, the ISLM also has a specific focus on purchasing physical goods online. As such, the ISLM brings new insights and richer understanding of Internet shopping from a learning process perspective. It also provides a better appreciation of the issues relating to purchasing physical goods online, as well as the basis for future research studies.
Table 5.2  Contributions of this study in relation to learning theories

<table>
<thead>
<tr>
<th>Contribution to knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>The findings provide empirical evidence in support of the Internet shopping learning process</td>
</tr>
<tr>
<td>The enabling process and its key influencing factors are part of the overall Internet shopping learning process</td>
</tr>
<tr>
<td>Internet shopping is learned behaviour</td>
</tr>
<tr>
<td>ISLM as a new theoretical framework and a basis for future studies</td>
</tr>
<tr>
<td>ISLM with a learning process focus</td>
</tr>
<tr>
<td>ISLM with a specific focus on purchasing physical goods online</td>
</tr>
</tbody>
</table>

Source: Developed for this research study.

5.2.2  Conclusions of this study in relation to the TPB and ETPB

This section concludes that:

1. Consumer decisions and behaviours are influenced by personal attributes and situational factors.
2. The enabling process and its key influencing factors facilitate the Internet shopping learning process for purchasing physical goods in a B2C online environment.
3. Confidence is a key influencing factor in the enabling process and a key determining factor of qualifying trust.
4. Trustworthiness of B2C online merchants is a key influencing factor in the enabling process and a key determining factor of qualifying trust.
5. There are other factors besides the ones specifically mentioned above that are also influencing factors of qualifying trust.
6. Qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process for purchasing physical goods in a B2C e-commerce online environment.

Literature. One of the key theoretical assumptions of the TPB is that all human behavioural decisions are not completely controlled by personal will. Hence, the addition of perceived behavioural control as a key influencing factor to account for the uncertainty dimension relating to time, resources and chance (Ajzen 1985; Chen & Chang 2005; Kumar 2000).
Furthermore, one of the key tenets of the TPB and ETPB (Ajzen 1985; Chen & Chang 2005; Kumar 2000; Ramus & Nielsen 2005) is that behavioural intention is a significant predictor of actual behaviour (refer to Sections 2.3.3). As such, behavioural intention is defined as the motive or intention of an individual to adopt and perform a particular behaviour (Ajzen 1985; Chen & Chang 2005). The TPB further asserts that all other possible factors influencing actual behaviour do so indirectly through behavioural intention.

In addition, the TPB identifies the influencing factors of behaviour intention as: attitude towards the specific behaviour of interest; subjective norm and perceived behavioural control (Section 2.3.3) (Ajzen 1985, 1988). Furthermore, attitude towards a specific behaviour includes the individual’s outcome beliefs that performing specific behaviours will result in certain consequences (Ajzen 1985, 1988; Ajzen & Fishbein 1980). Therefore, when the individual’s attitude towards a given behaviour is positive, their behavioural intention towards the behaviour of interest will also be positive and the likelihood of them performing the actual behaviour is high. In contrast, a negative attitude towards a specific behaviour, impacts negatively on behavioural intention and consequently on the performance of the actual behaviour.

The TPB further asserts that the subjective norm, including the individual’s beliefs of the importance of significant others, is an important influencing factor on behaviour intention (Ajzen 1985; Chen & Chang 2005). The TPB argues that the individual’s worldview is formed and shaped by their social systems. As such, where motivation is high to comply with social pressure, behavioural intention will be high. Equally, where motivation to comply with social groups is low, the behavioural intention will also be low. In essence, the influence of social systems and significant others influences behavioural intention as a predictor of actual behaviour.

Furthermore, the TPB indicates that perceived behavioural control is an important influencing factor on behavioural intention and the actual behaviour (Section 2.3.3) (Ajzen 1985; Chen & Chang 2005). Where individuals believe that they have some degree of control on the resources and chances of managing the process and achieving favourable outcomes, their behavioural intention will be high. Equally, where they perceive that they are not in control of achieving a desirable outcome, their behavioural intention will be low.
Moreover, the ETPB (Chen & Chang 2005) asserts that the inclusion of past experience and channel knowledge as influencing factors of behavioural intention significantly improves the model’s ability to predict actual behaviour (refer to Section 2.3.3) (Chen & Chang 2005; Ramus & Nielsen 2005). The ETPB also argues that past experience has a direct influence on both behavioural intention and the actual behaviour (Chen & Chang 2005; Dholakia & Uusitalo 2002; Monsuwe, Dellaert & Ruyter 2004).

**Findings.** The research’s findings indicate that personal attributes and situational factors influence the Internet shoppers’ decision making and consequently their behaviours to use and later adopt Internet shopping. The findings also show that the enabling process facilitates the online consumers’ journey towards using and later adopting online shopping for purchasing physical goods at B2C online stores (see Figure 4.7 and Figure 5.2). The enabling process involves key influencing factors. They include key motivational drivers (Sections 4.3.3 and 4.4.3), perceived usefulness and benefits (Sections 4.3.4 and 4.4.4), ease of use and perceived control (Sections 4.3.5 and 4.4.5), social groups and media influences (Sections 4.3.6 and 4.4.6) and attitude towards Internet shopping (Sections 4.3.7 and 4.4.7).

Figure 5.2  **The enabling process and its key influencing factors**

Source: Developed for this research.
Other influencing factors of the enabling process include prior knowledge and past experience (4.3.8 and 4.4.8), individual trust propensity (Sections 4.3.9 and 4.4.9), familiarity (Sections 4.3.10 and 4.4.10) and confidence building (4.3.11 and 4.4.11). Furthermore, it includes qualifying trust (Sections 4.3.13 and 4.4.13), trustworthiness of B2C online store merchants (4.3.14 and 4.4.14) and other factors that impact on qualifying trust in using online shopping (4.3.15 and 4.4.15) (see Figures 4.7 and 5.2).

The key motivational drivers are important influencing factors in the enabling process (see Figure 4.7 (a5) and Figure 5.2 (a)). They include: a need or an unmet need; availability and accessibility; time saving; cost saving; cheaper prices; convenience and a desire to try a new experience (Sections 4.3.3 and 4.4.3) (see Tables 4.3 and 4.9).

However, key motivational drivers are not in themselves the only key influencing factors in the determination of Internet shopping for purchasing physical goods online. Other key influencing factors interact with key motivational drivers to enable the Internet shopping learning process to take place.

Furthermore, this phenomenological research’s findings indicate that social groups and media influences are important influencing factors of the enabling process (see Sections 4.3.6 and 4.4.6) (Figures 4.7 (a8) and 5.2 (d)). For instance, the positive Internet shopping experience of family members and friends influenced the Internet shopper participants to favourably consider using online shopping. Furthermore, the media provided the online consumers with in-depth information to assist them with their decision-making process.

One of the key influencing factors in the enabling process is attitude towards Internet shopping (Sections 4.3.7 and 4.4.7). For instance, the established and new Internet shopper participants indicated that they have positive attitude towards Internet shopping. As such, their positive attitude towards online shopping enabled their Internet shopping learning process (see Figure 4.7 (a9) and Figure 5.2 (e)). Therefore, positive attitude towards Internet shopping is an important influencing factor in the enabling process to learn Internet shopping for purchasing physical goods online.
In addition, the Internet shopper participants indicated that the ease of use of Internet shopping was an important factor in their using Internet shopping for purchasing physical goods online (Sections 4.3.5 and 4.4.5). The participants were more willing to use online shopping when they considered that they have some control of the Internet shopping process to effect favourable outcomes. The study’s findings also indicate that ease of use and perceived control of the Internet shopping process impact positively on confidence and qualifying trust (see Figures 4.7 (a7) and 5.2 (c)).

Another key influencing factor in the enabling process is prior knowledge and past experience (refer to Sections 4.3.8. and 4.4.8) (see Figures 4.7 (a10) and 5.2 (f)). The Internet shopper participants’ prior knowledge of computer and the Internet, as well as their past experience with online purchasing of non-physical goods and services and buying physical goods from C2C online marketplaces provide them familiarity and confidence to use Internet shopping (Figure 5.2 (m)).

This study’s findings also indicate that being familiar (see Figures 4.7 (a12) and 5.2 (h)) with the online shopping environment impacts positively on attitude towards online shopping. In addition, the positive attitude of the participants towards Internet shopping (Section 4.3.7) impacts positively on their confidence to use Internet shopping. Therefore, familiarity influences both attitude and confidence.

There is also a familiarity-building process (Sections 4.3.10 and 4.4.10) within the enabling process. For instance, the Internet shopper participants became familiar with the online environment through their prior knowledge and past use of computer and the Internet. This included their experience with online surfing, searching and researching, as well as their B2C online shopping experience for purchasing non-physical goods and services and buying physical items from C2C online marketplaces.

Another important influencing factor in the enabling process is confidence (Sections 4.3.11 and 4.4.11) (see Figures 4.3 (a13) and 5.2 (i)). Confidence impacts positively on qualifying trust and a key determining factor of qualifying trust to use online shopping. As the online consumers in this study became more confident, their qualifying trust (see Sections 4.3.13 and 4.4.13) was further developed to a level that enabled them to crossover the perceived barriers (Sections 4.3.12 and 4.4.12) to use online shopping.
In addition, confidence building takes time. For instance, as the online consumers in this study become more familiar with the online environment they begin to develop confidence in using online shopping. The favourable influences of social groups and media also impact positively on their attitude and confidence towards online shopping. Furthermore, other enabling factors such as ease of use and perceived control, prior computer and online knowledge and past Internet shopping experience further instil confidence in using Internet shopping.

On the other hand, the three participants with no Internet shopping experience in purchasing physical products at B2C online stores (Section 4.5) provide opposing results for expected reasons. For instance, their learning process was for shopping at bricks and mortar stores but not for online shopping (Section 4.51). There was an absence of the enabling process for online shopping. The influencing factors of importance to shopping at bricks and mortar stores were different to those for online shopping (Sections 4.5.2 and 4.5.3). They did not perceive Internet shopping as useful or beneficial (Section 4.5.4). They also indicated that online shopping was not easy to use and as such, they did not believe that they were in control of their Internet shopping process (Section 4.5.5).

Furthermore, they preferred to physically inspect, see, touch, and taste the products before purchasing. Therefore, their attitude was not positive towards Internet shopping. Their social groups were not positive about online shopping and the media items they remembered were the negative news items about the risks associated with Internet shopping (Section 4.5.6). While they had experience with the online environment (Sections 4.5.8), they did not have confidence (Section 4.5.11) and they lacked qualifying trust (Section 4.5.13) to use online shopping for purchasing physical goods at B2C online stores. Moreover, they preferred the social interactions at bricks and mortar stores rather than the virtual online shopping experience (Section 4.5.15).

Only one participant from the non Internet shopper group indicated that he intends to use Internet shopping in the future for purchasing physical products at B2C online stores. The other two indicated no intention to purchase physical goods online (Section 4.5.16). However, since the completion of the research and before the submission of this study’s final findings, one of the two participants who indicated no intention of using Internet shopping has crossed over the perceived barriers and used online shopping. She gave her reasons for using Internet
shopping to purchase her first physical product online as ‘limited time to shop at the mall, so it came down to convenience’ (P4, non Internet shopper, female, age bracket of 46-55 years, refer to Table 3.8). In essence, this result is consistent with the findings from the Internet shopper participants.

**Agreements.** The literature on the TPB and ETPB and this research’s findings are in agreement that not all human behavioural decisions are controlled by personal will (Ajzen 1985, 1988; Chen & Chang 2005; Kumar 2000; Ramus & Nielsen 2005) (see Table 5.3). There are other personal attributes, as well as situational factors that influence human decisions and consequent behaviours as indicated by the enabling process.

The literature (Section 2.3.3) and the findings of this study (4.3.7 and 4.4.7) also agree on attitude towards Internet shopping as an important influencing factor in Internet shopping learning process. For instance, all nine participants from the new and established Internet shopper groups showed positive attitude towards Internet shopping (Sections 4.3.7 and 4.4.7). On the other hand, the three participants with no Internet shopping experience for purchasing physical goods from B2C online stores prefer to shop at bricks and mortar stores. As such, their attitude towards online shopping was less positive (4.5.7).

The TPB and ETPB prior theories indicate that subjective norms include the influence of significant others on behavioural intention (Section 2.3.3). This study’s findings also support the notion that social groups and media influences are among the key influencing factors of the enabling process to use Internet shopping for purchasing physical goods online (Sections 4.3.6 and 4.4.6).

In addition, both the ETPB literature (Section 2.3.8) (Chen & Chang 2005; Ramus & Nielsen 2005) and this study’s findings (Sections 4.3.8 and 4.4.8) agree that prior knowledge and past experience of computer and Internet usage are key influencing factors in enabling the use of Internet shopping. Furthermore, computers and the Internet are the channels or the medium platform for effecting online shopping.

**Disagreements.** While the TPB and ETPB indicate that behavioural intention (or motive) is the key predictor of actual behaviour (Ajzen 1985; Chen & Chang 2005; Kumar 2000), the findings of this study consider behavioural intention as a contributing factor but the key
determining factor of the learning process for online shopping is qualifying trust (Table 5.3). On the whole, consumers do not trust the Internet and online shopping. They qualify their trust based on their online experience, confidence that they are in control of the online shopping process, and the trustworthiness of online merchants.

The findings of this study also indicate that confidence is a key determining factor of qualifying trust in addition to trustworthiness of online merchants and other factors that impact on qualifying trust but are not mentioned specifically as key factors of the enabling process.

**Advances.** The findings of this study identify the importance of the enabling process as part of the overall Internet shopping learning process (Table 5.3). They also include additional key influencing factors that are not included in the TPB and ETPB. For instance, familiarity and confidence are influencing factors of qualifying trust. In addition, qualifying trust is a key influencing factor of the enabling process and the determining factor of the Internet shopping learning process for purchasing physical goods at B2C online stores.

Furthermore, the focus of the TPB and ETPB are on the attributes of the key influencing factors of behavioural intention in predicting actual behaviour. On the other hand, this research focuses on the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C online environment.
Table 5.3  **Agreements and disagreements between the TPB and ETPB versus the research’s findings**

<table>
<thead>
<tr>
<th>Key concepts</th>
<th>The findings of this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not all human behaviour and decisions are controlled by personal will</td>
<td>Support</td>
</tr>
<tr>
<td>Behavioural intention as the key determining factor of the Internet shopping learning process</td>
<td>Disagree</td>
</tr>
<tr>
<td>Key motivational drivers are key influencing factors</td>
<td>Some support</td>
</tr>
<tr>
<td>Attitude towards behaviour of interest as an influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>Subjective norms / social and media as influencing factors</td>
<td>Support</td>
</tr>
<tr>
<td>Perceived behavioural control / ease of use and perceived control as influencing factors</td>
<td>Support</td>
</tr>
<tr>
<td>Prior knowledge and past experience as influencing factors</td>
<td>Support</td>
</tr>
<tr>
<td>Channel knowledge (e.g. computers and the Internet) as influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>The enabling process and its key influencing factors as part of the overall Internet shopping learning process</td>
<td>Advance</td>
</tr>
<tr>
<td>Confidence is a key influencing factor of the enabling process and a key determining factor of qualifying trust</td>
<td>Advance</td>
</tr>
<tr>
<td>Trustworthiness of B2C online merchants is a key influencing factor in the enabling process and a key determining factor of qualifying trust</td>
<td>Support</td>
</tr>
<tr>
<td>Other factors besides the ones specifically mentioned above that influence trustworthiness of online merchants and qualifying trust</td>
<td>Support</td>
</tr>
<tr>
<td>Qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process</td>
<td>Advance</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**Contributions.** The findings of this study provide some empirical evidence to support the key tenets of the TPB and ETPB. As such, the findings of this study contribute to knowledge by providing supporting empirical evidence for the TPB and ETPB (refer to Table 5.4).

The enabling process and its key influencing factors as part of the overall learning process of Internet shopping is a new concept emerging from the findings of this research. Therefore, the research’s findings regarding the importance of the enabling process and its key influencing factors...
factors provide a new addition to knowledge about Internet shopping learning process (Table 5.4).

The notion of confidence as a key influencing factor of the enabling process and a key determining factor of qualifying trust in the Internet shopping process is a new addition to knowledge relative to the factors that are identified by the TPB and ETPB. This finding also provides a foundation for future studies to further investigate the role of confidence on qualifying trust and actual behaviour (Table 5.4). In addition, this study provides empirical evidence that support the notion that the trustworthiness of B2C online merchants is a key influencing factor of the enabling process and a key determining factor of qualifying trust. Other factors that are not specifically included in the influencing factors mentioned but they also impact on the Trustworthiness of B2C online merchants and qualifying trust are included in this category.

Furthermore, the findings of this research leads the researcher to conclude that qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process. This conclusion is contrary to what TPB-cum-ETPB would suggest that behavioural intention is the determining factor of the actual behaviour of interest. If that was true for this study, than behavioural intention would be the determining factor of Internet shopping as learned behaviour, but it was not. Therefore, this disagreement provides a focus and a starting place for future studies to investigate (see Table 5.4).

Table 5.4 Contributions of this study in relation to the TPB and ETPB

<table>
<thead>
<tr>
<th>Contribution to knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>The research findings provide some empirical evidence to support the key tenets of TPB and ETPB</td>
</tr>
<tr>
<td>The enabling process and its key influencing factors are part of the overall Internet shopping learning process</td>
</tr>
<tr>
<td>Confidence is a key influencing factor of the enabling process and a key determining factor of qualifying trust</td>
</tr>
<tr>
<td>Trustworthiness of B2C online merchants is a key influencing factor of the enabling process and a key determining factor of qualifying trust</td>
</tr>
<tr>
<td>Other factors not included in key influencing factors influence trustworthiness of B2C online merchants and qualifying trust</td>
</tr>
<tr>
<td>Qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process</td>
</tr>
</tbody>
</table>
5.2.3 Conclusions of this study in relation to the CTIS model

This section concludes that:

1. The findings of this study are in general agreement with the CTIS model.
2. The findings of this study further extend the CTIS model.
3. The enabling process and its key influencing factors are an essential part of the Internet shopping learning process.
4. Confidence is a key influencing factor of the enabling process and a key determining factor of qualifying trust.
5. Trustworthiness of B2C online merchants is a key influencing factor of the enabling process and a key determining factor of qualifying trust.
6. Other factors also influence trustworthiness of B2C online merchants and qualifying trust.
7. Qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process for purchasing physical goods in a B2C e-commerce online environment.

Literature. The CTIS model primarily focuses on the four main antecedents of consumer trust in Internet shopping (Section 2.3.5) (Lee & Turban 2001). The four main antecedents are: (1) trustworthiness of the Internet merchant; (2) trustworthiness of the Internet medium; (3) Internet shopping contextual factors and (4) other factors not included in the main antecedents. Furthermore, the individual’s trust propensity moderates the effect of these antecedents on consumer trust in Internet shopping.

According to the CTIS model, trustworthiness of the Internet merchant constitutes three key factors. The first is the online merchant’s e-commerce ability to perform and fulfil Internet shopping requirements. The second is benevolence. Online consumers expect B2C online merchants will do the right thing and honour the online transactions for the benefit of both parties. The third is integrity to uphold acceptable trading principles. In essence, these factors provide different dimensions to the reputation of the online merchants (Lee & Moray 1992; Lee & Turban 2001).
The second antecedent of consumer trust in Internet shopping is trustworthiness of the Internet shopping medium. The computer, Internet and the World Wide Web are the mediums involved in connecting the online consumers with the online merchants (Sections 2.2.1; 2.2.2. and 2.2.7). Furthermore, the CTIS model asserts that there are three factors that affect the trustworthiness of the Internet shopping medium (Lee & Moray 1992; Lee & Turban 2001). They are: the perceived technical ability and competence of the system to carry out the tasks it is designed to perform; the perceived performance level in its speed, reliability and availability of the system and the understanding of the individual operator of the attributes and processes that govern the online system’s behaviour (2.3.5).

The other main antecedent is contextual factors (Section 2.3.5.) (Lee & Turban 2001). The CTIS model argues that the contextual factors of significant importance are online security and privacy protection issues. These factors also include such online security systems as encryption, third party certification, escrow and insurance services.

The CTIS model also notes other factors as important antecedents. They include the size of the organisation, as well as demographic attributes of online consumers such as age, gender, and prior knowledge and experience (Sections 2.3.5 and 2.3.6) (Jarvenpaa, Tractinsky & Vitale 2000; Lee & Turban 2001). In addition, the CTIS model argues that individual trust propensity is a moderating factor (Lee & Turban 2001; Mayer, Davis & Schoorman 1995). It is a personality trait that moderates the impact of trustworthiness attributes on the development of consumer trust in Internet shopping.

The strengths of the CTIS model relate to its development from an integration of multiple theoretical perspectives in different fields including psychology, sociology marketing and e-commerce (Lee & Turban 2001). Furthermore, the inclusion of individual trust propensity as a moderating factor provides a personality trait dimension to the model ((Mayer, Davis & Schoorman 1995).

On the other hand, the CTIS model has its own limitations. One of its key limitations is that the CTIS model does not address the consequences of trust (Section 2.3.5) (Lee & Turban 2001). Trust is only one of the many factors that affect online shopping. Furthermore, since
the concept of trust is intrinsically related to the notion of risks, an understanding of trust does not necessarily equate to an equal understanding of risks and their relationship to trust.

**Findings.** The findings of this study indicated that qualifying trust is a key influencing factor of the enabling process and the main determining factor of Internet shopping behaviour (see Section 4.3.13 and 4.4.13) (see Figure 4.7 (b3) and Figure 5.2 (j)). While the established and new Internet shopper participants do not trust the Internet medium and online shopping fully, they qualify their trust in using online shopping.

According to the findings of this study, confidence is a key influencing factor of the enabling process and a key determining factor of qualifying trust (Sections 4.3.11 and 4.4.11). The enabling process and its key influencing factors all contribute to developing confidence that consequently impact on qualifying trust.

Another key influencing factor of the enabling process and a key determining factor of qualifying trust is the trustworthiness of B2C online merchants (Sections 4.3.14 and 4.4.14) (see Figures 4.7 (b4) and 5.2 box (k)). The online consumers in this study gauged the trustworthiness of online merchants by the credibility of the organisation or the brand behind the online store. Furthermore, they have more confidence and qualifying trust in online merchants that use trusted payment systems such as Visa, MasterCard and PayPal. Having these trusted third party logos displayed by online merchants give online consumers qualifying trust that their credit cards and personal details will be treated confidentially and safely. These trusted payment systems are also well integrated with reputable banks to detect and prevent online fraud, as well as having insurance cover for any loss that results from illegal and fraudulent online activities that are not the fault of the bona fide credit card owners.

The Internet shopper participants also indicated that they have confidence in and trusted online stores that are easy to use (Sections 4.3.5 and 4.4.5). In addition, the participants indicated that they have confidence and qualifying trust in using Internet shopping if they believe that they are in control of their online shopping process and are able to complete their online transactions with ease, safety, reliability and not lost in the process. Therefore, ease of use and perceived control influence confidence and contribute to qualifying trust for the Internet shopping learning process.
This study’s findings also identified other factors (Sections 4.3.15 and 4.4.15) as important influencing factors for qualifying trust (see Figure 4.7 (b5) and Figure 5.2 (l)). The Internet shopper participants indicated that they trusted larger and well-established organisations more, compared to the smaller and newly formed online stores. They also trusted online stores that provide adequate contact details to facilitate effective communication in the event of any concern with their online purchase. In addition, they have more confidence and qualifying trust with online merchants that have professional presentations for their online stores. Furthermore, there is a general age bias where the younger participants were more trusting of the Internet and online shopping compared to the older participants. This is consistent with the trend of the younger generation growing up with computers, the Internet and online shopping and therefore become second nature to them.

In addition, the researcher concludes that prior knowledge and past experience with computers, the Internet, and online shopping (Sections 4.3.8 and 4.4.8) have positive influence on confidence and qualifying trust. This conclusion is well supported by the Internet shopping experience of both the established and new Internet shopper participants.

Furthermore, the research findings indicated that the individual’s trust propensity is an influencing factor of both confidence and qualifying trust. The more trust predisposition an individual has the more likely they will have confidence and trust in Internet shopping. For example, the Internet shopper participants demonstrated more confidence and trust in using Internet shopping compared to the three participants with no Internet shopping experience for purchasing physical goods at B2C online stores.

Finally, the findings of this study indicated that qualifying trust is the key determining factor of the Internet shopping learning process. On the other hand, the non Internet shopper participants in this study chose not to use Internet shopping because of their lack of confidence (Section 4.5.11) and qualifying trust (Section 4.5.13) in Internet shopping. However, where the online consumers in this study have used Internet shopping but have received poor fulfilment from B2C online merchants, they have been shown to continue using Internet shopping whilst rejecting the poor-performing B2C online merchants (Sections 4.3.19 and 4.4.19).
Agreements. This study’s findings are in general agreement with the CTIS model (Table 5.5). The findings support the four main antecedents of consumer trust as part of the enabling process of Internet shopping. There is support for trustworthiness of the Internet merchant, the reliability and safety of the Internet medium, contextual factors and other factors. The research’s findings also indicated that the individual trust propensity positively affects confidence and qualifying trust in Internet shopping.

In addition, both the CTIS model and the findings of this study agree on the impact of other factors on qualifying trust. For example, prior knowledge and past experience positively influence confidence and consequently qualifying trust. The size of the B2C online merchants also impact on the perceived trustworthiness of online merchants which affect qualifying trust. Both the literature and this study also agree that demographic attributes such as age have an impact on online shopping. For instance, this study indicated that the younger participants were generally more trusting of the Internet and Internet shopping.

Advances. The findings of this study indicated that there are other influencing factors that affect trust besides the ones identified by the CTIS model (Table 5.5). For instance, ease of use and perceived control positively influence confidence and qualifying. Furthermore, other factors such as being an established online store, adequate online store contact details and professional online store presentations also impact positively on confidence and consequently on qualifying trust.

In addition, confidence is a key and determining factor of qualifying trust. Confidence is a central part of the enabling process (Sections 4.3.11 and 4.4.11) (Table 5.5). The underlying logic is that as the online consumers in this study become more confident in the online shopping environment and confident of having the knowledge and skills to use online shopping, they consequently become more trusting, with qualification, to perform Internet shopping for purchasing physical goods.

One of the limitations of the CTIS model is that it does not address the consequences of trust (Section 2.3.5) (Lee & Turban 2001). The findings of this research as presented through the ISLM address this issue. The findings of this study indicated that qualifying trust is the key determining factor of the Internet shopping learning process. Therefore, a consequence of qualifying trust is Internet shopping behaviour. This is evident in the participants with
qualifying trust submitting their credit cards details to complete their online purchases of physical goods in a B2C online environment. Equally, for the three participants that lacked qualifying trust they rejected online shopping. However, for those who have used online shopping but have not received satisfactory services from online merchants, they continued using online shopping but rejected the poor-performing B2C online merchants.

Finally, the inclusion of perceived barriers in this study (Sections 4.3.12 and 4.4.12) addresses the issues of risks that are part of the Internet and online shopping. The research’s findings indicate that the qualifying trust of Internet shopper participants overcame their perceived fears of the risks associated with online shopping, to crossover to use Internet shopping. Equally, with the three participants that have not bought physical products from B2C online merchants, their fears (see Section 4.5.12) exceeded their trust and therefore they chose not to shop online for physical products.

Table 5.5  **Agreements between the CTIS model and the research’s findings**

<table>
<thead>
<tr>
<th>Key concepts</th>
<th>The findings of this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>General agreement with the theoretical tenets of the CTIS model</td>
<td>Some support</td>
</tr>
<tr>
<td>Individual trust propensity as an influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>The enabling process and its key influencing factors positively influence confidence and qualifying trust</td>
<td>Advance</td>
</tr>
<tr>
<td>Prior knowledge and past experience as influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>Ease of use and perceived control as influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>Confidence is a key influencing factor of the enabling process and a key determining factor of qualifying trust.</td>
<td>Advance</td>
</tr>
<tr>
<td>Trustworthiness of B2C online merchants as an influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>Other factors as influencing factors</td>
<td>Support</td>
</tr>
<tr>
<td>Qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process.</td>
<td>Advance</td>
</tr>
<tr>
<td>Internet shopping is a consequence of qualifying trust.</td>
<td>Advance</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**Contributions.** This research’s findings contribute to knowledge by providing empirical evidence in general support of the CTIS model and its four main antecedents (Table 5.6).

This study also contributes to knowledge by identifying the enabling process and its key influencing factors within the overall Internet shopping learning process (Table 5.6). In
addition, the findings contribute to knowledge by concluding that ease of use and perceived control, as well as prior knowledge and past experience of computers, the Internet and online shopping all influence confidence and consequently qualifying trust.

The research’s findings also include other factors that are not mentioned individually but they impact on trustworthiness of online merchants and qualifying trust in online shopping. For example, professional visual presentation of online stores is not included in the CTIS model but it influences trust in Internet shopping.

Furthermore, this study contributes to knowledge by establishing that confidence positively influences qualifying trust and that qualifying trust is the main determining factor of the learning process of Internet shopping. Moreover, Internet shopping behaviour is a consequence of qualifying trust (Table 5.6).

### Table 5.6 Contributions of this study in relation to the CTIS model

<table>
<thead>
<tr>
<th>Contribution to knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>The research findings providing some empirical evidence to support the theoretical tenets of CTIS model</td>
</tr>
<tr>
<td>The enabling process and its key influencing factors positively influence confidence and qualifying trust</td>
</tr>
<tr>
<td>Ease of use and perceived control positively influence confidence and qualifying trust</td>
</tr>
<tr>
<td>Prior knowledge and past experience of computer, Internet and online shopping positively influence confidence and qualifying trust</td>
</tr>
<tr>
<td>Confidence is a key influencing factor of the enabling process and a key determining factor of qualifying trust</td>
</tr>
<tr>
<td>Trustworthiness of B2C online merchants is a key influencing factor of the enabling process and a key determining factor of qualifying trust</td>
</tr>
<tr>
<td>Other factors not mentioned by CTIS model but influence trustworthiness of B2C online merchants and qualifying trust</td>
</tr>
<tr>
<td>Qualifying trust is a key influencing factor of the enabling process and the main determining factor of the Internet shopping learning process</td>
</tr>
<tr>
<td>Internet shopping behaviour is a consequence of qualifying trust</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

### 5.2.4 Conclusions of this study in relation to the TAM and ITTAM
This section concludes that:

1. Ease of use and perceived control of the Internet shopping learning process influence attitude towards online shopping.
2. Perceived usefulness and benefits of Internet shopping affect attitude towards online shopping and confidence.
3. Attitude towards online shopping influences confidence in using Internet shopping for purchasing physical goods online.
4. Familiarity (or knowledge-based familiarity) is an influencing factor of confidence.
5. Confidence is a key determining factor of qualifying trust.
6. Trustworthiness of B2C online merchants is a key determining factor of qualifying trust.
7. Other factors influence qualifying trust.
8. Qualifying trust is a key influencing factor of the enabling process and main determining factor of Internet shopping behaviour.

**Literature.** The Technology Acceptance Model (TAM) is an adaption of the Theory of Reasoned Action (TRA) (Section 2.3.7) (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). The TAM is designed to apply primarily to technology and therefore it is less general than the TRA. One of the main goals of the TAM is to explain user behaviour in accepting technology of information systems. Furthermore, the TAM provides a better understanding of the impact that external factors have on internal beliefs, attitudes and behavioural intentions in accepting technology.

There have been many and varied studies conducted to identify the relationships between some specific external variables and their impact on cognitive and affective determinants of technology acceptance (Davis 1986; Davis, Bagozzi & Warshaw 1989; Dinev & Hu 2007; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Thus, external variables such as design characteristics, learning feedback features, protective technology, technology system features on menus, touch screens and user support have all been studied in the context of the TAM.

The TAM asserts that perceived usefulness and perceived ease of use are the two main user beliefs that determine user intention of accepting or rejecting information technology and their use (Section 2.3.7 and 2.3.8) (Davis 1986; Davis, Bagozzi & Warshaw 1989; Gefen,
Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004; Savitskie et al. 2007). In addition, the TAM argues that technology acceptance behaviour can be predicted based on user behavioural intention.

Furthermore, the TAM asserts that attitude towards the use of technology is influenced by both perceived usefulness and perceived ease of use. The TAM also argues that attitude towards the use of technology affects the intention to use technology (Davis, Bagozzi & Warshaw 1989; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004). Moreover, behavioural intention is a good predictor of the actual technology usage behaviour.

An addition to the TAM is the ITTAM framework (Sections 2.3.7 and 2.3.8) (Gefen, Karahanna & Straub 2003). ITTAM is a wider theoretical framework that considers the impact of perceived usefulness and perceived ease of use on technology acceptance, as well as extending the theoretical scope to include consumer trust in the e-vendor. The underlying logic of the TAM and ITTAM is that consumers rationally elect to use technology. The more consumers perceive the technology as useful and easy to use the more likely they will have a positive attitude towards the technology and the more likely they will elect to use the technology. Furthermore, the ITTAM argues that the more consumers trust e-vendors, the more likely they will use their online services via the Internet medium technology. This consumer trust-based notion is also consistent with the CTIS model (Lee & Turban 2001; Mayer, Davis & Schoorman 1995).

The ITTAM also argues that while perceived usefulness is an important predictor of intended use, perceived ease of use emerges as central to e-commerce since it has both a direct and indirect impact on trust and perceived usefulness (Gefen, Karahanna & Straub 2003). As such, an increase in perceived ease of use will also inadvertently increase trust and perceived usefulness.

In addition, the ITTAM asserts that the consumers’ prior knowledge of and familiarity with the technology influence their perceived usefulness and perceived ease of use of the technology (Sections 2.3.7 and 2.3.8) (Gefen, Karahanna & Straub 2003; Savitskie et al. 2007). The underlying notion is that consumers who are familiar with and knowledgeable about the technology are more likely to consider the technology as useful and easy to use. This gives them a positive attitude and trust towards the technology and also more intention to
use the technology (Brown, Pope & Voges 2003; Fenech & O'Cass 2001; Gefen, Karahanna & Straub 2003; Monsuwe, Dellaert & Ruyter 2004; Seock & Norton 2007).

**Findings.** This section specifically discusses the findings of this study in relation to the TAM and ITTAM (Table 5.7). The findings provided general support for the TAM and ITTAM literature both at the theoretical level, as well as at the application level regarding the key influencing factors of Internet shopping behaviour. However, the research findings do not support behavioural intention as the primary determinant of actual Internet shopping behaviour (see Figure 4.7 (b3) and Figure 5.2 (j)). Nevertheless, the findings acknowledge that behavioural intention is a contributing factor to the learning process of Internet shopping. In addition, the findings indicate that perceived usefulness and benefits of Internet shopping (Sections 4.3.4 and 4.4.4) are part of the enabling process. The findings also indicate that ease of use and perceived control of the Internet shopping process (Sections 4.3.5 and 4.4.5) positively influence confidence and qualifying trust. Furthermore, the findings of this study indicate that the participants’ positive attitude towards Internet shopping impacts positively on confidence in the enabling process.

Online consumers’ familiarity (Sections 4.3.10 and 4.4.10) with the online shopping environment is also an important influencing factor in the enabling process. In addition, prior knowledge and past experience with computers, the Internet and online shopping (Sections 4.3.8 and 4.4.8) are important influencing factors with positive impact on confidence and qualifying trust. The findings also indicate that the trustworthiness of B2C online merchants (Sections 4.3.14 and 4.4.14), with regards to their online business systems and their ability to fulfil online orders, are important influencing factors on qualifying trust. Other factors such as personal attributes, contextual and situational factors (Sections 4.3.15 and 4.4.15) also impact positively on qualifying trust.

**Agreements.** This research’s findings agree with the TAM and ITTAM on the notion that perceived ease of use is a key influencing factor of online shopping (Table 5.7). Ease of use provides the consumers with confidence that they are in control of their Internet shopping process. They are more likely to use Internet shopping for purchasing physical goods at B2C online stores if the online shopping process is easy to perform. Furthermore, it gives them belief that they are in control of the online shopping process to effect the expected positive outcomes.
The literature on TAM and ITTAM also agree with this research’s findings on the theme of perceived usefulness as a key influencing factor of the enabling process of Internet shopping (Table 5.7). In addition, the literature and this study agree that attitudes towards Internet shopping familiarity, as well as prior knowledge are important influencing factors of online shopping behaviour.

Furthermore, the literature on ITTAM and this study both agree that trust is an influencing factor of Internet shopping, although there is disagreement as to the specific role of trust or qualifying trust in the Internet shopping process. **Disagreements.** The literature on ITTAM argues that trust impacts on behavioural intention and that behavioural intention is the determining factor of actual system use. On the other hand, the findings of this study indicated that qualifying trust is the key determining factor in the online consumers’ choice to use the Internet shopping technology system (Table 5.7).

**Advances.** Ease of use and perceived control of the Internet shopping process are considered by this study as two sides of the same concept. In addition, perceived control acknowledges the element of uncertainty in the online shopping process.

The findings of this study also refer to perceived usefulness and benefits of Internet shopping. Again, the notion is that both perceived usefulness and benefits of online shopping are two sides of the same theme. Perceived usefulness relates to the before online shopping stage. The benefits of Internet shopping relate to the stage where online consumers have experienced the benefits of online shopping with non-physical goods and services, as well as with online shopping at C2C online marketplaces but before purchasing physical goods at B2C online stores. Thus, the researcher refers to perceived usefulness and benefits of Internet shopping as the two sides of a single influencing factor.

Some of the key findings of this study relate to the enabling process and its key influencing factors. For instance, confidence and trustworthiness of online merchants are key determining factors of qualifying trust. In addition, qualifying trust is a key determining factor of the Internet shopping learning process. Furthermore, the use of the term qualifying trust, rather than trust, better describes the perspective of online consumers concerning trust issues in relation to online shopping (see Table 5.7).
Table 5.7  **Agreements between the TAM and ITTAM versus the research’s findings**

<table>
<thead>
<tr>
<th>Key concepts</th>
<th>The findings of this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>General agreement with the theoretical tenets of TAM and ITTAM</td>
<td>Some support</td>
</tr>
<tr>
<td>Ease of use and perceived control as the two sides of a the same influencing factor</td>
<td>Advance</td>
</tr>
<tr>
<td>Perceived usefulness and benefits of Internet shopping as the two sides of the same influencing factor</td>
<td>Advance</td>
</tr>
<tr>
<td>Attitude towards Internet shopping is an influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>Knowledge-based familiarity is an influencing factor</td>
<td>Support</td>
</tr>
<tr>
<td>Confidence is a key determining factor of qualifying trust</td>
<td>Advance</td>
</tr>
<tr>
<td>Trustworthiness of B2C online merchants is a key determining factor of qualifying trust</td>
<td>Support</td>
</tr>
<tr>
<td>Other factors also impact positively on qualifying trust</td>
<td>Advance</td>
</tr>
<tr>
<td>Qualifying trust is a key influencing factor of the enabling process and the main determining factor of actual Internet shopping systems’ use</td>
<td>Advance</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

**Contributions.** The findings of this study contribute to knowledge by providing empirical evidence that generally supports the theoretical tenets of the TAM and ITTAM (Table 5.8). However, the findings do not support behavioural intention as the key predictor of actual Internet shopping systems use. Therefore, this disagreement also contributes to knowledge by providing a starting point for future studies to investigate.

The research’s findings contribute new additions to knowledge by identifying ease of use and perceived control as two sides of the same concept (Table 5.8). In addition, ease of use and
perceived control positively influence confidence and qualifying trust. Another addition to knowledge is the research’s findings that perceived usefulness and benefits of Internet shopping are the two sides of the same concept and are part of the enabling process of online shopping.

Again, this section reiterates that confidence, trustworthiness of online merchants and other factors positively influence qualifying trust. Furthermore, qualifying trust is a key influencing factor of the enabling process and the main determining factor of Internet shopping behaviour or in the perspective of the TAM and ITTAM, qualifying trust is the determining factor of actual Internet shopping use. Therefore, these findings contribute new additions to knowledge (Table 5.8).

Table 5.8 Contributions of this study in relation to the TAM and ITTAM

<table>
<thead>
<tr>
<th>Contribution to knowledge</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The research findings providing empirical evidence that generally support the theoretical tenets of TAM and ITTAM</td>
<td></td>
</tr>
<tr>
<td>The research findings disagree with TAM and ITTAM about qualifying trust as the determining factor of actual Internet shopping systems’ use but not behavioural intention</td>
<td></td>
</tr>
<tr>
<td>Ease of use and perceived control positively influence confidence and qualifying trust</td>
<td></td>
</tr>
<tr>
<td>Ease of use and perceived control of Internet shopping are the two sides of the same concept</td>
<td></td>
</tr>
<tr>
<td>Perceived usefulness and benefits of Internet shopping is positively influence confidence and qualifying trust</td>
<td></td>
</tr>
<tr>
<td>Perceived usefulness and benefits of Internet shopping are the two sides of the same concept</td>
<td></td>
</tr>
<tr>
<td>Confidence is a key determining factor of qualifying trust</td>
<td></td>
</tr>
<tr>
<td>Trustworthiness of B2C online merchants is a key determining factor of qualifying trust</td>
<td></td>
</tr>
<tr>
<td>Other factors impact positively on qualifying trust</td>
<td></td>
</tr>
<tr>
<td>Qualifying trust is the main determining factor of the Internet shopping learning process</td>
<td></td>
</tr>
</tbody>
</table>

Source: Developed for this research.

5.2.5 Conclusions of this study in relation to the Diffusion of Innovation model

This section concludes that:

1. The study findings are in general agreement with the DI model.
2. Internet shopping is an innovation process.
3. The ISLM and DI model are both process focused.
4. The enabling process and its key influencing factors are part of the overall Internet shopping learning process.
5. Internet shopping as an innovation is accepted by consumers but poor-performing B2C online stores are rejected in situations where B2C online merchants fail to fulfil the terms of online shopping transactions.

**Literature.** The Diffusion of Innovation (DI) model provides a theoretical framework of the process of innovation diffusion (Section 2.3.9) (Rogers 1962, 1971, 1983, 1997, 2003; Wonglimpiyarat 2007). Furthermore, the diffusion of process or product innovation, over time, is typified by the progress along four stages: introduction; growth; maturity and decline.

In addition, there are four main aspects in the diffusion of new innovations, whether it is an idea, product or process. They are: (1) an innovation; (2) communication through certain channels; (3) over time and (4) among members of a social system (Section 2.3.9). It matters less whether the innovation is objectively new (in the sense of time lapse) (Rogers 1962, 1971, 1983, 1997, 2003). Innovation is determined more by the individual’s perception of the newness of the innovation (Rogers 1971).

At the centre of the DI model is communication. The information concerning the innovation is communicated in various forms of media channels. They include mass media and personal mode of communication and information sharing among social groups, peers, friends and family members (Chan & Fang 2007; Crenshaw & Robison 2006a, 2006b; Mahler & Rogers 1999; Rogers 1962, 1971, 1983, 1997, 2003).

In addition, the decision-making process in the Diffusion of Innovation has five stages (Rogers 1962, 1983, 2003). The first stage is where the individual has knowledge of the innovation and some understanding of its functions. The second stage involves the individual being persuaded of the innovation’s value and benefits or otherwise. The third stage is where the individual engages in the innovation activity that will lead to a choice of adopting or rejecting the innovation. At the fourth stage, if the decision is to accept, the individual then implements and puts the innovation into use. Finally, at the fifth stage, the individual will confirm or seek reinforcement of the decision being made concerning the innovation. The individual also reserves their decision if given conflicting information.
Moreover, the DI model classifies the adopters and late adopters of innovation into five categories (Section 2.3.9.5). It also asserts that the distribution of innovation adoption follows an s-shaped curve pattern (Section 2.3.9 and 2.3.10) (Rogers 1962, 1971, 1983, 1997, 2003).

**Findings.** This study supports the notion that Internet shopping is an innovation (Section 2.3.10). The findings of this study also indicated that information sharing and communication through social groups and the media (Sections 4.3.6 and 4.4.6) are important aspects of the enabling process (Sections 4.3.2 and 4.4.2) and the overall Internet shopping learning process (4.3.1 and 4.4.1).

The findings of this study (Section 4.6) indicated that there are four stages of the Internet shopping process. The first is the before stage (Section 4.7), where the online consumers have some knowledge and understanding of online shopping and its functions but they have not used online shopping for purchasing physical goods at B2C online stores. During this stage, the enabling process and its key influencing factors are also at work in building confidence as a key determining factor of qualifying trust in the next stage.

The second is the perceived barriers stage (Section 4.8), where the online consumers are confronted with perceived obstacles to using Internet shopping (Section 4.8.1). At this stage of the enabling process, qualifying trust (Section 4.8.2), trustworthiness of online merchants (Section 4.8.3), and other trust-related factors (Section 4.8.4) become important agents in enabling the online consumers to crossover the perceived barriers.

The third is the during stage (Section 4.9), where online consumers actually consummate their initial online purchase at B2C online stores by submitting their credit or debit card details (Section 4.9.1). Online consumers then wait for the B2C online merchants to fulfil the orders. The payment component is instant but the fulfilment aspect of online shopping is delayed (Section 4.9.2).

The fourth and final is the becoming stage (Section 4.10). This is when online consumers receive their orders (Section 4.10.1) and decide whether to continue using online shopping (Sections 4.10.2 and 4.10.3), as well as the B2C online merchants concerned, or not (Section 4.10.4). The findings of this study also indicated that online consumers who have completed their initial purchase of physical goods online adopt Internet shopping but rejected poor-
performing online merchants. Furthermore, their continuing use of online shopping is dependent on their experience and the outcomes of their online shopping.

This study focuses on the process of online shopping for the purpose of building the ISLM. Therefore, it did not investigate the different categories of adopters and non-adopters of Internet shopping as per the classification offered by the DI model (Rogers 1983). In addition, this study did not investigate the distribution pattern of innovation adoption because it is more concerned with the learning process (Rogers 1983); albeit, that this study investigated the experience of three different groups of online consumers: established Internet shopper group; new Internet shopper group and the non Internet shopper group.

**Agreements.** There are many similarities between the findings of this study and the theoretical tenets of the DI model (Table 5.9). For instance, this research (Sections 4.3.1 and 4.4.1) and the ISLM (Section 4.7.1) are similar to the DI model (Section 2.3.9) in their process focus. The DI model and the ISLM have key elements relating to innovation (Sections 2.3.9; 2.3.10 and 4.6), communication including social groups and media influences (Sections 2.3.9; 4.3.6; 4.4.6 and 4.7.2) and the process over time (Sections 2.3.9; 4.3.1; 4.4.1 and 4.7.1).

In addition, the decision-making process of the DI model is similar to the enabling process (Sections 4.3.2 and 4.4.2) of the ISLM (Section 4.3.2). For example, the DI model asserts that the first stage requires knowledge of the innovation and an understanding on how the innovation functions. The research findings of this study indicate that prior knowledge and past experience (Sections 4.3.8 and 4.4.8) are contributing factors of the Internet shopping enabling process.

Furthermore, there is similarity with the second stage of the DI model where individuals are either persuaded of the value of the innovation or not. The findings of this research indicated that as part of the enabling process, the Internet shopper participants perceived the usefulness and benefits of the Internet shopping innovation (Sections 4.3.4 and 4.4.4). In contrast, those participants that preferred to shop at bricks and mortar stores did not perceive Internet shopping as useful or of benefit (Section 4.5.4).

**Advances.** The enabling process includes other key influencing factors that are not included in the DI model and its decision-making process (Table 5.9). For example, the findings of this
study indicated that prior knowledge and an understanding of how the innovation functions are important influencing factors in the diffusion of innovation and its decision-making process. Furthermore, prior knowledge and past experience, as well as other influencing factors are part of the enabling process that builds confidence and qualifying trust of the Internet shopping process.

In addition, the findings of this study agree with the DI model that the outcome of the diffusion of innovation process is either the adoption or rejection of online shopping as an innovation. However, the research’s findings also indicated that the Internet shopper participants adopted the online shopping innovation but rejected the poor-performing B2C online merchants where poor fulfilments were experienced (Table 5.9). Therefore, this finding further advances the researcher’s conclusion of another possible outcome in the adoption process of Internet shopping as an innovation.

Table 5.9  Agreements between the DI model and the research’s findings

<table>
<thead>
<tr>
<th>Key concepts</th>
<th>The findings of this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>General agreement with the theoretical tenets of the DI model</td>
<td>Support</td>
</tr>
<tr>
<td>Internet shopping is an innovation</td>
<td>Support</td>
</tr>
<tr>
<td>Process focused</td>
<td>Support</td>
</tr>
<tr>
<td>The enabling process and other key influencing factors not included in the DI model</td>
<td>Advance</td>
</tr>
<tr>
<td>Some similarity between the enabling process of this study and the decision-making process of the DI model</td>
<td>Support</td>
</tr>
<tr>
<td>The online consumers adopt Internet shopping as an innovation but rejected poor performing B2C online merchants</td>
<td>Advance</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

Contributions. The research findings contribute to knowledge by providing empirical evidence in general support of the DI model (Table 5.10). In particular, this study supports the tenet that Internet shopping is an innovation. In addition, the DI model and the ISLM are process focused.

This research contributes to knowledge by concluding that the enabling process is important to the adoption of Internet shopping as an innovation. The enabling process also includes
other key influencing factors like: past experience; confidence and qualifying trust that are not included in the DI model. In addition, there are also similarities between the enabling process of this study and the decision-making process of the DI model (Table 5.10).

Furthermore, this researcher concludes that some online shoppers are likely to adopt Internet shopping but reject poor-performing B2C online merchants, where poor fulfilments are experienced (Table 5.10). This is in contrast to the tenets of the DI model where the innovation is either adopted or rejected without any regards for the role of the online merchants concerned. Therefore, this research further contributes to knowledge by identifying this gap between the research’s findings and the DI model as a basis for future research to investigate.

Table 5.10 Contributions of this study in relation to the DI model

<table>
<thead>
<tr>
<th>Contribution to knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>The research findings providing empirical evidence that generally support the theoretical tenets of the DI model</td>
</tr>
<tr>
<td>The importance of the enabling process and its key influencing factors in the overall Internet shopping learning process</td>
</tr>
<tr>
<td>Online consumers adopt Internet shopping as an innovation but rejected poor-performing B2C online stores where poor order fulfillments are experienced</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

5.3 Conclusions about the research problem

The main problem of interest for this research is to build a theoretical model based on the 12 online consumer participants’ common experiences, shared perspectives, attitudes, and beliefs during their journey to learning Internet shopping for purchasing physical goods in a B2C e-commerce online environment. Therefore, this section discusses the ISLM presented in Chapter 4 (Sections 4.6; 4.7; 4.8; 4.9 and 4.10) based on this study’s findings. It also compares the ISLM to the initial ideas and concepts derived from the literature review in Chapter 2 (Section 2.6) which was based on prior theory. In addition, this section focuses
more on the Internet shopping learning process, albeit that it acknowledges the influencing factors and their attributes that are part of the learning process.

The researcher concludes that:

1. The ISLM on the whole is consistent with the initial ideas and concepts identified in the literature review in Chapter 2 (Section 2.6). Furthermore, the ISLM is refined, succinct and supported by the empirical evidence from the stories of the 12 online consumer participants.

2. The ISLM is a learning process theoretical model specifically focusing on the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

3. The enabling process is part of the overall learning process of Internet shopping.

4. Qualifying trust is the main determining factor of the Internet shopping learning process.

5. Internet shopping is learned behaviour.

6. The ISLM contributes to knowledge by providing a better understanding of the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment.

5.3.1 The Internet Shopping Learning Model (ISLM)

The ISLM presented in Chapter 4 (Sections 4.6; 4.7; 4.8; 4.9 and 4.10) (see Figure 4.7) and the initial ideas and concepts proposed in Chapter 2 (Section 2.6.1) are consistent in their perspectives about Internet shopping. However, the ISLM is refined, succinct and grounded on the actual experiences of the 12 online consumer participants. On the other hand, the initial ideas and concepts were based on an integrated literature review using the five parent disciplines as discussed in Chapter 2.

Another area of consistency but with an addition in clarity by the ISLM, relates to the number of stages in the Internet shopping learning process. The research’s findings indicated that the Internet shopping learning process consists of four stages: before stage (Section 4.7); perceived barriers stage (Section 4.8); during stage (Section 4.9) and becoming stage (Sections 4.10). The perceived barriers stage accounts for the associated risks and the general lack of trust with the Internet and online shopping which inhibited some of the online consumer participants from using Internet shopping.
Furthermore, the initial concept that Internet shopping is learned behaviour (Section 2.6) was based on the assumption, derived from prior theories. The ISLM, on the other hand, is based on empirical evidence that also supports the notion that the Internet shopping is learned behaviour (Section 4.11). In addition, the researcher concludes that Internet shopping is a result of a learning process (Section 4.7.1). Moreover, the initial ideas and concepts from prior theories share the same tenet that the Internet shopping learning process evolves over time.

While there are some degree of differences between some of the initial ideas and concepts identified in the literature review compared to the findings of this phenomenological study, both sides are still consistent in their primary tenets that Internet shopping is learned behaviour and a learning process. For instance, communication is identified as a key concept in the literature review (Section 2.6). The concept of communication is still accounted for in the ISLM but it is captured by the concepts of social groups and media influences. In addition, the researcher identified in the literature review the concepts of perceived ease of use and perceived behavioural control (Section 2.6) as two separate concepts. However, the researcher in the ISLM considered ease of use and perceived control as two sides of the same concept within the enabling process (Section 4.7.2). Another example is the notion of subjective norm (Section 2.6) which is considered by the researcher in the ISLM as included in social groups and media influences (Section 4.7.2) based on the common experiences of the participants.

Moreover, channel knowledge and past experience (Section 2.6) are considered as two separate concepts in the literature review. However, they are viewed as one concept by the researcher in the ISLM in the context of prior knowledge and past experience of computer usages, the Internet and online shopping (Section 4.7.1) experiences.

The researcher identified in the literature review contextual factors (Section 2.6) as influencing factors of trust. On the other hand, the researcher concludes, as presented in the ISLM, that the contextual factors are included in the themes of trustworthiness of B2C online merchants (Section 4.8.3) and other factors (Section 4.8.4), rather than as a separate theme.
Furthermore, persuasion of the value of Internet shopping (Section 2.6) as identified in the literature review, is accounted for in the key motivational drivers of the ISLM, as well as in the perceived usefulness and benefits of online shopping theme (Section 4.7.2).

Another initial idea in the literature review that is further refined in the ISLM is the decision-making process regarding the adoption of Internet shopping. The researcher considers that it is better accounted for in the crossing-over theme of the ISLM (Section 4.9.1). In addition, the implementing concept of Internet shopping in the literature review (Section 2.6) is further refined and included in the theme of instant payment but delayed fulfilment (Section 4.9.2), as well as in the theme of fulfilment of orders (Section 4.10.1) in the ISLM.

Finally, the researcher concludes by making a distinction between adopting Internet shopping and rejecting poor-performing B2C online merchants (Section 4.10.4), rather than the outright acceptance or rejection (Section 2.6) of Internet shopping as was initially considered in the literature review. The researcher also acknowledges that the initial ideas and concepts identified in the literature review were used to formulate the questions for the interview protocol, while the ISLM is the result of the findings of this phenomenological study (Section 4.6).

5.3.2 The ISLM is a learning process model
The ISLM is a theoretical model that focuses on the learning process, while acknowledging the key factors influencing the use and adoption of Internet shopping by online consumers (Section 4.7.1). It is also specifically focused on purchasing physical goods in a B2C e-commerce online environment. For instance, the ISLM (Section 4.6) (Figure 4.7) captures the common experience of the nine Internet shopper participants from the before stage until the becoming stage of learning Internet shopping for purchasing physical goods at B2C online stores. It also provides a better insight as to the perspectives of the three participants that prefer to shop at bricks and mortar stores rather than online stores.

In addition, the researcher argues that the process towards Internet shopping is a learning process (Section 4.7.1). Furthermore, the researcher asserts that within the overall Internet shopping learning process is an enabling process that includes key influencing factors (Section 4.7.2). The enabling process includes familiarity and confidence building (Section 4.7.2), as well as the development of qualifying trust (Section 4.8.2). While the notion of
Internet shopping as learned behaviour was identified in the literature review, the concept of the enabling process with familiarity and confidence-building processes were not. Furthermore, the notion of trust was identified as an influencing factor of online shopping in the literature review but not as qualifying trust in the context of an Internet shopping learning process.

5.3.3. The enabling process
One of the key tenets of the ISLM is that the Internet shopping learning process includes an enabling process (Section 4.7.2) that facilitates the journey of online consumers from having no Internet shopping participation for purchasing physical goods online to becoming online shoppers. For instance, at the before stage (Section 4.7), the Internet shopper participants go through the enabling process that engages their motivations, perceptions, the influences of members of their social groups and the media, attitudes towards online shopping, as well as the impact of their prior knowledge and past experience of computers, the Internet and online shopping (Section 4.7.2). It also engages their trust propensity, their becoming more familiar with the online shopping environment, the development of their confidence and qualifying trust (Section 4.8.2) in Internet shopping.

The enabling process and its key influencing factors further play an important role at the perceived barriers stage (Section 4.8). This stage of the process takes account of the associated risks of online shopping and the general lack of trust (Section 4.8.1) in the use of the Internet for online shopping purposes. As such, the enabling process and its key influencing factors are the key agents in building their confidence and qualifying trust to break through the perceived barriers to using online shopping.

On the other hand, the three participants that preferred to shop at bricks and mortar stores chose not to use Internet shopping at the perceived barriers stage. They have different motivations (Section 4.5.3) to the Internet shopper participants. Their attitude towards Internet shopping was less positive (Section 4.5.7). They viewed perceived risks as actual risks. They considered the risks as exceeding any benefits. Their lack of trust exceeded the level of qualifying trust required to use online shopping (4.5.13).

Furthermore, their enabling process and key influencing factors are different and are more aligned to shopping at bricks and mortar stores rather than shopping at B2C online stores.
(Section 4.5.2). They also preferred to shop at bricks and mortar stores where they can inspect, see, touch, taste, smell and try physical goods before purchasing, as well as having social interactions with shop assistants (Section 4.5.15). Therefore, they reject Internet shopping for purchasing physical products online.

5.3.4 Qualifying trust
The researcher argues that the enabling process and its key influencing factors, all contribute to building qualifying trust. In addition, the findings of this study indicate that confidence, trustworthiness of online merchants and other factors impact positively on qualifying trust.

Furthermore, the findings of this research indicate that as part of the enabling process, qualifying trust is the key determining factor of the overall Internet shopping learning process. This is in contrast to behavioural intention as the key determining factor of a consumer’s actual behaviour, as asserted by the TPB and ETPB, as well as TAM and ITTAM. However, this study acknowledges that behavioural intention is part of Internet shopping learning process but not the key determining factor in the participants’ coming to use and adopting online shopping for purchasing physical goods. Rather, the findings of this study indicate that qualifying trust is.

Moreover, both confidence and qualifying trust themes are key tenets of the ISLM. They provide the main areas of differences between the ISLM as compared to the prior theories discussed in Chapter 2. Therefore, these two concepts and their roles and relationships to Internet shopping also provide important areas for future research.

5.3.5 Internet shopping is learned behaviour
The process of Internet shopping for purchasing physical goods in a B2C e-commerce online environment is learned consumer behaviour. This is clearly supported by the empirical evidence relating to the four stages of the Internet shopping process (Section 4.6) (Figure 4.7). It also shows the learning process evolving and progressing in the same direction as that of the becoming stage where the online consumers perform Internet shopping for purchasing physical goods from B2C online stores. Furthermore, the learning concept is also part of the enabling process where prior knowledge and past learning experience contribute to familiarity and confidence building, as well as qualifying trust to perform Internet shopping for
purchasing physical goods online. In addition, the learning process continues to feedback into the cycle of future Internet shopping behaviour.

The study also notes that the younger participants grew up learning and using computers and the Internet at an earlier age compared to the older participants. The younger generation also tended to treat the online environment as an extension and part of their overall environment. They are at ease with the online environment as well as with Internet shopping. Furthermore, they tended to be more trusting of the Internet and online shopping.

However, it is the older participants that have the discretionary income and the means to effect online shopping. The older participants are in well-paid jobs and have credit cards to facilitate online shopping. On the other hand, the younger participants are generally limited on discretionary income and access to credit or debit cards. For instance, one of the younger and new Internet shopper participants started online shopping with her mother until she was able to own a debit card herself. This is also part of the context of the learned behaviour process with online shopping.

5.3.6 The contributions of the ISLM to knowledge

The primary goal of this study is to build a theoretical model about the process by which some online consumers come to learn and later adopt Internet shopping for purchasing physical goods in a B2C e-commerce online environment. The ISLM is formulated based on the common online shopping experiences of 12 online consumer participants. Therefore, building the ISLM from the findings of this study meets the primary goal of the research.

The ISLM contributes new additions to knowledge as a new theoretical model with a specific focus on the Internet shopping learning process for purchasing physical goods online (Table 5.11). The research’s findings indicated that Internet shopping results from a learning process and learned behaviour. The findings also provided a better understanding as to the challenges of purchasing physical goods in the context of a B2C e-commerce online environment. In addition, the concept of the enabling process, the themes of confidence and qualifying trust, their roles and relationships in relation to the Internet shopping learning process also provide contributions of new additions to knowledge to some extent. Furthermore, the findings of this study as captured in the ISLM also provide empirical evidence in support to some extent of prior theories discussed in Chapter 2.
However, the testing of the ISLM and its concepts, as well as the relationships of the themes within the theoretical model is left to future studies for theory-testing and further investigations. As such, the study also makes further contribution to knowledge to some extent by providing a starting point for future studies.

Table 5.11  **Contribution of this study to knowledge**

<table>
<thead>
<tr>
<th>Key concepts</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ISLM as a new theoretical model</td>
</tr>
<tr>
<td>The ISLM as a learning process model</td>
</tr>
<tr>
<td>The enabling process is part of the overall Internet shopping learning process</td>
</tr>
<tr>
<td>Qualifying trust is the main determining factor of the Internet shopping learning process</td>
</tr>
<tr>
<td>Internet shopping is learned behaviour</td>
</tr>
<tr>
<td>The ISLM as a starting point for future studies</td>
</tr>
</tbody>
</table>

*Source: Developed for this research.*

### 5.4 Implications for theory

There are limited theories specifically developed for the context of Internet shopping. The ISLM provides a fuller understanding of the process by which some online consumers learn Internet shopping and later adopt it for purchasing physical goods in a B2C e-commerce online environment. The model also provides a richer understanding as to the reasons why some online consumers use Internet shopping for purchasing physical goods at B2C online stores. In essence, this new theoretical model contributes an overall picture that answers the questions of *how, what* and *why* relating to the learning process of Internet shopping. Therefore, the ISLM contributes to both theoretical and practical knowledge of the online shopping learning process with a specific focus on purchasing physical goods in a B2C e-commerce online environment.

While the ISLM is specific with its focus on purchasing physical goods in a B2C online setting, it could be argued that its theoretical framework can be extended to enhance understanding about online shopping for purchasing non-physical goods and services at B2C online stores. Furthermore, the ISLM could also be extended to better understand the Internet shopping learning process for purchasing physical and non-physical products, as well as services, at C2C online marketplaces. Therefore, the ISLM provides a basis for future studies.
to consider the tenets of this model in relation to non-physical goods and services both in the B2C and C2C e-commerce environments.

The researcher concludes that Internet shopping is learned behaviour, as captured in the ISLM. Furthermore, Internet shopping is adopted following a learning process. These theoretical propositions have been made possible and are supported by the contributions of prior theories such as learning theories, TPB, CTIS, TAM and Diffusion of Innovation theory in guiding the development of the study and the formulation of initial ideas. Furthermore, the findings of this study have in return contributed empirical evidence to support many of the tenets of the prior theories covered in this study, as well as extending the scope of applications of the prior theories to include Internet shopping.

One of the key strengths of the ISLM is that it is based on the worldviews of the online consumer participants; their motives and reasons; their thinking and perspectives; attitude; behaviour; experiences; social environment and their realties. It was also well informed from an integrated theoretical approach in identifying relevant key themes and concepts at the initial stage of the study from five different parent disciplines and their prior theories. As such, it is more holistic in its scope, as compared to any one of the prior theories considered in this study. Therefore, the ISLM can be considered alongside the prior theories used in this study when investigating future studies relating to Internet shopping.

Some of the key concepts of ISLM are: the enabling process; confidence, trustworthiness of online merchants and other trust-related factors as key determinants of qualifying trust, and qualifying trust as the main determining factor of Internet shopping behaviour. Furthermore, the findings, as captured in the ISLM, indicate that behavioural intention is part of the enabling process but it is not the key determining factor for online shopping, as the TPB, ETPB, TAM and ITTAM would argue. Therefore, future studies will need to investigate this difference in theoretical propositions. In addition, future studies should further investigate the roles of confidence and qualifying trust in the learning process of other online applications, as well as in the adoption of other new innovations.

Given that this study’s main aim is theory building, future theory-testing studies will be required to validate or refute the findings of this study, as well as the propositions associated with the ISLM framework. In addition, the same study can also be replicated in different
countries or regions to investigate if the same or different results are achieved. Furthermore, the ISLM framework can be further developed and / or refined from the findings of future studies.

5.5 Implications for policy and practice

One of the key themes from the research’s findings is online safety. As such, there are implications for both policy and practice at different levels relating to Internet safety. For instance, there are implications for legislators both locally, as well as globally, to govern and provide safe e-commerce online environments for both the online consumers, as well as online merchants. The implications for practice include the need for governments and their enforcement agencies to effectively enforce legislation that governs online business trading and to ensure online safety. This also includes bringing legal actions against those who break the laws governing e-commerce online activities.

Online merchants also need to have safety policies and practices in place to ensure online safety for their Internet shoppers. For instance, online merchants should have a policy about using credible independent third parties like Visa, MasterCard and PayPal as payment system providers. Furthermore, the payment system providers can access, validate and make payments between the parties concerned, without the online merchants having access to financial and credit card details of the Internet shoppers.

As part of their online business, online merchants should have policy and practices that continuously monitor and upgrade their online safety infrastructure systems to keep up with the changing online business environment. This includes their payment systems and safety features such as reasonable limits of the value of goods that can be bought at any one time, insurance coverage and systems of validating the bona fide identity of online shoppers. Such policies and practices will help prevent online fraudulent use of credit cards and breach of privacy and confidentiality.

Another area requiring sound policy and practice relates to redressing of online shopping concerns when problems arise. For instance, online consumers need to know that they can easily contact a representative of the online merchant when there is something wrong with their online purchase. Having physical address details, contact telephone number or an active
online customer service or help desk, provide online consumers with confidence and trust that
the online merchant that they are dealing with is a trustworthy organisation.

Furthermore, online merchants need to respond quickly and informatively to their online
customers, providing meaningful solutions to any concern, whether it is delay in fulfilment,
out of stock, damaged goods, receiving wrong goods, replacement, refund or returned goods.
It is also good policy and practice to have tracking numbers for all online purchases. It
enables online shoppers to track their order. It gives them confidence and trust in knowing
what is happening with their order, or where their order is at, or if there is any problem with
their order so that they can follow it up. In a way, this provides online consumers with some
control of the process to ensure a favourable outcome.

There are also policies and practices that B2C online merchants can put in place to grow their
online shopping business. For example, the design and layout of online stores should result in
an easy to use B2C Internet store. In addition, online stores should have adequate online
infrastructure systems to ensure Internet speed, connectivity and reliability as part of the ease
of use and trustworthiness aspects of their online business. They should also continue to
improve their user interface features for greater control, ease of use and effective online
navigation. The layout of online stores should ensure that it only takes three or less clicks for
online shoppers to get to the items they wish to purchase, make payment and exit without
being lost in the process. Descriptions and pictures of products should be informative,
accurate and true representations of the product of interest to enable online shoppers make
informed decisions: accurately; easily; and quickly.

Another key influencing factor in the Internet shopping learning process is the online
consumer’s motivation. The research’s findings indicated that three of the main key
motivational drivers relate to time saving, accessibility-cum-availability of products and
financial benefits, either cheaper prices or cost savings. Therefore, online merchants must
consider these key motivational drivers in their overall business policies and practices. For
instance, effective and timely fulfilment of online orders and offering cheaper prices in
comparison to those offered at bricks and mortar stores. It can also include having exclusive
availability of products at online stores that are not available at bricks and mortar stores.
In addition, online stores need to be professionally presented and interesting with ongoing updates. Professionally presented online stores promote confidence and trust in online shoppers. Furthermore, online merchants should include customer testimonials and feedback to help potential new online customers with their Internet shopping learning process, as well as promoting the usefulness and benefits of Internet shopping and the trustworthiness of the online merchant. These policies and practices provide online consumers further confidence and trust in Internet shopping and online merchants.

Online merchants benefit from both new and repeat businesses. Growing market share is important. Equally important is growing sales from repeat business of online consumers that already have confidence and qualifying trust in the online merchant. It is easier to do business with returning online consumers than with potential new online customers that need to become confident and trusting of the online merchant. Therefore, policies and practices that encourage new online customers to shop online and reward loyal repeat business customers are important to growing e-commerce online business. They may include discounted prices, digital promotional vouchers and free shipment. Online merchants should also consider the use of affiliate marketing to grow their online business.

The same implications of policy and practice relating to B2C online stores can also apply to C2C online marketplaces. They can also apply to the B2B online business sector. Furthermore, the implications for such policy and practice can apply both to physical goods, as well as non-physical goods and services.

5.6 Limitations of the research

The delimitations of the research scope are provided in Section 1.7 (Chapter 1). For instance, this research limited the selection of participants to consumers who have online experience. It did not include any consumers that did not have online experience. In addition, the research’s primary goal is theory building not theory testing. Therefore, this phenomenological research was limited to a small sample number of participants based on the selection principle of replication logic. Selection to the point of theoretical redundancy was achieved with 12 online consumer participants.
The likely limitations that are often directed to qualitative research including phenomenological research as the chosen research method, such as: perceived bias and lack of rigour; non-generalisation to a population and limitations due to resource constraints and logistical challenges are addressed in Section 3.11.2. Furthermore, these likely phenomenological research-based method limitations were all successfully overcome in this study. Therefore, these likely limitations are acknowledged but they have not undermined the contributions of this research’s findings, including the formulation of the ISLM as a new theoretical model.

The findings of this study are based on the experiences of 12 online consumer participants and their stories being told in retrospect. A weakness of this approach is the effect of poor memory over time. However, the researcher argues that while nine of the participants related their Internet shopping journey in retrospect, they are still current with their participation in online shopping at the time of the research. Their experiences are still current and their memories of the journey had not deteriorated at the time of the study. Furthermore, the three participants that have not purchased any physical goods at B2C online stores, their stories and experiences are still pointing forward to the possibility of becoming online shoppers in the future, rather than in retrospect. Therefore, this limitation has not restricted the significance of the research’s findings and the essence of the ISLM.

5.7 Implications for further research
This qualitative research focused on theory building regarding the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment. In addition, the findings of the research gave rise to the formulation of the ISLM, a new theoretical model specifically developed to better understand the Internet shopping learning process for purchasing physical goods online. The ISLM was also developed from the perspective of a learning process and learned consumer behaviour. As such, this research has contributed both to knowledge and practice. However, it is likely that there are still gaps in the extant literature about the Internet shopping learning process cum the Internet shopping phenomenon. Therefore this research also provides the basis for further studies in the following areas:
Grounded theory building method. This research made some use of prior theory to identify possible relevant themes at the initial stage of the study for the development of guiding questions for the interview stage. However, another approach to theory building is grounded theory. Therefore, future studies could use the grounded-theory approach to theory build a model of the Internet shopping learning process in a B2C online environment for purchasing physical goods, to establish if their findings are similar or different to the ISLM.

Positivist theory-testing research to validate and generalise the ISLM. The scope of this research did not include any theory-testing component. Therefore, future quantitative studies are needed to test the ISLM and the conclusions reached by this research. For instance, the concept of the enabling process and its key influencing factors in the learning process of Internet shopping could be tested. In addition, the conclusion that confidence is one of the main determining factors of qualifying trust, besides trustworthiness of online merchants and other trust-related factors could be tested. Future quantitative survey studies could also quantify the themes identified in this research and test their relationships regarding online shopping within the context of a B2C e-commerce environment for purchasing physical goods.

Qualifying trust versus behavioural intention. The findings of this study indicate that qualifying trust is the key determining factor in the Internet shopping learning process for purchasing physical goods in a B2C e-commerce online environment, while acknowledging behavioural intention as part of the enabling process. This finding is supported to some extent by the CTIS model. On the other hand, the TPB and ETPB argue that behavioural intention is the main determining factor of the behaviour of interest. Therefore, future studies are needed to investigate this gap in knowledge resulting from the disagreement between the research findings and prior theories of the TPB and ETPB, as well as the TAM and ITTAM.

Replicating the research. This is the first research regarding the ISLM. Future research can replicate this research in other cities of New Zealand or overseas to investigate if the same or similar results can be achieved to further support the findings of this research and the ISLM. Alternatively, the results of future research may disagree with the ISLM and therefore can refine the ISLM or it may give rise to a contrary theoretical model of consumer learning of Internet shopping for purchasing physical goods.
**Research focusing on physical, non-physical goods and services.** This research focused on the purchase of physical goods in a B2C e-commerce online environment. However, the researcher asserts that the ISLM can also be applied to better understand the online shopping learning process for purchasing physical goods, non-physical goods and services in both B2C and C2C online environments. Therefore, the findings of this research provide a theoretical basis for future studies to investigate Internet shopping learning process focusing on purchasing physical and digital products, as well as services in both the B2C and C2C online settings.

### 5.8 Conclusion

Chapter 5 has discussed the findings and conclusions of this research. Section 5.1 provided the overview of this discussion chapter. Section 5.2, discussed the findings and conclusions of this study in relation to the prior theories of the five parent disciplines reviewed in Chapter 2. The conclusions about the research problem and the ISLM were discussed in Section 5.3. The implications for theory were discussed in Section 5.4. This chapter also discussed the implications for policy and practice (Section 5.5), limitations of the research and how they were all successful addressed (5.6) and the implications for future research (5.7).

Finally, Section 5.8 provides the conclusion for this study by reiterating the answer to the research question. The researcher concludes that the process by which some online consumers learn Internet shopping for purchasing physical goods in a B2C e-commerce online environment is the *Internet shopping learning process*. In addition, Internet shopping is *learned behaviour*. Furthermore, the goal of the research problem is to build a model to answer the research question. This was achieved with the formulation of the ISLM which also provides a contribution to knowledge.
References


---- 1988, Attitudes, personality, and behavior, Dorsey Press, Homewood, Illinois.


Chan, K & Fang, W 2007, 'Use of the internet and traditional media among young people', Young Consumers, vol. 8, no. 4, pp. 244-56.


Crenshaw, EM & Robinson, KK 2006a, 'Jump-starting the Internet revolution: How structural conduciveness and global connections help diffuse the Internet', *Journal of the Association for Information Systems*, vol. 7, no. 1, p. 4.

---- 2006b, 'Globalization and the digital divide: The roles of structural conduciveness and global connection in Internet diffusion', *Social Science Quarterly*, vol. 87, no. 1, p. 190.


Dinev, T & Hu, Q 2007, 'The centrality of awareness in the formation of user behavioral intention toward protective information technologies', *Journal of the Association for Information Systems*, vol. 8, no. 7, p. 386.


Forbes, DA 2003, 'An example of the use of systematic reviews to answer an effectiveness question', Western Journal of Nursing Research, vol. 25, no. 2, p. 179.


Giorgi, A (ed.) 1985, Phenomenology and psychological research, Duquesne University Press, Pittsburgh, PA.


Goldsborough, R 2008, 'The Internet these days', *Teacher Librarian*, vol. 35, no. 3, p. 72.


Gregan-Paxton, J, Hibbard, JD, Brunel, FF & Azar, P 2002, 'So that's what that is: Examining the impact of analogy on consumers' knowledge development for really new products', *Psychology & Marketing*, vol. 19, no. 6, pp. 533-50.


Healy, M & Perry, C 2000, 'Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm', *Qualitative Market Research*, vol. 3, no. 3, p. 118.


Janson, M & Cecez-Kecmanovic, D 2005, 'Making sense of e-commerce as social action', *Information Technology & People*, vol. 18, no. 4, p. 311.


Jimmieson, NL, Peach, M & White, KM 2008, 'Utilizing the theory of planned behavior to inform change management: An investigation of employee intentions to support


Kennedy, EH & Fragaszy, DM 2008, 'Analogical reasoning in a capuchin monkey (Cebus apella)', *Journal of Comparative Psychology*, vol. 122, no. 2, pp. 167-75.


Maxwell, JA, Boote, DN & Beile, P 2006, 'Literature reviews of, and for, educational research: A commentary on Boote and Beile's 'Scholars before researchers' / on 'Literature reviews of, and for, educational research': A response to the critique by Joseph Maxwell', *Educational Researcher*, vol. 35, no. 9, p. 28.


Meller, P 2001, 'Reduced access fees help spur European Internet usage', *InfoWorld*, vol. 23, no. 14, p. 59B.


Norman, P, Conner, M & Bell, R 1999, 'The theory of planned behavior and smoking cessation', *Health Psychology*, vol. 18, no. 1, pp. 89-94.


Perry, C, Alizadeh, Y & Riege, A 1997, 'Qualitative methods in entrepreneurship research', paper presented to Small Enterprise Association of Australia and New Zealand, Southern Cross University, Coffs Harbour.


---- 1995, 'Narrative configuration in qualitative analysis', in *Qualitative Studies in Education*, 8, pp. 5-23.


San Filippo, J & Crenshaw, C 1999, 'In Michigan, web-based insurance program', Credit Union Journal, p. 3.

Savitskie, K, Royne, MB, Persinger, ES, Grunhagen, M & Witte, CL 2007, 'Norwegian Internet shopping sites: An application & extension of the technology acceptance
model', *Journal of Global Information Technology Management*, vol. 10, no. 4, pp. 54-73.

Scansaroli, JA & Eng, V 1997a, 'Interactive retailing: Consumers on line', *Chain Store Age*, vol. 73, no. 1, p. 5A.

---- 1997b, 'Interactive retailing, the threat, the opportunity: Imagine this: Wired kingdom', *Chain Store Age*, vol. 73, no. 1, p. 2A.


Seock, S-K & Norton, M 2007, 'Attitude toward Internet web sites, online information search, and channel choices for purchasing', *Journal of Fashion Marketing and Management*, vol. 11, no. 4, p. 571.

---- 2008, 'College students' perceived attributes of Internet websites and online shopping', *College Student Journal*, vol. 42, no. 1, p. 186.


So, JCF & Bolloju, N 2005, 'Explaining the intentions to share and reuse knowledge in the context of IT service operations', *Journal of Knowledge Management*, vol. 9, no. 6, p. 30.


Tesch, R 1988, The contribution of a qualitative method: Phenomenological research., Unpublished manuscript, Qualitative Research Management, Santa Barbara, CA.

---- 1990, Qualitative research: Analysis types and software tools, Falmer Press, Bristol, PA.


Van Kaam, A 1966, Existential foundations of psychology, Duquesne University Press, Pittsburgh, PA.


Zhang, W & Gutierrez, O 2007, 'Information technology acceptance in the social services sector context: An exploration', *Social Work*, vol. 52, no. 3, p. 221.

Appendix A: Interview protocol and questions

Interview Protocol
Based on known information from the literature review (Chapter 2), an interview protocol was established for the research. The interview protocol was used as a guide for the phenomenological interviews with individual participants. Semi-structured and open-ended questions were asked to allow flexibility and to capture unique information from each participant.

Pilot interview
The first interview would be the pilot interview. It shall be conducted as a practice interview before conducting interviews on the remaining participants. The pilot interview shall contribute to refining the interviewing process, questions and to learn from the pilot interview for the remaining interviews.

Interview schedule for the indicative 12 participants or until theoretical saturation
An interviewing schedule for the indicative 12 participants was set up as per table below.

Table 3.7 The three groups of consumer participants

<table>
<thead>
<tr>
<th>The three groups</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. The online consumers who are established Internet shoppers of physical goods in a B2C e-commerce online environment with experience of more than 12 months.</td>
<td>6 participants</td>
</tr>
<tr>
<td>4. The online consumers who are new Internet shoppers of physical goods in a B2C e-commerce online environment with experience of up to 12 months.</td>
<td>3 participants</td>
</tr>
<tr>
<td>3. The Internet users with no Internet shopping experience in purchasing physical goods in a B2C e-commerce online environment.</td>
<td>3 participants</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12 participants</td>
</tr>
</tbody>
</table>

Source: Developed for this research.

Semi-structured and open-ended interview questions
Interviews shall be conducted face-to-face. In addition, a digital audio recorder shall be used to capture the interviews. All 12 participants shall be selected from the Greater Auckland City.

There are two categories of questions. Category A is for participants with Internet shopping experience in purchasing physical goods online. Category B is for participants with no Internet shopping experience in purchasing physical goods online.
Participants will only answer one category of questions that is appropriate to their experience in Internet shopping for purchasing physical goods online, or intention to do so in the future.

**Category A:** (Questions for participants with Internet shopping experience in purchasing physical goods in a B2C online environment.)

**Questions on the process of becoming an Internet shopper for purchasing physical goods:**
1. Reflect and tell me your story of how as a consumer you became an Internet shopper, purchasing physical goods online in a B2C e-commerce online environment?
2. What physical goods have you purchased through Internet shopping?

**Questions on Internet shopping learning of purchasing physical goods online:**
3. How did you come to know or learn about Internet shopping for physical goods?
4. Who would you say you learned Internet shopping for physical goods from?
5. What made you decide / persuaded you to purchase physical goods through Internet shopping?

**Question on attitudes, beliefs and perspectives towards Internet shopping:**
6. What are your attitudes, beliefs and perspectives towards Internet shopping for physical goods?

**Questions on usefulness, ease of use and value of Internet shopping:**
7. How do you perceive Internet shopping as useful for purchasing physical goods and why?
8. How do you perceive ease of use of Internet shopping for purchasing physical goods and why?

**Questions on prior computer usage (literacy) experience:**
9. What computer usage experience did you have prior to becoming an Internet shopper for physical goods?
10. Do you think that your prior computer literacy experience enabled you to become an Internet shopper for physical goods online, and why?

**Questions on prior Internet user experience:**
11. What Internet user experience did you have prior to becoming an Internet shopper for physical goods?
12. Do you think that your prior Internet user experience enabled you to become an Internet shopper for physical goods online, and why?

**Question on prior non-store shopping experience:**
13. What prior experience did you have with non-store shopping (e.g. catalogue, telephone shopping, TV shopping programmes, etc)?
14. Do you think that your prior non-store shopping experience enabled you to become an Internet shopper for physical goods online, and why?

**Questions on trust in Internet shopping for purchasing physical goods online:**
15. What fear did you have when you purchased physical goods via Internet shopping?
16. What role did trust in the Internet technology play in your becoming an Internet shopper for purchasing physical goods online, and why?
17. What role did trust in Internet merchants play in your becoming an Internet shopper for purchasing physical goods online, and why?
18. Do you trust Internet shopping more or less now for purchasing physical goods online, and why?
19. Before you became an Internet shopper did you view Internet shopping as more risky or less risky than conventional shopping? And why?
20. Do you consider Internet shopping more or less risky now for purchasing physical goods online, and why?
21. What other factors did you consider important in your decision to become an Internet shopper for physical goods online?

Demographic profile questions:
22. Gender: male or female?
23. Which age bracket do you belong to: 18-25; 26-35; 36-45; 46-55; 56-65; 66+?
24. What is your highest education level achieved: Primary, Secondary or Tertiary?
25. Which income bracket do you belong to: $1-$10k; $11k-$20k; $21k-$30k; $31k-$40k; $41k-$50k; $51k-$60k; $61k+?
26. What Internet shopping experience for purchasing physical goods do you have: 1 to 12 months’ experience; or more than 12 months’ experience?

Final questions for those with Internet shopping experience in purchasing physical goods online:
27. Do you think Internet shopping for purchasing physical goods is learned behaviour or not? Why or why not?
28. Is there anything else you wish to share from your experience of the process by which you became an Internet shopper for physical goods online?

Category B: (Questions for participants with no Internet shopping experience in purchasing physical goods in a B2C online environment.)

Questions on intention to purchase physical goods via Internet shopping:
1. Do you intend to become an Internet shopper for physical goods in the future, and why?
2. What is your perspective on Internet shopping for physical goods?

Question on attitudes, beliefs and perspectives towards purchasing goods via Internet shopping:
3. What are your attitudes, beliefs and perspectives towards Internet shopping for physical goods?

Questions on usefulness, ease of use, and value of Internet shopping
4. How do you see the usefulness, ease of use and value of Internet shopping for purchasing physical goods online?

Questions on prior computer usage (literacy) experience
5. What computer usage experience do you have?
6. Do you think that your prior computer literacy experience will enable you to become an Internet shopper for physical goods online in the future, and why?

Questions on prior Internet user experience:
7. What Internet user experience do you have?
8. What do you use the Internet for?
9. Do you think that your prior Internet user experience will enable you to become an Internet shopper for physical goods online in the future, and why?

**Question on prior non-store shopping experience:**
10. What prior experience did you have with non-store shopping (e.g. catalogue, telephone shopping, TV shopping programmes, etc)?
11. Do you think that your prior non-store shopping experience will enable you to become an Internet shopper for physical goods online in the future, and why?

**Questions on trust in Internet shopping for purchasing physical goods online:**
12. What fear do you have of purchasing physical goods via Internet shopping?
13. What role would trust in the Internet technology play for you to become an Internet shopper of physical goods online, and why?
14. What role would trust in Internet merchants play for you to become an Internet shopper of physical goods online, and why?
15. How important is trust in Internet shopping for purchasing physical goods and why?
16. Do you trust Internet shopping for purchasing physical goods online, and why?
17. Do you perceive Internet shopping as more risky or less risky than conventional shopping and why?
18. What other factors do you consider important in your decision to become an Internet shopper for physical goods online?

**Demographic profile questions:**
19. Gender: male or female?
20. Which age bracket do you belong to: 18-25; 26-35; 36-45; 46-55; 56-65; 66+?
21. What is your highest education level achieved: Primary, Secondary or Tertiary?
22. Which income bracket do you belong to: $1-$10k; $11k-$20k; $21k-$30k; $31k-$40k; $41k-$50k; $51k-$60k; $61k+?
23. What Internet shopping experience for physical goods do you have? None.

**Final questions for those with no Internet shopping experience in purchasing physical goods online but are intending to do so in the future:**
24. Do you think Internet shopping for purchasing physical goods is learned behaviour or not? Why or why not?
25. Is there anything else you wish to comment on about your intention to become an Internet shopper for physical goods online?
APPENDIX B: Information Sheet

INFORMATION SHEET

Date:

Dear

Introduction
My name is Elise Puni. I am conducting a research for my dissertation towards a Doctorate in Business Administration (DBA) at Southern Cross University.

Name of research project
My research project is entitled: Internet Shopping Learning Model (ISLM).

How participants are selected for the research
Participants are selected for this research because they are online consumers who have already purchased physical goods via Internet shopping, or consumers who have not yet purchased physical goods via Internet shopping but are intending to do so in the future.

Furthermore, participants’ names have been obtained through the following two methods:
1. either you are known to the researcher, or
2. your name has been recommended to the researcher by someone you know.

What is this research?
The research is interested in capturing the learning experience of Internet users as the basis for building a theory on how Internet users become Internet shoppers of physical goods. The emerging theory will be entitled: Internet Shopping Learning Model (ISLM).
Low risk
The research is considered to be low risk. However, the following procedures are included to further minimise any potential risks, inconveniences, discomforts, and uncertainties that the participants may encounter:

Voluntary participation
Participation in this research is voluntary. Participants can choose not to participate in any part or all of this research at any time, without any negative consequence to them.

Terminating involvement with and withdrawing from the research
Furthermore, participants can terminate their involvement with the research, or withdraw from participating at any time without any negative consequence to them.

What does the research involve?
- The research will include an interview which should take about an hour to complete.
- A follow-up interview may be required if any clarification is needed.

Interviews to be conducted at a place and time convenient to the participants
- The interview can take place at a venue and time that is convenient to the participants.
- The researcher will travel to where the participants would like the interview to take place. Therefore it will not require any travelling expenses on the part of the participants.

Protection of privacy
Any information that may identify the participants will be de-identified at the time of analysis of any data. Therefore, any information that is provided by the participants cannot be linked to them personally. Furthermore, neither their names nor any identifying information will be disclosed or published. In addition, all information gathered in this research is confidential and it will be kept securely and confidentially for 7 years at the University.
Contribution to knowledge and practice

- It is envisaged that the research will make a contribution to knowledge through its theory building of the Internet Shopping Learning Model (ISLM).
- ISLM will also contribute to improving the understanding and knowledge of online business vendors in enhancing their strategies and safe practices for selling physical goods online.

Dissemination of the research results, including publication

The results of this study may be published in a peer-reviewed journal and presented at conferences, but only group data will be reported.

Participant's consent

A consent form is sent out together with the Information Sheet. The consent form shall be signed by the participants and given to the researcher when the researcher arrives for the interview. The consent form must be signed and presented to the researcher before the interview begins.

Follow-up telephone call or an email prior to interview(s)

The researcher will contact the participants via telephone or email to finalise arrangements prior to arriving for the interview(s).

Further inquiries about the research

Participants can contact the supervisor or researcher at any time with any queries.

Researcher: Mr Elise Puni, contact telephone number: +649 276-6934, or email elise@puni.co.nz.

Supervisor: Dr Kenneth Hyde, Auckland University of Technology (AUT) +649 921-9999 Ext 5605, or email ken.hyde@aut.ac.nz.

Feedback from the research

All participants can receive a summary of the results by email or mail. Participants wishing to receive results of the research should provide their contact details on the consent form which will be returned to the researcher.
Research approval by Southern Cross University
(The following statement will be included once approval has been granted)
This research has been approved by the Human Research Ethics Committee at Southern Cross University. The approval number is **ECN-10-144**.

Complaints about the research/researchers
If you have concerns about the **ethical conduct** of this research or the researchers, the following procedure should occur by writing to the following:

The Ethics Complaints Officer
Southern Cross University
PO Box 157
Lismore NSW 2480
Email: ethics.lismore@scu.edu.au

All information is confidential and will be handled as soon as possible.

Thanking you in advance
I am looking forward to meeting you for this research and thank you in advance for voluntarily agreeing to participate.

Yours sincerely

Elise Puni

**DBA candidate/ researcher**
APPENDIX C: Consent Form

CONSENT FORM

Title of research project: Internet Shopping Learning Model (ISLM)

Name of researcher: Mr Elise Puni

Name of Supervisor: Dr Kenneth Hyde

(Contact details of the researcher and the supervisor are contained in the information sheet about this research)

Please tick the box that applies, sign and date and give to the researcher

I agree to take part in the Southern Cross University research project specified above. Yes□ No□

I have been provided with information at my level of comprehension about the purpose, methods, demands, risks, inconveniences and possible outcomes of this research, including any likelihood and form of publication of results. Yes□ No□

*I agree to be interviewed by the researcher Yes□ No□

*I agree to allow the interview to be *audio-taped Yes□ No□

*I agree to make myself available for further interview if required Yes□ No□

*I agree to complete a questionnaire asking me about my experience and background relating to Internet shopping for physical goods Yes□ No□

I understand that my participation is voluntary Yes□ No□
I understand that I can choose not to participate in part or all of this research at any time, without negative consequence to me  

Yes □  No □

I understand that any information that may identify me, will be de-identified at the time of analysis of any data. Therefore, any information that I have provided cannot be linked to me (Privacy Act 1988 Cth)

Yes □  No □

*I understand that neither my name nor any identifying information will be disclosed or published

Yes □  No □

I understand that all information gathered in this research is confidential. It will be kept securely and confidentially for 7 years at the University

Yes □  No □

I am aware that I can contact the supervisor or researcher at any time with any queries

Yes □  No □

I understand that the ethical aspects of this research have been approved by the SCU Human Research Ethics Committee

Yes □  No □

If I have concerns about the ethical conduct of this research, I understand that I can contact the SCU Ethics Complaints Officer

Yes □  No □

Participants name:

Participants signature:

Date:

☐ Please tick this box and provide your email address or mail address (confidential) below if you wish to receive a summary of the results:
Email:

____________________________________________________________

Mailing address:

____________________________________________________________

Thank you very much for your voluntary participation

Elise Puni
DBA Candidate
Appendix D: Participants’ interviews and analysis schedule

Participants’ interviews and analysis schedules

<table>
<thead>
<tr>
<th>Participants</th>
<th>Interview Date</th>
<th>Place of interview</th>
<th>Audio analysis date</th>
<th>Transcript analysis date</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>17 Sept 2010</td>
<td>MIT interview room</td>
<td>17 Sept 2010</td>
<td>24 Sept 2010</td>
</tr>
<tr>
<td>P2</td>
<td>27 Sept 2010</td>
<td>AuckPac interview room</td>
<td>27 Sept 2010</td>
<td>19 Nov 2010</td>
</tr>
<tr>
<td>P3</td>
<td>28 Sept 2010</td>
<td>AuckPac interview room</td>
<td>28 Sept 2010</td>
<td>25 Nov 2010</td>
</tr>
<tr>
<td>P4</td>
<td>9 Nov 2010</td>
<td>AuckPac interview room</td>
<td>9 Nov 2010</td>
<td>26 Nov 2010</td>
</tr>
<tr>
<td>P5</td>
<td>26 Jan 2011</td>
<td>Researcher’s home</td>
<td>26 Jan 2011</td>
<td>17 Feb 2011</td>
</tr>
<tr>
<td>P6</td>
<td>27 Jan 2011</td>
<td>P6’s home</td>
<td>27 Jan 2011</td>
<td>19 Feb 2011</td>
</tr>
<tr>
<td>P7</td>
<td>7 Feb 2011</td>
<td>AuckPac interview room</td>
<td>7 Feb 2011</td>
<td>21 Feb 2011</td>
</tr>
<tr>
<td>P8</td>
<td>15 Feb 2011</td>
<td>AuckPac interview room</td>
<td>15 Feb 2011</td>
<td>24 Feb 2011</td>
</tr>
<tr>
<td>P12</td>
<td>1 Aug 2011</td>
<td>AuckPac interview room</td>
<td>1 Aug 2011</td>
<td>16 Sept 2011</td>
</tr>
</tbody>
</table>

Source: Developed for this research.
## APPENDIX E: Observations of B2C online stores, Trade Me and eBay

Data of observations on B2C online stores used by the participants, plus Trade Me and eBay

<table>
<thead>
<tr>
<th>B2C Online stores, Trade Me and eBay</th>
<th>Usefulness</th>
<th>Ease of use</th>
<th>Secure payment system</th>
<th>Protection of privacy</th>
<th>Quality presentation</th>
<th>Trustworthiness of online store</th>
<th>Recognised vendor/brand</th>
<th>Contactability</th>
<th>Fulfillment performance</th>
<th>Customer feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.fishpond.co.nz">www.fishpond.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.foodtown.co.nz">www.foodtown.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.1-day.co.nz">www.1-day.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.amazon.com">www.amazon.com</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.digitalmax.co.nz">www.digitalmax.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.woolworths.co.nz">www.woolworths.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.lightinthebox.com">www.lightinthebox.com</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.ticketmaster.co.nz">www.ticketmaster.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.ticketek.co.nz">www.ticketek.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><a href="http://www.airnewzealand.co.nz">www.airnewzealand.co.nz</a></td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Website</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><a href="http://www.marbecks.co.nz">www.marbecks.co.nz</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><a href="http://www.kathmandu.co.nz">www.kathmandu.co.nz</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><a href="http://www.trademe.co.nz">www.trademe.co.nz</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><a href="http://www.ebay.com.au">www.ebay.com.au</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Developed for this research*
APPENDIX F: Sample versions of the ISLM during development

The following are developmental sample versions, as examples, of the ISLM during its emergence both from the literature review and from this research’s findings.

Version 1: Emerging ISLM ideas and concepts based on existing literature.

<table>
<thead>
<tr>
<th>Web e-tailing</th>
<th>How?</th>
<th>Internet Consumer Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet phenomenon</td>
<td>RELATIONSHIP FACTORS</td>
<td>Demographics of Internet consumer:</td>
</tr>
<tr>
<td>E-commerce</td>
<td></td>
<td>- age</td>
</tr>
<tr>
<td>E-tailing</td>
<td>Trustworthiness</td>
<td>- gender</td>
</tr>
<tr>
<td>Web e-tailing</td>
<td>Security</td>
<td>- income</td>
</tr>
<tr>
<td>Web e-tailing Technology</td>
<td>Privacy</td>
<td>- education</td>
</tr>
<tr>
<td>- quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- reliability</td>
<td>Risks</td>
<td></td>
</tr>
<tr>
<td>Web site Interactivity</td>
<td>Benefits</td>
<td>Attributes of online purchasing:</td>
</tr>
<tr>
<td>- speed</td>
<td></td>
<td>- Convenience</td>
</tr>
<tr>
<td>- ease of access</td>
<td></td>
<td>- Price</td>
</tr>
<tr>
<td>- manoeuvrability</td>
<td></td>
<td>- Cost</td>
</tr>
<tr>
<td>- interactive features</td>
<td></td>
<td>- Value</td>
</tr>
<tr>
<td>- web design</td>
<td></td>
<td>- Business brand effect</td>
</tr>
<tr>
<td>- flow</td>
<td></td>
<td>- Product types</td>
</tr>
<tr>
<td>Web e-tailing Transactional capabilities</td>
<td></td>
<td>- Usefulness and performance</td>
</tr>
<tr>
<td>- security</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- cost factors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fulfilment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Customer services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Delivery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Warranties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Post purchase support</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Developed for this research.
**Version 2: Emerging ISLM from the literature review’s deductive process**

**BEFORE**
No Internet shopping experience

**DURING**
Initial Internet shopping learning experience

**AFTER**
Internet shopping experience

---

**Internet User**

**Prior Experience:**
- Internet use
- Non-store shopping experience

**Trust and risk taking**

**IT Perceived usefulness**

**IT Perceived ease of use**

---

**Diffusion of Innovation Learning Process**
1. Knowledge – learning about the existence and function of Internet shopping.
2. Persuasion – Value of Internet shopping.
3. Decision - Committed to adopt Internet shopping online
4. Implementation – Internet Shopping online

**Confirming acceptance of Internet Shopping**

**Enhanced Internet shopping knowledge and experience**

**Future Internet Online Shopping**

---

*Source: Developed for this research.*
Version 3: Emerging ISLM as its conceptualisation continues

‘BEFORE’ STAGE

Internet User
No Internet online shopping experience

Channel Knowledge of Internet online shopping

Behavioural Intention

Trust and risk taking

IT Perceived usefulness

IT Perceived ease of use

‘DURING’ STAGE

Internet user’s Learning Process in becoming an Internet online shopper

Persuasion of value of Internet online shopping

Decision to adopt Internet online shopping

Implementing Internet online shopping

Enhanced Internet online shopping knowledge and experience

‘END’ STAGE

Rejecting Internet online shopping

Internet online shopper
Confirming the acceptance of Internet online shopping

Future Internet online shopping

Source: Developed for this research
Version 4: Progressive ISLM with both inductive and deductive processes performed

**BEFORE STAGE**
No Internet shopping experience of physical goods

**PERCEIVED BARRIERS STAGE**
Awareness and learning among social groups, from significant others and from the media
Fear of perceived risks and lack of trust

**DURING STAGE OF IMPLEMENTATION**
Persuaded of the value and benefits
Decision to use Internet shopping to purchase physical goods online
Implement Internet shopping to purchase physical goods online

**BECOMING STAGE (or not)**
REJECTING Internet shopping for physical goods

**ENABLERS OF INTERNET SHOPPING FOR PHYSICAL GOODS ONLINE**
Determining and influencing factors such as:
- Motivational drivers e.g. need or desire
- Ease of use and perceived control
- Perceived usefulness and benefits
- Fear of perceived risks
- Prior related knowledge, skills, experience and learning
- Learning among social groups, from significant others and the media
- Positive attitude and perception towards Internet shopping for physical goods online
- Individual trust propensity
- Gradual learning, familiarity and confidence
- Qualifying trust or lack of trust
- Trustworthiness of online merchant
- Other factors, e.g. online presentation, contactability

Source: developed for this research
APPENDIX G: Free Nodes as themes

Sample of this research’s Free Nodes from NVivo8

- Age of Internet shopping and generational
- Attitude towards Internet shopping
- Availability and Accessibility to suppliers without physical geographic barriers
- Becoming stage
- Budget
- Change in beliefs, attitudes and perspectives
- Cheaper prices
- Compatibility with lifestyle
- Confidence building
- Contactability of merchants
- Convenience
- Convenience and time saving
- Cost savings
- Crossing-over point
- Decision making to purchase online
- Ease of use and in control
- Encouraging future Internet shopping
- Evolved
- Familiarity building
- Fulfilment of orders
- Inconvenience and time waster
- Individual trust propensity
- Instant payment but delayed fulfilment
- Intention to use Internet shopping
- Internet shopping as learned behaviour
- Internet shopping experience duration
- Internet usage
- Internet User but not an Internet Shopper for physical goods
- Internet website safety
- Learning and awareness among social groups and from the media
- Media, Advertising, Marketing, Infomercials
- Key motivational drivers
- Motivation, Needs, Reasons
- Need or unmet need
- Non Store Shopping Experience
- NZ online shop
- Other factors
- Overseas online shop
- Perceived barriers
- Perceived usefulness and benefits
- Personalities, Patience, Age
- Physical goods, touch, taste, hear, see, smell
- Prior computer and Internet usage experience
Prior Internet shopping experience
Prior Internet user experience
Purchasing from bricks and mortar shops
Qualifying trust, faith, confidence, fear and risks
Rejecting poor performing B2C online stores
Searching, Research, Comparing, process online
Social groups and media influences
Social interaction and rapport with merchants
Subjective influence
The enabling process
Time saving
Trust in the Internet shopping for physical goods
Trust in the Internet technology
Trustworthiness of Merchant
Trying a new experience
Vicarious learning
APPENDIX H: Sample of a participant’s interview transcript in complete verbatim format

Project Name: Internet shopping learning process (Participant one (P1) interview transcript)

File Name: DM450007

Length of Recording: 62:20

Transcriber: **************

Quality Control: ***************

Researcher
This is a, an interview, a pilot interview for my research project. And I’ll just check the volume, yep. Thank you, (unknown name, 0:00:15.5) for agreeing to be part of this research. I acknowledge that I’ve got your resource, your consent form, signed. Basically, wanting to do the ground up, let the data speak, so for the first question, you know, in terms of ah just reflecting and telling me your story of our as a consumer you became an Internet shopper, participating in Internet shopping, purchasing physical goods online.

Participant
Hmm. Okay. I, I think, when was the first time, we’re not talking about Trade Me are we?

Researcher
No.

Participant
We’re talking, we’re talking about…

Researcher
The one that you use the Visa.

Participant
Ah, yep, okay, yeah, yeah. Oh.

Researcher
Direct payment so it’s…
**Participant**
Okay. I can’t, I can’t remember the first good that we brought online, um, but there were two reasons why, oh, one major reason why we, why I looked at buying goods online is because I couldn’t find it anywhere else. Just in terms of um looking at, I think it was a sports good, and I went to all the shops and, you know, all the major sporting goods stores, and um, couldn’t find what I was actually looking for. So I decided just, somebody suggested, “Go online and have a look,” and um, had a look and there it was. And, um, yeah, um, umed and ached about whether, um, whether we should put our um, that our, our Master Card, Visa details on there because you hear so many stories about, um, about, um, you know, what can happen with your details, so it was a leap in faith in some ways, and so we did it. And then within the next couple of days received the good, and haven’t looked back really since then. So it’s a, we realised actually, um, apart from paying for the shipping costs, um, it was only um, by default we found out it’s quite convenient that we can begin to get things online and you know and, one thing that lead from sporting goods, to books to our air flights to our, you know, to now more recently our grocery shopping. So it’s just evolved and I think the, you know, um, it’s um, certainly a lot more convenient but it was also, but I think the initial reason why we decided to go online was, well I went online, was because I couldn’t find what I was looking, for all the major shopping at the malls and that, and so tested it online and found it and got it.

**Researcher**
Can I just ask was that, did you buy it from um, a New Zealand online shop or an international shop?

**Participant**
A New Zealand yeah, so yeah we were um, everything that we’ve done through is through New Zealand yeah.

**Researcher**
Yeah, is that for any particular reason?

**Participant**
Um, yeah I’ve (pause), I don’t know maybe it’s a trust issue that we think that we can only, you know, that, um, yeah that at least if we had any problems that, um, it’ll be easy to trace back through, through um a New Zealand company. So, um, I think that’s probably the only
reason, but no I haven’t dared to go even overseas yet, just I think that will take a greater leap of faith for that so, but yeah it’s mainly just New Zealand yeah.

Researcher
So stepping back in terms of coming up to this point of doing the stepping forward in faith, but how did you come to know or learn about Internet shopping for physical goods?

Participant
Okay.

Researcher
What were the things that got you there, and there will be other questions that may enlighten it.

Participant
I think, I think, you know, with the whole age around, you know, we think about Trade Me, um, well initially that’s what we started from, um, we were able to, um, trade goods online you know pretty much, um, and then, um, also talking to a number of people that said, “Hey look I’ve bought goods online and felt okay with that you know,” and so one thing leads to another as you begin to, um, rationalise that this is a good thing to do. (laughter) And, and, um, yeah, I think there was no defining point but it was essentially just, you know, when I got, I remember that when we, when I looked around for this particular good and couldn’t find it anywhere, you know, all the past conversations and that I had with people said, “Check online, why don’t you, you know,” and then just kind of brought to that point and said, “I’ll check online,” and then there it was. So I, um, yeah.

Researcher
Can I just, um, explore this, um, checking online? What was your process of checking online, you know, for example the ah Googling or you know the finding out information, was that part of that checking out online?

Participant
Yeah because I know what I wanted so it was easy, just went on Google and just looked.

Researcher
Searched…
Participant
Searched (unintelligible, 0:06:09.5) um, I can’t remember what it was actually but if it was say for example, um, um, All Blacks Jersey for sale, um, type that in, you know, NZ, you know, you just, you know, you continue and find, and it came up with all these, um, um, various sites that you could go into. And then you look into it and, um, and in terms of, um, you know, you can’t go far wrong if you say for example New Zealand Rugby Union, ‘cause obviously they’ve a store there and then you go, so then you know that you’re confident that actually that’s, that’s reputable, that’ll be okay that you’re going to get some goods from their so. It was a bit, it’s a bit like that so, yeah it wasn’t, I didn’t have a problem of being able to look up things it was just when we came into entering our credit card details which was the tester (laughter) you know. So we’re usually quite savvy on the Internet anyway at home, so we’re used to looking up things anyway so we could easily, but when it came to buying a good, you know, um, I think the bridge, you know, the bridge is too far at some point, or the bridge, you know, um, to get across it as I say was when we started, when they asked us for our credit card details and we’re like, okay, that was just the…

Researcher
Okay let me explore the, obviously that there is a phase, a compartment on this, um, spectrum whereby you can use the Internet but making going from being an Internet user to an Internet shopper there is a bridge to cross?

Participant
Yes there is, yeah, yes there is yes, yes, that’s what I articulated yes, absolutely. So, um, and ah when you become an Internet shopper that’s where you begin to think, “Shall I cross that bridge or,” you know. (laughter)

Researcher
There’s a lot more at stake, at that bridge and you either go ahead or you may not.

Participant
Yeah, yeah, yeah and a lot of it had to be, um, you know, our anxiety and our fear was that if we did pass on our credit card details, was there some loophole at the other end that people can expose it, and that’s what our, but you know and you hear stories and, you know, you watch Fair Go and you watch, and you’re going to see how people have been ripped off through Internet, um, shopping. So that’s, so that created us a whole (unintelligible, 0:08:51.1), a whole lot of angst about wanting to cross that bridge.
Researcher
Can I also just explore, you said something about after talking about it, obviously there was also the talking to other people, and prior to coming to this, this bridge…

Participant
Yes.

Researcher
…of that distinguish being an Internet user and an Internet shopper?

Participant
Mm.

Researcher
Um, who would you say are those people that perhaps you learned from, you were informed of, these people that you had the conversation, who, who were those people?

Participant
Yeah well family members, work colleagues, you know, people that used to ring us up every day because you want to test it so I’ve, I said, “Oh we’re thinking about buying this item online but, you know,” and then often, “Oh yeah I’ve bought an item online and yeah it was great,” and, you know, and I must say all the conversations that I had with people, never did one of them come back and say, “Oh I was ripped off.” You know, so that was interesting, so when I think about it, they all had positive experiences (unintelligible, 0:10:04.3) having transactions, becoming an Internet user to an Internet shopper and so that may have, or in fact I think it has, um, supported our decision to hand over our, enter our credit card details to become, to cross over. Because we heard other peoples’ experiences being positive, never heard anyone being, you know…

Researcher
So obviously these people were the people around your social groups, friends, families, work colleagues, they’re part of these social and peer groups?

Participant
Yeah.

Researcher
Mm. Again some of the questions may sound that it’s being repeated but again you just keep talking about it, um, again asking the question and I believe you’ve already mentioned or
answered it, but if you want to add to it fine, if not you can pass. What made you decide or persuade you to purchase physical goods through Internet shopping, are there some critical things and you’ve um alluded to earlier, some of them was that you couldn’t find things.

Participant
Yes.

Researcher
Was there anything else that, most probably will come up too in the other questions, but what are those, I’m looking for those key things that persuaded you, motivate you?

Participant
Yeah it was good quest-, ‘cause actually that was the starting point, but I think as the journey of becoming an Internet shopper, it became a matter of convenience, you know. Like I said, I talked about now we’re doing our grocery shopping online, because it’s a matter of convenience. We save a couple of hours of our weekend, you know, so that, you know, we had the guy come and knock on our door, dropped it off at our front door, we unpacked it, done, okay. (laughter) You know and the hours were in the evenings so when we came back from work so, you know, um, it was great, it was fantastic, you know, to do that so it’s moved plus convenience. The other reas-, the other part is that I’ve, I’ve got a particular interest in Street Art, so, and there’s not a lot of books, um, in New Zealand about Street Art, you know, and, um, so what I, um, so what I’ve had to do is shop like for example Fishpond, you know, which is a major, major book store and, um, they’ll be able to access it, based in New Zealand but they’re able to access it overseas. There’s another, another um big book, The Nile, The Nile’s the other one, the other book, and so another reason why we do that is because I can’t access goods in New Zealand but they, but I’m able to go to someone who can access goods on my behalf. And so, and sometimes and, and I could go to Whitcoulls and ask them to order it for me or I could to Borders and order it for me, but they have massive, um, you know, they, it’s long waits and also in terms of that you’re paying retail price. You’ll find that on Internet sites also they have quite, um, reduced discounts. So if I was to find, um, a book in Borders say, if they had a book, you’ll always guarantee that online through somebody like Fishpond, they’re almost 20%, 30% cheaper and if you get two or three of them they also disregard the shipping fee. So there’s a lot of benefits also of going through online, so, so yeah so convenience um, can outsource goods that you couldn’t have found in New Zealand but also cheaper, you know, in terms of that you also want to look ‘cause they
can, you know. Even if they offer a discount at a Whitcoulls or Borders you’ll still find that online, that they’re cheaper, you know. Um, so, you know, those are some of the reasons why I, I’ve become an Internet shopper, mm.

**Researcher**

Can I just ask you a question about, um, your perspective, your beliefs, your attitudes, but perhaps ask the question, if I was to ask the question, um, what were your, or were your attitudes and beliefs and perspective before and after re Internet shopping, are, are they different, or has there movements in those attitudes, beliefs and perspectives?

**Participant**

I think, I think, um, yeah it has changed significantly, it changed from when we, you know, if I go back to parent’s upbringing, um, they’re all very cautious, you know, and at times risk adverse about looking, you know, um, you know, um, you know, taking any form of, form of risk and, um, so for a long time that’s what’s been ingrained, you know, before, um, we pursue this activity we, you know, um, examine the risks but yeah and any risks that arise we decide to back-off and then we’ll walk away from it. Um, whereas, um, now in Internet shopping, (laughter) you know, there’s a form of risk there, you know, that you’re taking and, um, um, it’s really interesting because we were brought up with that value base, um, you know, we would never take, you know, anything, you know, um, yeah it’s a bit hard to explain. But it was almost that our psyche was that we wouldn’t do anything that would put ourselves at risk, you know what I mean, we would always err to the side of caution, we wouldn’t do things and Internet shopping probably is seen as a bridge too far because there’s a bit, there’s a number of risks involved and there are. Um, but now I’m actually sold on the whole idea, you know, I don’t have a problem with pulling out my credit card now and putting the details in, you know, I, there is some caution there but it’s, I feel a lot more comfortable as opposed to doing something like that previously, prior to this age. And it’s funny now ‘cause my parents, every time they go to Samoa, they shop online for air fares, you know, they get my sister, Dad will pass his credit card over, they’ll (laughter) and they’ll shop for air fares online now, you know. So they have also moved because of that whole, you know, I wonder what would happen if suddenly one of us were burnt by it, that would be interesting, you know, whether we would just retract, um, retract from it and, um, I suppose there’s enough (pause), um, I think we’re comfortable now but it’d be interesting to see yeah if there was, if we were burnt by it or if we felt, um, yeah, ripped off in any way that we might revert back to our old behaviour, you know. For example our grocery shopping, you know, if
they charged us two or three times or something, you know, and it kept on happening, you know, or like siphoned off, you know, our funds from our, our credit card, then we might end up reverting back to the old, just do our normal grocery shopping. Or would we go and look at another provider, you know, that’s the, yeah, yeah, yeah, so that’s, so that is interesting. So I suppose what I’m trying to say is, very new I’ve been an Internet shopper.

*Researcher*

Can I just ask when you say new, if there was one to twelve months or twelve plus months, what would be your history of…

*Participant*

Probably, oh I would say eighteen months, yeah, um and probably staged out, you know, in terms of taking that, taking that step but, um, yeah but feeling really excited about the possibilities of, you know, what else you can get online and get dropped off at your front doorstep and not having to (laughter) you know, it saves a lot of time. But, um, I wonder what would happen, you know, if we, if we got burnt.

*Researcher*

So that question, what would happen to your beliefs in the Internet shopping, your perspective, your attitude, mm.

*Participant*

Yeah, yeah I don’t know whether we either say oh, you know, ‘cause if you get, if you have a bad experience at a shop, you know, if you go in there (noise made), you just go to another shop, you know, is that the same in Internet shopping? Would we just revert back to going back manually, or would we just say, “Oh well stuff you Foodtown we’ll go to, um, Pak ‘n Save, or Countdown, you know what I mean and they’ll provide the same service, that would be an interesting dilemma about, you know, um, about where we’re at. But no, I mean going back to your question, is absolutely attitudes have changed, you know, and in fact the whole family has almost bought into it, you know what I mean.

*Researcher*

In a positive way?

*Participant*

In a positive way, yeah. I mean I even buy rice online… (laughter)
Researcher
Again looking at this whole research it’s most probably covering the same ideas and concepts but trying to, um, discover it, to see it from different angles, so the next questions relates to your perception of Internet shopping with, you’ve alluded to, but the usefulness and if so, um, how and why, and most probably you’ve covered but I suppose it’s a, it the idea of usefulness, do you think it’s useful?

Participant
Yeah absolutely, yeah absolutely. Look (unknown name, 0:20:09.7) and I, um, you know, we’re two income family we, you know, we’ve got a young family, you know, (unknown name, 0:20:18.0) and that so time is absolutely really, really important and so for us to spend as a family. And where we can begin to, um, delegate some of those, um, important but domestic um tasks, um, you know, um, to a place where it won’t impact our family time, um, you know, um, that’s really quite important for us. So going shopping, you know, we would spend two to three hours every fortnight to go shopping would bite into our time, you know. You know, (unknown name, 0:20:59.9) and I would sit in the car while Mum would go in and do the grocery shopping and, um, she no longer has to do that now, we can cut through all of that and just say, “Oh let’s go, take, you know, go somewhere and…”

Researcher
Two hours, mm.

Participant
Yeah and you use that two hours to do something, you know, free it up a bit.

Researcher
So being useful because here are some of the things that you’ve alluded to useful because it’s, um, um, convenient but also useful, um…

Participant
Lifestyle.

Researcher
…lifestyle in terms of like a time saver, a tool to enhance, adding value for your family in terms of, um, do you spent it on shopping, physical shopping, or do you spend it, that two hours for the family, mm.
Participant
Yeah, other, other usefulness is that it is a way that, um, I would say is that it allows you to, um, you know, um, look online and, um, um, it allows you to scan. So, you know how you do window shopping?

Researcher
Mm.

Participant
You know how you go window shop, and if you can find something cheaper online, or it gives you a bit of a, ‘cause most, most things are there, um, most main stores, apart from boutiques, well mind you there’s some of them, will have a site and they will list all their goods, and you can do window shopping without going window shopping, you know what I mean? So you can go and say, you know, you can go to the various places and they have these goods for sale and you can do, and the usefulness of doing that is great. And depending on how you’re placed, where you’re placed, ‘cause the other thing is sometimes Warehouse in Manukau doesn’t have the good but the Warehouse in South Island might have it. So you, they, you know, you can begin to make enquiries and then they ship it up and then you’re, so it, the whole, you know, um, the ability to be able to compare prices online without having to go and shop is really quite useful, you know.

Researcher
And I suppose what you’re also saying is that for searching, you can search a variety of different shops?

Participant
Yes it’s like a virtual mall, yeah.

Researcher
Yeah mall, and then of course you can search in terms of different locations?

Participant
Yeah.

Researcher
Search for price before you, so the usefulness in terms of, I suppose would it be fair to say it helps you to be a lot more aware, more informed, options whether it’s prices or where?
**Participant**
Yes all the above.

**Researcher**
Yeah, and useful in terms of accessing the products irrespective of physical designation, location?

**Participant**
Yeah, uh-huh and contact, like you can contact, you know, the good thing is everyone has contact details so you can call them up straightaway, you know, um, to say if they’ve got the good available or not, you know. So yeah, no, it’s definitely useful I find otherwise it wouldn’t be something worth…

**Researcher**
Yeah what about, um, say the, the website, the ease of use of an Internet shop online, how important is that and why and yeah how do you perceive the ease of use issue?

**Participant**
Yeah ease of, which I’d say is really important otherwise you end up, um, spending hours online trying to, um, buy one good, or buy several goods. Um, I must say, um, the experience with food, with the Foodtown, you know, with the delivery has been interesting. ‘Cause we’re only probably a month old into it, and so therefore we got our second lot of shopping and so the first time it required us to, um, work through all the aisles and tick the lists and create your list so we got that delivered. Um, and then the second, and then the second one I spent a little bit more time on it because there was some goods that I missed the first, first time and some we don’t need because we’ve got them from the first, first time we bought them, um, but, but the, the site was quite confusing, you know what I mean? It says do you want to go to your save list, how do you transfer your old list and do you, and so it’s just taken me a while to work that out and, um, if I, yeah, I mean if (unknown name, 0:25:48.5) was behind it she would have got hooha with it and would have said, “No forget it.” But, you know I had to persevere with it, and so I think it takes practice I think with something like that. Other sites have been really easy, you know, you like for example if you’re looking for an All Black top, double XXL, just go to the New Zealand Rugby Union site they have a franchise shop there, you know, with the thing, click on that’s one you need and then you go to cart, checkout, bang, put in your details, easy. And then there’s some of the sites are extremely difficult to manoeuvre around so they’re quite variable, you know, yeah.
**Researcher**
So we, we establish that Internet shopping is very useful and for the reasons you’ve given. But there’s also a different aspect of the ease of use which may, um, lead to a successful purchase, or frustration on the part of the consumer that will not lead to, um, the use of that particular shop?

**Participant**
Yeah.

**Researcher**
So it certainly is an important aspect of the online shopping?

**Participant**
Yeah and I certainly think, well depending on people’s personalities eh, you know, um, you know, certainly if you don’t have patience for it, it’s, you know to work through some of the, like for example Foodtown. I’ve now figured out how you work out where you, you know, so now for the next time I can say, I’ll probably spend about fifteen minutes on our shopping, bang, done. You know, um, first time was almost an hour, you know, Wednesday was almost about forty minutes, you know next time it’ll be, so it just requires perseverance.

**Researcher**
Just also moving back, we’re moving forward and back, and look at other aspects, components that, um, may, or experiences that may all help in this, um, journey from being an Internet user but not a shopper.

**Participant**
Okay.

**Researcher**
What computer usage, experience, did you have prior to becoming an Internet shopper for physical goods?

**Participant**
Okay, um…

**Researcher**
Computer usage in terms of literacy, computer literacy experience?
**Participant**
Oh I’m a one finger typer (laughter) I can find, I can turn it on, I can turn it off, I can yeah I’m pretty handy, well it can be, you know it’s…

**Researcher**
Yeah but you know how to navigate, you’re comfortable with that?

**Participant**
Yeah, I mean yeah it’s not, um, yeah when you’re getting to a stage where you’re starting to have download programmes and then, um, you know, install them and, you know, then you’re starting to challenge my, you know, my levels of computer liter-, in terms of how I navigate around that stuff. But yeah, absolutely, can read the Herald, can, you know, so that feels, feels okay.

**Researcher**
So ah, do you think then that having prior computer literacy, um, skills enables you or has enabled you to become, making this journey to becoming an Internet shopper for physical goods online?

**Participant**
Oh yeah it certainly has contributed towards it, you know. Um, yeah I mean, yeah but I also think, yeah so as well as that, there are your circles that you, you often talk to or with, about their experiences that’s helped you, helped you inform that yeah so, you know, um, and those conversations I think has also been quite critical to help, yeah.

**Researcher**
Yeah I suppose one other way of looking at it would a person with very little computer literacy even to navigate, is it too much to make that bridge from going on to a computer to go into Internet shopping, you know?

**Participant**
Yeah, I, I, I don’t know, I mean I, it’s almost, um, there’s a word that I had and it’s just, it’s just escaped me, but it’s, yeah it’s, um, like if you can, I think if you can easily navigate your way into, um, to find items, you know, um, you know, the proof of the pudding is when suddenly you go so far and then they want your credit card details and that’s the tester. (laughter) That’s the tester, ‘cause, ‘cause you can navigate, so people can navigate them so, you know, like for example somebody’s iPod they give you all the facts in that, oh no, iTunes
maybe is a good example. Um, that you can navigate yourself through, through that and then when you want to buy a song, you know, you like this song, you can download this song, then, but in order to buy the song you need to add your credit card details and that’s…

Researcher
Do I trust that?

Participant
Yeah, yeah and that’s the, that’s the key thing, yeah.

Researcher
Okay just so we’ve established that, um, having some computer literacy can contribute positively to making this journey from, um, a consumer to an online consumer, um, the same question again, what prior experience did you have with, um, Internet use prior to becoming an Internet shopper? So yeah we talked about being an Internet user, it’s not the same as Internet shopper.

Participant
No.

Researcher
Um, and so having more Internet usage experience will that help in this journey, did you…

Participant
Oh yeah, yeah I think in time it gives you, well it has to, you, it has to give you because if you’re trying to look for a specific good on the Internet, you know, and you need to, you need to be able to navigate your way around, yeah around the systems (unintelligible, 0:31:51.0) to get to that specific good that you want and then, um, so absolutely it does, it does, yeah. As you become more confident, yeah I suppose the quest-, the link is that if you become more confident around using computers, yeah…

Researcher
Computers or Internet yeah.

Participant
Yeah absolutely around the Internet, then, you know, um, it’s more likely that, um, you know, it’ll help you obtain goods through Internet.
Researcher
To the Internet shopping business, yeah.

Participant
Yeah.

Researcher
Also interested, um, there’s, um, the aspect of before the Internet there were, um, direct marketing whether it is TV, or through catalogue, so did you have any prior experience with non store shopping, like catalogue, telephone shopping, TV shopping programmes, prior to, um, shopping on line?

Participant
No.

Researcher
No?

Participant
No, no I can’t say that I have actually.

Researcher
That’s okay, yeah.

Participant
Yeah.

Researcher
Yeah okay, now in terms of, um, just, um, again you’ve covered some of these things but just going through, um, what fear and if you’ve already-, if you feel that you’ve already answered the question, but yeah exploring the fear did you have, what fear did you have when you purchased physical goods. In fairness you’ve talked about the fear of the putting of your credit card details in.

Participant
Yeah, I think, I think, yeah there’s fears around cr-, I think there’s a whole lot of, um, you know, um, media hype, you know, not in the negative way, that talk about that things can happen, you know, and you can’t help but buy into some of that. So, so the fear was generated by, by a lot of, you know, when you see programmes such as Fair Go, when you
hear warnings about handing your details, you know, not just about your credit card details, but your own details, you hear about hackers being able to get into your computer system or watching you, um, you can’t help but simply buy into this whole the, you know, and generate some anxiety. So that fear, um, certainly, um, without understanding it, you know, proper, you know because again I’ve got a level of, um, computer literacy that can help me navigate around the computer, but not enough to install, um, confidently a good virus system, or protection, you know.

*Researcher*
Firewall protection and…

*Participant*
Yeah and also that you have to take the word of, um, of those, like for example Westpac that they’ve got processes in place that should protect your details, you know you have a level of comfort that you actually don’t know whether they actually have a you know, 100% non penetration, you know, of the protection of their system. So, so this, um, so the, um, the fear is attributed to, um, buying into these, these messages, um, the fear of unknown what may happen and so it is a bit of a leap in faith in terms of making sure that look, you know, adding your, you know, you put your details in and hopefully everything will be good given that you have made assumptions about, oh and assumptions about that these sites have significant protection to protect your details. Um, you know, there’s watchdogs out there to give you warnings so, um, um, so yeah so that, that yeah that feeds into the fear of just doing it, so yeah.

*Researcher*
Were there other fears, for example those other fears of the online, the transactions, the confidentiality and privacy of your details, what about fear in terms of the products arriving and you know is it what you bought, yeah are there also, are there concerns in those areas in terms of, um, you haven’t seen the product?

*Participant*
Yeah, oh I’ve only, I’ve yeah I mean there’s always been, there’s always been some fear whether the product is damaged or, you know, or it wasn’t the good that you wanted in the first place. But actually, um, (unintelligible, 0:36:40.8), is that I’ve only had one product, it was a book, that, um, you know, just, um, yeah just the binding wasn’t, um, yeah wasn’t glued properly. So I made a complaint, or I sent a query and says, “Look,” oh no sorry two.
One that they, they had a book in there which had a different cover, um, but I had that book already, um, and so, um, so I just said to them, “Oh you’ve got a different book displayed on, on, on your, on your site but the book you sent me is a book that I’ve got.” And what happened is, it was a different edition, the same ISBN number so they refunded me around that. The second example was, um, a book that I got that was partially damaged, the binding wasn’t, wasn’t there, um, and, um, so I sent a query back to say, “This book is damaged.” So what they did is said, “Look we can give you, um, a discount on that,” and so they gave me a discount so I got the book really, really cheaply. So, um, but other than that and all the other times, no, I haven’t had any fear, you know, initially the first time but, but the people that like for example, when I, with those books they gave me quite a positive response back, so I didn’t feel at all ripped off, you know, from, from the experience.

**Researcher**
Uh-huh, in fairness though we can still buy from physical stores and get home and there’s something not…

**Participant**
Right with the good?

**Researcher**
…right with the good eh?

**Participant**
Yeah.

**Researcher**
And yeah okay.

**Participant**
Yeah but the chances though of doing that are very minimal compared to (unintelligible, 0:38:32.8) yeah, yeah, yeah.

**Researcher**
Minimal compared to online, okay yeah fair comment. The next three questions are all interrelated but looking at different, um, components. It is relating to trust, but trust in the Internet technology and then trust in the, um, the merchant, the Internet merchant and then trust in the Internet shopping process itself.
**Participant**
Okay.

**Researcher**
Um, so the first component is what role did trust in the Internet technology, um, play in your becoming an Internet shopper for purchasing physical…

**Participant**
Actually, um (pause), mm, probably none actually, yeah.

**Researcher**
Yeah, you didn’t think about it?

**Participant**
No, no because you, I think it’s just, you evolve as technology evolves so you just suddenly expect it eh? So it’s just one of those things you get online, like it’s, like it’s almost becoming…

**Researcher**
Yeah, yeah you don’t think about it any more?

**Participant**
Yeah.

**Researcher**
You expect to be (unintelligible, 0:39:38.8). And but interesting, you were talking before about what you, um, the, you know, the advisors about your safety and so forth but that relates to Internet.

**Participant**
Yes.

**Researcher**
The Internet as a technology.

**Participant**
Yeah, yeah it does, yeah it’s an interesting space actually when you asked that question, I, um, yeah you know, you just, you know…
Researcher
Maybe we’ve grown, um, up with the technology that we don’t think, you know, a second thought about it.

Participant
You do watch movies though and you wonder whether when they build technology whether they, they’re spying at you at home. (laughter)

Researcher
In terms of what role, um, or did trust in that Internet merchant, it’s the organisation, the shop, um, behind that Internet Web site, what role of trust in the Internet merchant play in you becoming an Internet shopper for physical goods and why?

Participant
Oh okay I think, yeah I mean I think it’s good that they, um, ‘cause sometimes what happens is if you’re unsure about a particular good, you can contact them and you write a, you know, a query and then they respond back within a timely manner. And, um, and I suppose, however they respond gives you a level of confidence about, you know, um, a level of confidence that actually, “Oh yeah, I think I’ll buy that good,” you know, and go online.

Researcher
Yeah.

Participant
So, so there is a level of interaction that does happen through their contact sites and they, and often, sometimes, I’ve had two types of responses back. Back via email or back by phone yeah to be able to say, “Oh look just picked up your query is this…” so you begin to generate a rapport somewhat with, with the merchant I suppose and, um, and that gives you a sense of confidence of whether you go through with the transaction, or, you know. I’ve had some people came back and say, “Oh look, no we don’t have that good,” so, you know call up and says, um, “We’ve run out and we’re not likely to get stock,” so, you know, so they’re up front about what they do have and what they don’t have, or…

Researcher
And you get a refund, or…
Participant
Or, yeah, or before even making the transaction, you know they, yeah, so, so, um, so, you know, it depends I suppose who you get behind, you know, um, the Fishpond one was a really good example around the two, the problems I had with those two books and, um, yeah they were, you know, um, prompt in their response, described an easy process, bang, you know, got my refund back on my credit card, got a voucher, you know, that was, it was, you know, it was quite pleasant you know what I mean, it didn’t, it wasn’t, yeah. And in fact it felt quite, I was thinking, “Oh this is a bit more pleasant than dealing with a, with a shop keeper.” (laughter)

Researcher
Yeah, yeah so is there a relationship with, between the trust and who the Internet merchant, um, is meaning are you actually looking for a particular Internet merchants, um, when you’re shopping, yeah so…

Participant
Yeah, yeah I would look for official sites, so if we go back to New Zealand Rugby Union site, you would look for the official New Zealand Rugby Union site, or the official, um, see what I like also, is I like buying, um, sporting, um, you know, franchise to represent like for example, you know, the Warriors, I’ll buy a Warriors top, or, you know, the Phoenix. I’m in the process of looking at a Phoenix top, or you know, so what I’ll do is then, um, is I’ll look at the official websites, you know, so, you know, you’ll have a Phoenix official site so I’ll look towards them, or so that’s how I guide my, um, you know, some of the multinationals, you know, you’re look for some level of credibility around their goods and that’s the, well that’s me anyway in terms of what I would do.

Researcher
Yeah, so the official site that it means that you’re going directly to the main, the main supplier, so the credibility also of knowing that they’re the official site, they’re the people rather than others who may be distributors, or yeah.

Participant
Yeah that’s right, that’s what I tend to, um, yeah, that’s what I tend to, tend to look for in terms of the Internet merchant, yeah.

Researcher
Yeah, in terms of your buying of your goods.
Participant
Yeah.

Researcher
And again just wanting to explore whether the, knowing the organisation behind it, made you decide on this particular shop rather than just a shop that may have good prices but you don’t know, you know. So, so in terms of the Internet merchant and the organisation behind it, is there a link there? It’s one in the same, um, you know how some of the Internet merchants may have flash websites, but they may not be the official…

Participant
Yes, yes, yeah and that, and that’s probably part of my screening process is making sure that, you know, um, looking at official sites as opposed to non official sites, or distributor of that, that site. Um, the trade off though and, and I’ve found though is sometimes is around price. If you go to the official site, yeah, if you go to…

Researcher
Higher prices, yeah?

Participant
…yeah, yeah higher prices yeah. And sometimes they have, you know, don’t get me wrong sometimes they have significant discounted prices, um, but other sites, you know, may have significantly cheaper and that so. Um, yeah, I mean that’s mm.

Researcher
Yeah. Do you trust the Internet shopping more or less now for purchasing physical goods and why?

Participant
Oh probably, yeah I’m, I’m, I don’t know whether trust is, trust is quite a strong word, but certainly, um, I mean it’s like…

Researcher
Confidence?

Participant
…yeah it’s confidence, I mean I suppose a key thing is when I go to, um, go to the dairy and pick up, pick up the milk, um, you know, I’m confident that they’ve got, um, you know, I look at the dates (laughter) for expiry dates. I mean I’m confident that my transaction will, is
okay, you know, in terms of what I’m getting, um, so I see it no different from, um, say buying it online really. You know there’s a level of confidence, you know, yeah.

**Researcher**
Okay, before you became an Internet shopper did you view Internet shopping as more risky, or less risky than conventional shopping and why? So before you became an Internet shopper, Internet shopping, how did you perceive Internet shopping compared to before and now?

**Participant**
Probably, yeah risky, risky before, yeah definitely significantly risky. (laughter)

**Researcher**
And what about now?

**Participant**
Now, not, not so much, um, touch wood (laughter) um, yeah because the, the experiences we’ve had have been positive to date, you know, with it being so and um, and so grocery shopping is another step up from, you know. ‘Cause what they’re, what they’re saying to, what that is actually saying is, um, we are prepared to Internet shop on a regular basis, on a consistent basis because we need grocery shopping one every fortnight, you know what I mean? Whereas before it used to be one-off, you know, one-off items, you know, for, for particular things, but now it means because we’re going to make that step now, it’s rather than ah, you know, it was spontaneous, it’s now become a regular occurrence that we’re going to do Internet shopping through this line. So that’s, that probably shows that our movement in ourselves from being cautious, optimistically cautious, um, one or two purchases, you know, um, based on, you know, um, an event that we thought we’d support, then it’s just grown now suddenly to Internet, to grocery shopping which will now probably become a regular feature of our, of our, you know, of the way we, we purchase stuff, yeah.

**Researcher**
Lifestyle, yeah.

**Participant**
Yeah, yeah it’ll become more of a regular occurrence, yeah.

**Researcher**
Yeah.
**Participant**
That, I think, so actually just reflecting on that, that’s significant change and that’s over eighteen months.

**Researcher**
Yeah, and so that was your perspective prior to becoming Internet shopping in terms of the comparisons, your view of Internet shopping versus the buying conventionally?

**Participant**
Mm.

**Researcher**
But in terms of that eighteen months how have you seen or viewed Internet shopping, is it become, the act of Internet shopping is it become more or less riskier, what’s your gauge, what…

**Participant**
Yeah, yeah I mean it’s, yeah I don’t know, that’s an interesting question actually, become less riskier. I think certainly we’ve become more confident in the mechanism of, so if you make a link to, does that mean we are prepared to take more risks in Internet shopping, our capacity to take that, absorb the risk then yeah, yes. You know yes, yes, you know, I mean I suppose what it is, is you just, you’ve, you’ve, you’ve grown with this journey of becoming an Internet user to an Internet shopper. So, um, it’s now becoming, it now will become a regular feature of how we buy physical products, um, yeah I suppose, I suppose it’s understating it but, um, you know, through this conversation but there is yeah, you know, I mean it will become more riskier if we’re going to end up purchasing more because that’s, yeah that’s yeah, yeah.

**Researcher**
So there’s, you’re becoming more experienced, more confident and they may mitigate some of the risks in terms of practice. On the other hand, I suppose it’s a question more to the Internet merchants, whether they are improving on their ease of use, and their safety and security aspects and so I’m not sure whether you have noticed any improvements in some of those areas that contribute to this, um, more risky or less riskier, um, of Internet shopping?

**Participant**
Yeah don’t know if I’ve had enough experience to be able to qualify the, you know, um, I mean eighteen months and it’s been a growing journey, yeah so if you asked us in eighteen
months time, we’d be able to say yes, they certainly can give you amore, um, (unintelligible, 0:51:30.3) eh?

Researcher
Yeah it’s interesting because initially I thought because it’s a fast moving, um, phenomenon that by twelve months people would, I would have thought thirteen, twelve plus months would be considered to be established Internet shopping experience but from your um experience, it continues to grow over eighteen months, yeah.

Participant
Yeah, yeah, yeah.

Researcher
Were there any other factors, um, did you consider important in your decision, so that’s a key word, decision to becoming an Internet shopper for physical goods? I know a lot of it is, has been touched on, but any other factors?

Participant
Prob-, no, not, not that I can think of, I mean it’s, it’s just become a way of life now, you know, and that’s, that’s the thing, it’s become that scary actually as I’m talking to you it’s suddenly become…

Researcher
You reflect on it, you have been…

Participant
…yeah we’re going to end up, we’re going to end up, if we continue with our (unintelligible, 0:52:32.9) really co-dependent on this, on Internet shopping. You know I think about our, our lives, we come home, we hit the computer, we check our emails, you know, (unknown name, 0:52:46.0) says, “Have you done the shopping yet?” Oh yeah look I’ll just push a button. (laughter)

Researcher
Yeah and away you go.
**Participant**
Then it becomes almost automated in terms of how we will become reliant on this mechanism, you know, um, yeah. ‘Cause I mean if we could do our meat shopping and we could do our veggie shopping online we would, you know what I mean, that’s how…

**Researcher**
The migration and the progression of it?

**Participant**
Yeah, we, we, we, ‘cause at the moment we just do our groceries, we just do our groceries, but we always go to Mad Butcher for our meat and we go to the fresh fruit and vege for our vegetables, you know, and our fruit. But if they offered that mechanism online and delivered, you know, we would, that would be part of our… (laughter)

**Researcher**
Yeah the, this interview we are just coming to checking…

**Participant**
Oh sorry, one more thing.

**Researcher**
Yeah.

**Participant**
Budget, budget is a, is, um, is a, is a, is another factor that we…

**Researcher**
Tell us about it.

**Participant**
Well, budget for example, we, we often allocate, x amount of dollars, you know for, um, say for example for our grocery shopping, we will go, um, we will go to the supermarket and, you know, no sorry every fortnight we allocate x amount of dollars for our grocery shopping, our meat and our veggies. So we know how much we’re going to spend every, every fortnight around that, um, so, you know, that never changes, so the, you know, because the prices don’t change on the Internet as well, you know, they’re not going to put a surcharge on every product you buy. You know we know that we’re going to get like with like, you know, so we know we’re not going to…
**Researcher**
Blow out?

**Participant**
…blow out ‘cause we know this is how much money. And in fact the interesting things is we save money, because in the supermarket when you walk around, they have at the end of each aisle they have specials and usually it’s fizzy drinks, chips, biscuits, all the, all the goods. We don’t buy that, we haven’t bought that since I started shopping so.

**Researcher**
The emotional goods that tempt you?

**Participant**
Oh yeah, the specials that they go on, they show them but they don’t, but, you know…

**Researcher**
Doesn’t impact on you as much online is that what you’re saying?

**Participant**
Yeah that’s right, so, so that’s another factor is that we know we’re always going to stay within, within budget, but we also know that it will just, it may help curb some of those, you know desirable goods as opposed to our need for our shopping, so that’s another thing, yeah.

**Researcher**
Yeah, the interviewee is a male, and so I’m just looking at some of that demographic profile, which age bracket would you say you belong to?

**Participant**
Okay, (unknown name, 0:55:41.3) and I are in thirty six-forty five.

**Researcher**
Thirty six-forty five.

**Participant**
Yes.

**Researcher**
Again in terms of looking at, um, background profile in terms of education, primary, secondary or tertiary?
**Participant**
Yeah so tertiary, yeah.

**Researcher**
Yeah, tertiary. And again this one here maybe a little bit sensitive, but trying to cross reference in terms of income which relates to budget and so forth, which bracket would you belong to?

**Participant**
Yeah, sixty one k plus.

**Researcher**
Okay and in terms of your experience, you’ve noted, but one again you are about twelve months in terms of Internet shopping experience?

**Participant**
Yeah twelve, eighteen months I think yeah, yeah six months is obviously is you’re just getting, you’re dating. (laughter)

**Researcher**
Here’s an interesting question, so we’ve talked about your perspective, your beliefs, your attitudes, do you think Internet shopping for physical goods is a learned behaviour or not, why or why not?

**Participant**
Mm, is a learned behaviour, that’s an interesting, learned behaviour, mm.

**Researcher**
It was there’s some learning, did it become yeah just…

**Participant**
Oh yeah I mean yeah, I mean, I mean certainly as you become, and I think that you, you talked about it, as you begin to get confident around navigating your way around Internet, you know, um, you know, it will certainly help you become a better Internet shopper, you know what I mean, (unintelligible, 0:57:22.5).

**Researcher**
So if the Internet shopping is a behaviour, so there’s learning to become?
**Participant**
Oh yeah you have to, I mean I think that’s how experience I think from home is that as we’ve become more confident we can navigate around things that we also understand that actually the Internet opens up a whole number of, um, well let me put it, let me put it this way, you know, um, you go into the mall, you know, and you only go to one part of the mall, you recognise on the Internet, you know, they’ve got about um, you know, a mall upon a mall, upon a mall, upon a mall. So you’ll always, you’re in this huge maze and you’re trying to navigate, navigate into that and in that mall, that, this mega mall that you’re going to, um, you know, you learn, about where you need to, where you can access these goods, or how you begin to facilitate your way around to get those particular goods in the mall. So, so at the moment, you know, I might go on there and say, “Look, okay I wanna buy an iPod,” right? I get that on Trade Me say for example, or whether I’ll buy it online through Sony, okay. But not realising that actually, oh you’ve got a whole lot of Sony iPod accessories, but also they’ve got an iTunes site. You know what I mean? And then you’ve got an (unintelligible, 0:58:46.4) so then say what happens is it, and as you learn about that you become a bit more…

**Researcher**
More.

**Participant**
…yeah, more coherent about what’s on offer. You know, the opportunities, you know. So, like for example, grocery shopping. We’ve recognised that Foodtown, we’ll trial these out as our provider to drop off our groceries, if we are unhappy with that, we also know that there’s other providers. And so you get more choices, and you learn that actually, you know…

**Researcher**
A whole lot of learning.

**Participant**
…yeah.

**Researcher**
And they do call it for a web for a, thinking about it, it’s the web of…

**Participant**
Yeah, yeah, well that’s it, yeah. It’s just endless, so, so yeah.
Researcher
Endless web.

Participant
You can’t, you can’t help but think that you’re always learning as soon as you get on there, you’re always trying to find another, another um, you know, you’re always trying to find whether you can get a good cheaper than another good, you know that’s just.

Researcher
And you get informed for your next time?

Participant
Yes.

Researcher
So it continues, so definitely learning. And you know, interesting now as really, we’re coming to the end of the, the interview and the sharing. Um, and so the question was do you, ah think that Internet shopping is a learned behaviour (unintelligible, 0:59:58.4).

Participant
Yeah.

Researcher
And so, if we learn, you know…

Participant
If we, I suppose if we’re taking it in that context, if (unknown name, 1:00:06.7) and I didn’t embark on this journey eighteen months ago, we wouldn’t be in this place now. If we knew what, you know, what we know now back then, you know, this interview would be really different about you know, how it’s actually become and absorbed our lives and how we’ve (laughter).

Researcher
You would be doing the other interview of people who have not purchased online, yeah.

Participant
Yeah, yeah. I mean, I mean it’s interesting I um, I think that you know, yeah I think our life will be made, our lifestyle will be made simply a lot more simpler because of the concept of Internet shopping. Once we’ve got more savvy, and once we’ve established our routine, and
that’s probably what it is, once we’ve recognised that Internet shopping is, is part of our routine, just as like our, we would go physically to go to the grocery store, was part of our routine. That as soon as we recognised that Internet shopping has a place in our routine…

**Researcher**
And the routine is part, it’s your behaviour, so ah, so would you say that Internet shopping, um, for physical goods, is a learned behaviour, in this journey?

**Participant**
Yeah, yeah. Oh um, certainly in our journey for the past 18 months, yes, yeah. And it’s going to become part of our routine, which means that actually…

**Researcher**
Part of your behavioural repertoire?

**Participant**
(unintelligible, 1:01:33.4) yeah, we’ve learned that it’s a good thing. (laughter)

**Researcher**
Is there anything else you wish to share from your experience of the process, by which you became an Internet shopper for physical goods online?

**Participant**
No, I just want to apologise for raving. (laughter)

**Researcher**
Oh no, it’s been quite informative. I’m sure my supervisor will be intrigued with ah, with the um open-ended questions whilst you got a bit of structure to it.

**Participant**
Yeah, yeah, no, no.

**Researcher**
Well thank you very much, um sir, and it’s been most enlightening for me. This concludes my pilot interview, thank you.

**Participant**
Excellent, oh well done.