The Role Of Internet In The Consumer Decision Making Process And The Experiential Dimension Of Consumer Behaviour With Reference To The Purchase Of Music: An Examination Of Greek Culture

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Furthermore, I would like to thank Dr. N. Dalziel for her invaluable support via Blackboard regarding the queries I was making from time to time.

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I couldn’t forget my colleagues, the administration of iCon International Training. Dr. Mania Papapanagiotou that has created a pleasant environment for someone to work in and my colleague and friend, Mr. Efthymios Athanasopoulos, the coordinating programmes administrator, who’s assistance and motivation proved to be invaluable and helped me face my fears and get over them.

Finally I would like to thank and dedicate this project to my parents and sister for their patience and love…
2. EXECUTIVE SUMMARY

This study analyses the role of Internet in the classic consumer decision making process, in relation to the use of the physical shop, the consumer personal characteristics that may affect the intention to engage in an online purchase, and the social-experiential dimension of consumer behaviour, with reference to the purchase of music. The author found a gap in existing literature, which examines the Internet buying behaviour separately from the offline buying behaviour separately, without addressing the strengths and weaknesses of each channel throughout the consumer decision making. The study takes a final exploratory further step in examining the validity of the innovative camp which suggests that based on situational influences and in the desire to assess a pleasurable experience, consumers may adopt an own-based purchase decision making process. In testing the validity of the above suggestions, the scenario of purchasing music was employed. The author uses a qualitative research approach via a series of depth interviews with Greek consumers. Extensive secondary research, such as previous academic reports, Greek case studies and e-metrics, are use to triangulate the research findings.

The conclusions show that Greek consumers have made a significant process in adopting Internet and search for information, compare alternative products for an imminent purchase, but they still feel reluctant to prefer Internet for the final purchase and post-purchase contact with the company, due to lack of physical contact, lack of consumer trust and lack of online service quality. An important issue is that multi-channel behaviour was also detected. The conclusions also indicate that there is indeed a certain number of personal characteristics, such as the level of consumers’ innovativeness, prior online purchases, perceived Internet expertise, and shopping orientation that affect significantly the consumers’ intention to make an online purchase. Finally, Greek consumers were found demonstrating an “anti-wired” consumer lifestyle when purchasing music, using different ways, combining channels, exploiting different opportunities in order to explore the fantasies, fun and pleasure of a purchasing experience. Retailers should take advantage of the multi-channel retailing (MCR) premises, should take certain steps in order to achieve consumer trustworthiness and marketers should re-engineer their practices and strategies in order to cope with the new type of customer, towards an experience-oriented organisation.
3. INTRODUCTION

3.1 Aim and Relation to Prior Research

Internet and Electronic commerce, a relatively new entrepreneurial practice, brought a series of developments to the enterprises that were proved important and rapid. This reason turned a lot of marketing researchers in this new area, and resulted in an important number of studies that investigate the purchasing behaviour of consumers in Internet. However, a gap was found in existing research, for most studies up to now investigate exclusively the purchasing behaviour in Internet, cut off from the behaviour in the conventional market. However in reality this does not happen, as online and off-line activities are expected to influence each other.

Therefore, the aim of this study is to examine the role of the physical and online channels in the decision making process, the social-experiential dimension of consumer behaviour and the situational factors that may affect and lead to an own-based consumer decision making rationale, with reference to the purchase of music. The study will draw upon an extensive literature search, a review that will rely on academic wisdom, such as Daft, Kotler, Lambin, Solomon, Turban, Foxall, Goldsmith, Bryman & Bell, Schmitt, Senecal and others, a secondary data search that will include surveys from Gatech, statistical publications from www.internetworkstats.com, e-metrics studies from AGB Nielsen and other. The core of the primary research includes a series of one-to-one depth interviews employing a qualitative approach. Extensive secondary research from Greek studies and the national press are used to triangulate findings.
3.2 Personal Interest

This area is of personal interest to the author, for consumer behaviour has always been a fascinating and challenging topic, as it studies the rationale and manner in which consumers purchase products and services, and the ways they use their experiences and ideas to satisfy their needs and wants. Furthermore the flourishing of ecommerce and its enormous growth potential has enchanted the author and a desire was born to occupy myself and further explore the ways by which Greeks can embrace this phenomenon into our daily lives so as to meet the global challenges, make a strong presence in the global business field and promote the philosophy and virtues of our country!

3.3 Research Objectives and Questions

The main objective of the current research is to examine the role of Internet in the consumer buying decision process, the personal characteristics that may affect the intention to use Internet as a purchasing channel and to reveal whether consumers, in seeking a pleasurable experience, may adopt an own-based decision making process.

1) How do consumers use the offline and online channels throughout the decision making process? What are the advantages and disadvantages of Internet in this process?

2) Do consumers’ personal characteristics affect the intention to use Internet in the consumer decision making process and finally make an online purchase?

Sub-questions are:

- Does consumers’ level of innovativeness affect their intention to make an online purchase?
- Does consumers’ past experience of online transactions affect their intention to make again an online purchase?
- Does the frequency of Internet use affect the consumers’ intention to make an online purchase?


- Does perceived experience and familiarity with Internet affect consumers’ intention to make an online purchase?
- Does consumers’ shopping orientation and perceived online shopping pleasure affect their intention to make purchases online?

3) With reference to purchasing music, are consumers mechanic entities that always follow the same decision making process when about to make a purchase or are they rational and emotional human beings that may seek for a pleasurable experience and adopt an own decision making process in order to assess this “experience”? 

4. LITERATURE REVIEW

The literature review is a vital part of business research as it provides the basis for the research questions to be justified, the preparation of the research design it informs the reader about the data that will be collected and their analysis in an organized manner. In reviewing the literature therefore the researcher decides what will be included and excluded from the literature review part and bases his analysis on a portfolio of knowledge and readings about the subject by other researchers in a manner that shows the ability to critically demonstrate understanding that will lead to the proper development of arguments about the nature and scope of his/her research. (Bryman&Bell, 2007). A useful argument by Jankowitz (2002, p159), sums up that “knowledge doesn’t exist in a vacuum”, the work and findings in a study will be significant to the extent that they match or differentiate from other people’s research and findings.

4.1 INTERNET

Daft, (2006, p.552) describes Internet as “a global collection of computer networks linked together for the exchange of data and information, the World Wide Web (WWW) is a set of central servers for accessing information on the Internet”. Internet enables the access to news, information and databases in a global scale and applications related to communication, such as email, newsgroups, mailing list, chat, net meetings etc. Concerning business applications, Internet creates the ability for electronic commerce, e-learning, e-training and distance working (teleworking). Furthermore, Internet is decentralized and self-managed, features that facilitate movement of ideas and information.

4.1.1 Number of Internet users

It is difficult to estimate the exact number of Internet users, as Internet is constantly evolving so the most recent statistics need to be found and presented. The most recent study that includes Internet usage and population statistics is the one published at
www.internetworldstats.com, with an update up to December 30th, 2006. The results are as follow:

Exhibit 4.1 World Internet Usage And Population Statistics

<table>
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<tbody>
<tr>
<td>Africa</td>
<td>915,210,928</td>
<td>14.1 %</td>
<td>32,765,700</td>
<td>3.6 %</td>
<td>3.0 %</td>
<td>625.8 %</td>
</tr>
<tr>
<td>Asia</td>
<td>3,667,774,066</td>
<td>56.4 %</td>
<td>387,593,457</td>
<td>10.6 %</td>
<td>35.5 %</td>
<td>239.1 %</td>
</tr>
<tr>
<td>Europe</td>
<td>807,289,020</td>
<td>12.4 %</td>
<td>312,722,892</td>
<td>38.7 %</td>
<td>28.6 %</td>
<td>197.6 %</td>
</tr>
<tr>
<td>Middle East</td>
<td>190,084,161</td>
<td>2.9 %</td>
<td>19,382,400</td>
<td>10.2 %</td>
<td>1.8 %</td>
<td>490.1 %</td>
</tr>
<tr>
<td>North America</td>
<td>331,473,276</td>
<td>5.1 %</td>
<td>232,057,067</td>
<td>70.0 %</td>
<td>21.3 %</td>
<td>114.7 %</td>
</tr>
<tr>
<td>Latin America/Caribbean</td>
<td>553,908,632</td>
<td>8.5 %</td>
<td>88,778,986</td>
<td>16.0 %</td>
<td>8.1 %</td>
<td>391.3 %</td>
</tr>
<tr>
<td>Oceania / Australia</td>
<td>33,956,977</td>
<td>0.5 %</td>
<td>18,430,359</td>
<td>54.3 %</td>
<td>1.7 %</td>
<td>141.9 %</td>
</tr>
<tr>
<td>WORLD TOTAL</td>
<td>6,499,697,060</td>
<td>100.0 %</td>
<td>1,091,730,861</td>
<td>16.8 %</td>
<td>100.0 %</td>
<td>202.4 %</td>
</tr>
</tbody>
</table>

NOTES: (1) Internet Usage and World Population Statistics were updated on Dec. 30, 2006. (2) CLICK on each world region for detailed regional information. (3) Demographic (Population) numbers are based on data contained in the world-gazetteer website. (4) Internet usage information comes from data published by Nielsen//NetRatings, by the International Telecommunications Union, by local NICs, and other other reliable sources. (5) For definitions, disclaimer, and navigation help, see the Site Surfing Guide. (6) Information from this site may be cited, giving due credit and establishing an active link back to www.internetworldstats.com. Copyright © 2006, Miniwatts Marketing Group. All rights reserved worldwide.


From the above table it can be derived that Asia and then Europe are leading the global Internet usage. It is important to note that in 2003 Internet users had reached the number of 800 million, whereas in 2006 the total number of Internet users is 1 billion, 92 million with Asia comprising the one third of Internet users worldwide. Internet is growing fast!

In Greece, only the 22% (2,420.00 users) of the total population uses the Internet. Among 25 countries within the European Union, and with a E.U internet usage average of 51 percent, Greece takes the last place with 22%, with the next country ahead to be Cyprus (that is Greek too) with 31%! Island comes first with 86%,
Sweden second with 81% and Norway third with 80%. United Kingdom’s internet users comprise the 66% of its total population. ((Kerdos newspaper, 2006).

4.1.2 Profile of Greek Internet users

A recent online e-metrics study, conducted in 2005 by AGB Nielsen Media Research attempted to analyze the elements that characterize the Greek Internet users. The findings are very important.

According to the study’s findings, the majority of Greek Internet users are men (78.6%), belong to the age group of 25-44 (67.1%) and they hold at least a highschool diploma (97.3%). It is important to note that 18% percent of Greek Internet users holds a postgraduate or doctorate title.

Exhibit 4.2 Profile of Greek Internet Users

Gender, Age, Level of Education

![Graph showing gender, age, and educational level of Greek Internet users.]

Source: (Tsoukalas, 2005, p.16)
4.1.3 Electronic Commerce

We live in a world where a new array of considerations, once completely outside the scope of management, are now in the center of attention. These include technology, real-time market metrics, interface design and a deep understanding of consumer behaviour. Apart from the cliché that Internet changes everything, the application of information technology and new media except from changing the managerial, strategic and business design practices, has created a model and impacted on the manager’s mentality concerning the business operation in the foreseeable future (Rayport & Jaworski, 2001).

The new field of knowledge that includes a wide array of interrelated technologies, business concepts and cultural phenomena is called e-commerce. Turban et al (2006, p.5) define e-commerce as “the process of buying, selling, transferring or exchanging products, services, and/or information via computer networks, including the Internet”. E-commerce can be defined from the following 7 perspectives:

- communications
- commercial(trading)
- business process
- service
- learning
- collaborative
- community

The most common forms of e-commerce are business to business (B2B) that refers to transactions from a company to another and business to consumer (B2C) that refers to transactions between a company and the consumers. Although B2C is a most visible part of e-commerce, B2B comprises about 70% percent of total e-commerce earnings. The following table demonstrates the evolution of e-commerce in European countries from year 2002 until 2005. It can be noted that more or less the same countries that presented high levels of Internet usage, are the ones with high levels of e-commerce activities. The evolution of e-commerce activities from 2002 to 2005 is obvious.
4.1.4 Greek e-commerce in comparison to international e-commerce.

A recent European survey (published in Naftermporki Newspaper, July 2008), on electronic commerce and international transactions, the results of which were announced by the European Consumers Commissioner, Meglena Kuneva revealed a constant increase of e-commerce use in Greece, maintaining low levels compared to the international average.

The data were collected during the period February 2008 – March 2008 after a research that was conducted on more than 26.000 consumers and 7.200 organizations within the 27 member states and Norway. In brief, the main issues and results are the following:

- In 2006, 27% of European consumers made an online purchase, in contrast to 33% in 2008.
- In 2006, 6% of European consumers made international online purchases in contrast to 7% in 2008. The data remain pretty much the same as there was no significant change.
- 13% of consumers with access to Internet made international online purchases compared to the 7% of the active population. In 2006, 12% was the relevant percentage compared to a 6% of active population.
• 37% of the sample stated that they would feel more safe to buy online via retailers and providers within their country. This percentage decreased by 8% compared to the survey of 2006.

• 57% of the sample stated that they feel same or higher safety when purchasing products online via retailers and providers in another member state of the E.U. This percentage increased by 8% compared to the survey of 2006.

• 51% of retail sellers in the E.U of the 27 made purchases online. This percentage demonstrated a decrease compared to the survey of 2006, where 57% of retailers stated that they make us of the electronic commerce.

• Retail sellers sum up that 17% of e-commerce revenues derive from international sales – the relevant percentage for 2006 was 16%. It can be concluded that although there is an increase in the use of e-commerce, there is small exploration of its capabilities as consumer trust in online purchases remains still an important issue to be resolved. (Constantiniadis, 2008).

4.1.5 Products suitable for e-commerce

Several studies in Greece and internationally, like the survey of Gatech (2000), and the e-metrics research by AGB for Phaistos Networks (2004) and by AGB for Nielsen Media Research (2005) present the following products as more suitable and popular for ecommerce:

• Books and periodicals
• Cd’s and dvd’s
• Computer hardware
• Computer software and games
• Consumer electronics
• Tickets
• Flowers
4.2 CONSUMER BEHAVIOUR: Stages of Buying Decision Process

As the present study will examine the consumer’s purchase decision throughout the various stages of the purchasing process and the factors that influence their decisions, it will be helpful to conduct a short report on the purchasing behaviour of the consumer. In detail the process with which consumers take the purchasing decisions will be analysed and the factors that influence these decisions will be investigated.

Table 4.4 Stages Of The Buying Decision Process

| Problem Recognition | Information Search | Evaluation Of Alternatives | Purchase Decision | Postpurchase Behaviour |


Marketing academics have developed a five-stage model of the buying decision process. These processes are: problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour.
The problem recognition stage begins from the moment the consumer recognizes a problem or a need that needs to fulfil. This stage comprises the beginning of the buying decision process.

After the problem recognition, the consumer commences to seek information, at this early stage the consumer is more receptive to information about a product or service. The biggest source of information concerning a product comes from commercial sources, that is, the result of marketing activities. The most effective way though comes from personal sources. To these sources does the consumer turn to in order to evaluate and verify the information received by the commercial sources.

The evaluation of alternatives differs from person to person. Consumers will perceive each brand as a set of characteristics and features that will satisfy their need.

In the next stage, purchase decision, the consumer has created the intention to buy a certain brand but the final buying decision will rely on other people’s attitudes and unforeseen factors, factors that can affect his decision change, postpone or even withdraw from his decision. In the final stage, post-purchase behaviour, the marketing department must be concerned with the level of the costumer’s satisfaction in order to reassure his positive after-purchase actions (word-of-mouth etc.).

At this point the use of the online e-metrics study by AGB Nielsen Media Research is again crucial, in order to highlight the reasons for which Greeks are using Internet. The study has revealed that the basic reason for which Greeks use Internet is to search for information (88.5%), that is, the first stage of the buying decision process. Among populars we find email, chat via messenger, news (online newspapers etc) and job search. E-commerce is chosen by the 50% of Greeks who use Internet frequently. The results are presented in detail in the next page:
Exhibit 4.5 For which reason do Greeks use Internet

Source: (Tsoukalas, 2005, p.17)
4.3 INTERNET BUYING BEHAVIOUR

Despite the variety of studies that have been conducted in relation to Internet, the online consumer behaviour has not been researched adequately. Consequently, precise information on the characteristics of potential buyers and the factors that influence their buying behaviour are not available (Donthu & Garcia, 1999; Korgaonkar & Wolin, 1999; Sieber, 2000; Miller, 1995). Nevertheless, certain primary studies that focus on Internet consumer behaviour, provide precious inquiring ideas.

It could be hypothesized that as Internet constitutes the base of electronic commerce, on-line buyers will have more characteristics in common with the users of Internet that with normal consumers. (Konstantinides, 2004)

However, certain more recent researches like the one of Mathwhick et al (2002) support that the on-line buyer does not differ from the medium consumer as the demographic characteristics do not influence the intention or not to buy on-line, with only exception the sex, as men are found to buy more through Internet(Sexton et al, 2002; Gatech, 2000; Korgaonkar & Wolin, 1999). Consequently all Internet users could be considered as potential on-line buyers. The next step should be to acknowledge and identify previous empirical on-line shopping studies in order to monitor the development of Internet shopping and buying behaviour academic literature.

4.3.1 Internet shopping and buying behaviour academic background

It can be argued that any researcher beginning a project on online shopping and buying behaviour would commence with some expectations or preconceptions, for example that Internet non-shoppers fear more of credit-card theft than on-line shoppers or that non-shoppers are less computer literate than on-line shoppers. On-line shoppers represent households that have Internet connection at home and make online retail purchases, whereas on-line non-shoppers represent individuals that don’t make online purchases.
The criteria of the literature search and review was to find articles that would provide certain lifestyle or attitudinal discussion of Internet shoppers and Internet non-shoppers, and Journals such as the *Journal of Interactive Marketing* and *Information Systems Research*, also the *Journal of the Academy of Marketing Science* dedicate considerable attention on the topic of Internet Marketing. The contribution of Swinyard and Smith (2003) must be acknowledged, who made a review of 13 articles, relevant to the topic of Internet shopping and buying behavior, that are summarized in Table 4.6. Table 4.6 suggests that compared to people that wont shop online, potential and active online shoppers

- are wealthier and older, are less risk averse, convenience oriented and less price/brand conscious (Donthu & Garcia, 1999; Tan, 1999)
- are more educated, experienced and demonstrate better knowledge of online channels (Li, Kuo, Russell, 1999)
- make more use of alternative purchasing methods, are more familiarised with Internet and have positive attitudes toward technology (Miyazaki & Fernandez, 2001; Siu & Cheng, 2001)
- will be more loyal to and buy more often from online vendors offering advanced customer-service practices with low prices (Scrinivasan, Anderson, & Ponnavolu, 2002; Saminathan, Lepkowsa, Rao & Bovac, 1999)
<table>
<thead>
<tr>
<th>Source</th>
<th>Objective</th>
<th>Outcome</th>
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<tbody>
<tr>
<td>Donthu &amp; Garcia (1999)</td>
<td>To investigate the characteristics of the on-line shopper in relation to Internet shopping activities.</td>
<td>Internet shoppers were wealthier and older, they were more innovative, impulsive, convenience seekers, variety seekers, and less risk takers than on-line non-shoppers. They had positive attitude toward direct marketing and advertising and they were less price and brand conscious.</td>
</tr>
<tr>
<td>Li, Kuo, and Russell (1999)</td>
<td>Made a proposition that Internet buying behaviour is affected by demographics, perceived channel utility, channel knowledge and shopping orientations.</td>
<td>Showed that online buyers are more educated, more convenience oriented, better Internet users and have higher income than online non buyers.</td>
</tr>
<tr>
<td>Swaminathan, Lepkowska, and Rao (1999)</td>
<td>Examined antecedents and influencing factors of online shopping, the role of privacy and security.</td>
<td>The frequency of online purchases is affected by perceived vendor characteristics, such us price competitiveness and ease of cancelling orders.</td>
</tr>
<tr>
<td>Tam (1999)</td>
<td>Review of risk perceptions in Singapore, among online shoppers and examined how a series of strategies could be effectively deployed by Internet vendors in order to promote Internet shopping.</td>
<td>Risk aversion is strongly related to increased acknowledgment of Internet being a risky activity. Specific warranty strategies, brand image and good reputation are measures via which Internet vendors could reduce this perceived risk.</td>
</tr>
<tr>
<td>Emmanoulides and Hammond (2000)</td>
<td>To investigate predicting evidence of Internet current or active use.</td>
<td>Found that time since Internet first use, services used and place of use were the main predicting evidence.</td>
</tr>
<tr>
<td>Smith &amp; Whitlark</td>
<td>Collected data from 3090</td>
<td>13 themes of Internet lifestyles were</td>
</tr>
<tr>
<td>Year</td>
<td>Research Methodology</td>
<td>Findings</td>
</tr>
<tr>
<td>------------</td>
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<td>----------------------------------------------------------------------------------------------------</td>
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<tr>
<td>2000</td>
<td>Internet users via e-mailed questionnaires. Via end analysis and laddering they analysed the data.</td>
<td>identified.</td>
</tr>
<tr>
<td>Mathwick (2001)</td>
<td>In order to describe online social activities, he surveyed data that collected online and via clustering analysis attempted to identify consumer segments based on behaviour and relational norms.</td>
<td>Identified four groups: • Socializers • Luckers • Personnal Connectors • Transactional community members.</td>
</tr>
<tr>
<td>Miyazaki and Fernandez (2001)</td>
<td>Explored the perceptions of consumers with all levels of Internet experience, related to risk in order to reveal their relation to on-line shopping activity.</td>
<td>Evidence were found regarding the relationships between levels of consumers’ Internet experience, regarding perceived risks of online shopping.</td>
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<td>Siu &amp; Cheng (2001)</td>
<td>Focused their study on Internet users in Hong Kong and examined the perceived innovation attributes and the personal characteristics of expected online shopping adopters.</td>
<td>Showed that the most important aspects of potential online shoppers are economic gains, attitudes towards technology, availability, compatibility and security risk monthly income.</td>
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<td>Scrinivasan, Anderson &amp; Ponnavolu (2002)</td>
<td>Having the context of online business-to-consumer as basis, investigated antecedents and dimensions of customer loyalty.</td>
<td>Identified eight factors that can impact on e-loyalty: Customisation, community, contact interactivity, care, convenience, choice, cultivation and character. The 1211 online customers that took part in this study demonstrated that, except convenience, the 8 factors mentioned above impact e-loyalty.</td>
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<td>Torkzadeh &amp;</td>
<td>Measured objectives that</td>
<td>A five-factor, 21-item instrument was</td>
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<td>Dhillon (2002)</td>
<td>affect online purchases, such as online vendor trust and objectives for Internet shopping that are perceived important by customers, like Internet product value. They conducted a scale-development.</td>
<td>included in the outcomes, via which the objectives of shoppers for online product choice are measured, such as Internet vendor trust, shopping travel, online payment and Internet shipping errors.</td>
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<td>Volk (2002)</td>
<td>Relates Ajzen’s theory of rational action to nine Internet behaviours (reading email ads, using comparison engines, searching for product information, clicking on banner ads).</td>
<td>Showed that the attitudinal aspect of the theory can predict the intention of users to participate in all of the online behaviours. Therefore, the users’ intention to act was predicted by their attitude toward the act.</td>
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Swinyard and Smith (2003), although recent academic work may counter-argue by presenting new, updated evidence and findings, reached to some important conclusions that this study should acknowledge:

- The academic literature on Internet shopping and the behaviour of online consumers, throughout the decision making process, is still under development, “no single study has comprehensively studied attributes that encourage or discourage Internet shopping, nor apparently have any academic studies yet reported how the lifestyle characteristics of online shoppers differ from non-shoppers” (Swinyard & Smith, 2003, p.572)
- There is no homogeneity within the online shoppers segment and the online non-shoppers as each segment integrates individuals with different uses and perceptions of Internet.
4.3.2 Advantages of Internet shopping

“For Internet shopping, convenience has been the most cited shopping motivation or benefit” (Kim, 2002, p.596)

Darian (1987) has described four dimensions of convenience that consumers are seeking:

1. time saving
2. flexibility at the time of purchase
3. saving of personal effort (visit the mall, transfer of products)
4. reduce of inconvenience (ques, traffic, difficulties with parking)
5. ability of spontaneous purchase, direct response to marketing activities

Except from convenience, other advantages of purchases via Internet are considered to be the following:

- for available information concerning a product
- access to experts’ opinions
- ability to compare and contrast
- bigger product variety
- bigger shop variety
- speed

( Kotler & Keller 2006; Lokken et al, 2003; Ward & Lee, 2000).

Apart from the obvious advantage of Internet in the matter of convenience, conventional wisdom has always implied that convenience and cost are the major concerns for on-line consumers. On the other hand, a more recent study by Wang et al (2006), that was conducted via a survey on 181 on-line respondents has shown that privacy, product quality and safety were the most important concerns that individuals take into account when shopping on-line.
4.3.3 Disadvantages of Internet shopping

The most important disadvantages of Internet shopping, factors that moderate consumers’ intention to engage into e-commerce activities, are the following:

- lack of trust
- pleasure derived from physical buys
- complexity/difficulty of use
- the desire to physically test the product
- lack of purchases’ social dimension
- the need to communicate with the sales person
- delivery time

The lack of consumer trust, based on the outcome of many relevant studies, is considered to be the basic moderating factor for making online purchases. This factor is related to perceived risk and has two main dimensions: security and information privacy. (Cheung & Lee, 2006; Lokken et al, 2003)

4.3.4 Consumers’ personal characteristics that can affect the intention to buy online

Combined literature search (Brucks, 2001; Flynn & Goldsmith, 1999; Eastlick & Lotz, 1999; Fayawardhena et al, 2003; Clark & Goldsmith, 2006; Citrin et al, 2000) has revealed that the consumer’s intention to use Internet in the various stages of the buying decision process can be affected by a series of consumer’s personal characteristics. These characteristics are as follow:
1. Innovativeness

According to Goldsmith (2002; Clark & Goldsmith, 2006) the adoption of Internet shopping is related at some degree to the level of every person’s innovativeness. Rogers (cited at Kotler & Keller, 2009, p.633) has defined innovativeness as “the degree to which an individual is relatively earlier in adopting new ideas than the other members of his social system”. In his model, the “model of Diffusion of Innovations” Rogers identifies 5 types of people regarding their level of readiness to adopt a new product:

- The innovators that are the first willing to adopt a new product, they are technology enthusiasts and willing to risk throughout the purchase.
- The early adopters that adopt relatively early new ideas, they are opinion leaders, less price oriented and they would be willing to adopt a product that would be personalised to their needs and accompanied by efficient service support.
- The late majority that are people that delay in adopting a new product, mainly because they are suspicious towards new ideas and technology shy. They base their decisions on people from their social surrounding via unofficial sources of information.
- The laggards that are tradition-bound, will last adopt a new product and when they decide to, the product maybe towards its withdrawal.

(Kotler & Keller, 2006; Kotler & Keller, 2009)

Many academics have assessed and commented on Rogers’ model, Fenech & O’Cass, 2001; Goldsmith, 2002) concluded that innovators have more positive attitude towards Internet shopping than the other four types of the model, Kotler (2003) argues that there is no solid category with innovators towards all product categories. Consumers may be late majority regarding a product category and laggards for another. Rosen (1998) sums up that consumers may demonstrate same levels of innovativeness towards related product categories.

Furthermore, innovativeness is related to another parameter, the perceived risk, that has been observed to impact on the adoption of Internet shopping (Eastlick & Lotz, 2001; Garbarino & Strahilevitz, 2002; Kolesar & Galbraith, 2000; Kotler & Keller,
2009; Miyazaki & Fernandez, 2001; Park & Kim, 2003; Wang et al, 2006). Solomon (2007, p.316), adds that “consumers with greater “risk capital” are less affected by perceived risks associated with the products”.

In cases where there is a belief about potential negative consequences of a product, it has been observed that online shoppers tend to be more bold and innovators than regular consumers and as Fenech & O’Cass (2001) have shown, Internet users are likely to be innovators or early adopters as they are fascinated by the challenge the experimentation with a new method offers. Based on the fact that innovativeness has raised the attention of many academics and researchers, it is expected to play a significant role in relation to the findings of the current study.

2. Past Experience (consumer’s past experience of online transactions via Internet

Findings have shown that past behaviour in an area is directly related with the intention for future behaviour in the same area. Regarding Internet, the past experience in Internet purchases was found to have a positive impact in forming a positive attitude and future online purchase behaviour (Goldsmith, 2001; Perea et al, 2004, Shim et al, 2001). This may indicate that consumers that have used Internet to make purchases are, in general, satisfied with their experience and/or have found certain advantages related to its usage.

Furthermore, via past experience, consumers can manage the effect of perceived risk that as stated above, constitutes a basic moderating factor for online purchases (Kolsaker et al, 2004). Ravald & Grönroos (1996) argued that after a series of successful transactions, a consumer feels more secure with the service provider and supplier.
3. Objective knowledge (frequency of Internet use)

The objective knowledge of Internet is usually perceived as the frequency of Internet use, the years of use and the variety of chosen applications. In this study, frequency of Internet use was used as the major parameter as the frequency impacts on the years of use that impact on the use of a variety of Internet applications.

Regarding electronic commerce, combined literature has shown that people that dedicate more time for Internet use over a week, a month or years that other users are likely to adopt e-commerce (Citrin et al, 2000; Park et al, 2003). Park et al (2003, p.535) highlighted a series of studies, such as the one of Bellman et al (1999) who found that a typical Internet buyer has a “wired” lifestyle”, that includes variables like hours online during the week, number of months online, the online search for product information, and the study of Loshe et al (cited by Park & Jun, 2003, p.535)) who have found that “the percentage of panellists making a purchase on the Internet increases as a function if time spent online”. All of the above create a strong argument which implies that the longer the time individuals spend online, the more the probability to make a purchase online. But does the above apply to Greek reality?

4. Subjective knowledge (perceived experience and familiarity with Internet Internet)

Flynn & Goldsmith (1999, p.58) define subjective knowledge as “what the consumer thinks he or she knows”. In general, an attitude towards a new technological system is determined by the consumers beliefs regarding its perceived usefulness and perceived ease of use (O’Cass & Tino, 2003; Park et al, 2003). Furthermore, one of the basic parameters that affect the adoption of an innovation, according to the model of Rogers (1995), is complexity. The same can be applied to online purchases, as online purchases constitute an innovation. Past studies have shown that Internet navigation difficulty and search for specific data can affect negatively the intention to purchase online. Therefore, it can be concluded that perceived experience and familiarity with Internet can bypass the above obstacles and lead to the adoption of online purchases.
In particular, it has been found that consumers with higher Internet experience and familiarity demonstrate higher levels of use during the decision making stage of information search and that the perceived Internet expertise is positively related to attitude towards online purchases, possibility to buy via Internet and the volume of electronic purchases (Goldsmith, 2002; Kim, 2002; Limayern et al, 2000; Ward & Lee, 2000).

5. Shopping orientation (recreational, economical shopper) – shopping pleasure

Shopping orientation refers to the degree that consumer receives pleasure or personal satisfaction via the procedure of purchases. Some people must be forced to go to a mall, whereas others shop although they don’t have intentions to buy anything at all. While shopping is a means to acquire needed products and services, social motives also play an important role (Solomon, 2007).

The two types of shoppers, regarding the satisfaction they get from the buying process are:

- Recreational shopper (for hedonic reasons)
- Economic shopper (for utilitarian/functional reasons)

The recreational shoppers enjoy making purchases as a free-time activity, they spent more time shopping than economic shopper, they are more sensitive toward feedback they aim to the maximum value for the money they spent and perceive the characteristics of shops of great importance. As Cai and Xu (2006, p.274) add, “hedonic motivation, reflects the epicurean side of shopping behaviour”, with increased involvement, fulfilment of fantasies, perceived freedom and increases arousal as major features of a hedonic shopping motivation.

Economic shoppers, in contrast, are either neutral or negative towards the shopping experience, they often dislike this process and are intransigent when facing obstacles, delays and stock shortage for products they want to acquire. They are rationally and task-related motivated, they “embrace a work mentality to shopping, and product is purchased in a deliberant and efficient manner” (Cai & Xu, 2006, p.274).
As far as the online purchases are concerned, the effect of shopping orientation is significant, but its direction complicated. Some studies place enjoyment arising from offline shopping to negatively affect online purchases, as consumers that enjoy the physical shop’s experience may not use alternative channels.

Additional studies have shown that economical shoppers are more likely to adopt Internet shopping as they can avoid the perceived negative aspects of the physical shop such as time and physical effort/presence (Karayanni, 2003). On the other hand, other studies highlight a negative relation among economical shoppers and the adoption of Internet shopping, and reveal that the majority of Internet shoppers belong to the category of recreational shoppers (Fenech & O’Cass, 2001).

The above contradictory findings may be subject to a variable not taken into account in the past: the pleasure of online purchases as a process. The fact that a proportion of consumers enjoy the process of physical shopping, doesn’t necessarily prove that they don’t perceive Internet purchases enjoyable as a process too. Therefore, another variable this study must examine is the enjoyment derived by online purchases compared to that of physical shops and its relation to the intention of using Internet in the consumer decision making process.

### 4.3.5 Situational influences on Internet buying behaviour (Experiential Marketing)

Previous research has identified certain situational factors, such as time pressure, shopping task (buying a gift) and product category (cd player vs music) that may affect the decision to make an online purchase or not (Gehrt & Yan, 2004; Laroche et al, 2001; Lau & NG 2001; Loudon & Bitta, 1993). Nevertheless, this study will attempt to examine the situational influences on Internet buying behaviour, assigning an additional aspect of the term “situational influence”, that is, the social dimension of consumer behaviour, and the consumer’s need to evolve and produce an own-based purchase decision process.
A new approach to marketing that is strongly related to consumer behaviour is experiential marketing. Schmitt (1999, p.53; 2007), experiential marketing guru, during the first stages of development of this approach, noted that “experiential marketers view consumers as rational and emotional human beings who are concerned with achieving pleasurable experiences”. Experiential marketing promotes a type of thinking that examines a certain consumption situation in a broader socio-cultural context. That leads us to the situational nature of consumer decisions.

So a consumer’s intention to perform a purchase offline or online may not be only affected by the factors mentioned at the beginning of this unit and not only by his personal characteristics, (innovativeness, past experience, objective knowledge, subjective knowledge and shopping orientation). Consumer behaviour has a social dimension also, that is supported by the assumption that the consumer may adopt an own-based decision making process, he/she may also ask a friend or be informed by a friend (word of mouth) or from an online information source about the features that are important to take into account for a given product. Furthermore, the consumer may perform a combination of actions and channels and choose among a variety of product forms before the purchase, like in the case of purchasing music. (Senecal et al, 2005; Foxall&Yani-de-Soriano, 2005)

### 4.4 The World Of Music

According to Strategy Analytics (2005) report (cited at Chu & Lu, 2007, p.139), “people in North America and Western Europe spend billions of dollars to purchase music from sources like Apple Computer’s iTunes Music Store, Napster, Yahoo and a hoard of Internet service providers”. The music market has totally changed after the introduction of Internet, leading to a widespread of digital music files, the MP3 and other formats, and a series of online music providers but also a number of “peer to peer” file-sharing networks, such as Limewire and BitTorrent, via which billions of MP3 files are illegally downloaded every month.
The purchase of music was chosen as a case upon which the situational influences, stated above, on Internet behaviour maybe revealed or not, via the primary research, as there is a global shift to online music due to overpriced music that the physical shops offer and that constitutes the purchase of music as a multi-dimensional subject with various academics highlighting this complexity, such as the statement of Bayler (2006, p.16) : “music industry must wake up face the mediated future”, with Peitz & Waelbroeck (2006, p.908) noting that “music is an experience good” and Premkumar (2003, p.90) adding that “the availability of MP3 technologies, digital downloading, and CD writing have empowered customers and changed their buying behaviour”.

4.5 Conclusions to Literature Review

This review, initially refers to the evolution of Internet and electronic commerce in Greece, it presents the main findings of conventional wisdom regarding the decision making process and the personal characteristics that can affect the intention to purchase online, with an aim to question them with innovative academic camps.

Conventional wisdom refers to a five-stage decision making process with classic camp representatives, such as Solomon (2007) and Kotler&Keller (2006) and a set of consumer personal characteristics that can motivate Internet shopping, such as innovativeness, past experience, subjective and objective knowledge and shopping orientation with classic camp authors such as Goldsmith (2001), Rogers (1995), Solomon (2007), Citrin et al (2000) and Ward & Lee (2000). While acknowledging the importance of conventional wisdom, this study’s review attempted to question it with innovative authors such as Schmitt (1999; 2007) and Senecal et al (2005) who as anti-classic camps indicate that, based on situational influences, such the changing environmental stimuli and the need to be involved in a multidimensional and holistic experience and not just a mechanic process, the consumer may adopt an own based decision making process in purchasing a product offline and online, revealing the social dimension of consumer behaviour. This assumption could in itself reveal the new type of consumer modern marketers have to face nowadays, with a perhaps more significant framework than the one studies to date have so far revealed.
The primary research of this study aims to (in part) enrich the limited academic background of and address the gap in the literature regarding the use of Internet throughout the decision making process identified by conventional wisdom. Furthermore it will explore the significance of consumers’ personal characteristics regarding the intention to purchase online and will attempt to examine if there are diversifications in consumers’ behaviour and rationale in the experience-scenario of purchasing music.

The author would like to reiterate that the aim of the research is to answer the following:

1) How do consumers use the offline and online channels throughout the decision making process? What are the advantages and disadvantages of Internet in this process?

2) Do consumers’ personal characteristics affect the intention to use Internet in the consumer decision making process and finally make an online purchase?
   Sub-questions are:
   - Does consumers’ level of innovativeness affect their intention to make an online purchase?
   - Does consumers’ past experience of online transactions affect their intention to make again an online purchase?
   - Does the frequency of Internet use affect the consumers’ intention to make an online purchase?
   - Does perceived experience and familiarity with Internet affect consumers’ intention to make an online purchase?
   - Does consumers’ shopping orientation and perceived online shopping pleasure affect their intention to make purchases online?

3) With reference to purchasing music, are consumers mechanic entities that always follow the same decision making process when about to make a purchase or are they rational and emotional human beings that may seek for a pleasurable experience and adopt an own decision making process in order to assess this “experience”?
5. METHODOLOGY

5.1 Introduction

In the chapter of Methodology, the author briefly analyses the approach to the literature review. The methodology rationale for the selection of primary research is contained in the main part of the chapter, the sampling methods will be explained as well as the pilot, the interviewees’ responsiveness and the approach of the in-depth interview. Furthermore, the author addresses certain ethical issues outlines the process deployed for the secondary research and examines the overall data analysis.

5.2 Approach to Literature Review

Rudestam & Newton (2007, pp. 61-87), Saunders et al (2000, pp.43-76) and Sekaran (2003, pp. 86-103) were among references that proved to be invaluable in assessing effective research methods, review, track and critically analyse the literature.

A significant proportion of the existing research was based on the work of incumbents. Whilst literature on personal characteristics affecting the online purchase decision was helpful, such as Goldsmith (2001), Karayianni (2003) and Park et al (2003), little research on Internet’s use throughout the decision making process was found, nevertheless the work of Senecal et al (2005), Schmitt (1999) and Schmitt (2007) was among the enlightening, especially in discovering literature regarding the social dimension of consumer behaviour.

The author devised a set of appropriate keywords for Internet searches. Firstly, the author searched among a series books and hundreds of articles, before saving articles relevant to the study in either hard or electronic form. Every relevant finding was given a grade of usefulness from one to ten. At next stages the author chose to make extensive notes from higher scoring sources. This was a developing process as new key words were arising while analysing the literature. There was also a search in a series of original texts referred to in relevant studies.
The contribution of online journal sources, such as EBSCO, Emerald, Elsevier, Jstor, Science Direct, Wiley and others, was vital, whilst Amazon.com enabled the author to purchase books such as “Experiential Marketing” by Bernd H. Schmitt.

5.3 Research Methodology

5.3.1 Justification of Choice of Qualitative Approach

The review of literature questioned many assumptions regarding the consumer decision making process, the personal and situational characteristics that may affect their intention to use Internet in the process and finally make an online purchase. Existing literature on the research area did not recognize in full the fluid nature of the subjects.

The selection of the appropriate methodology is an act of balance, because it requires harmonisation of planned possibilities with viable, coherent practice that can enable research to work (Cohen et al, 2000). Selecting the appropriate study to deploy is not an easy task for it cannot be decided whether quantitative or qualitative studies are efficient or more useful. While it has been noted that qualitative studies may seem more common in anthropology and quantitative in economics, it is obvious that many problematic areas of research can be investigated quantitatively as well as qualitatively (Cohen et al, 2000). Combined literature was invaluable in highlighting and comparing the features of Qualitative and Quantitative approaches in order to identify the suitable approach to this research project.
Table 5.1 Qualitative versus Quantitative Research

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<th>QUALITATIVE APPROACH</th>
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<td>Systematic</td>
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Whilst the analysis of quantitative data is perceived as more objective, the author does not want to remain detached from the situation. A research discovering the use of Internet in the decision making process and the personal characteristics that affect the decision to purchase online or not, requires the researcher to contact the consumers and make conclusions regarding the rationale of their answers.

Furthermore, taking into account that the quantitative method is deductive, that is, it tests the academic background, whereas the qualitative method proves to be inductive as it may generates it, and based a on the assumption that human factors, perceptions, point of views, innovative thinking will be involved throughout the consumers’ answers regarding their behaviour in purchasing music, quantitative methodology was deemed as a non appropriate approach for this study.

For the above reasons a series of semi-structured and focused interviews were employed for the primary research, where the respondents were given a context of questions, and open-ended questions “about a specific situation or event that is relevant to them and of interest to the researcher” (Bryman & Bell, 2007, p.213). Kinean and Taylor (1996, p.321) add that the interviewer can develop “a high level of rapport with the respondent” which results in more freely responses.
Hackley (1998) refers to the social constructionist approach, which aims to assess people’s realities and how these realities, depending upon circumstances, may alter by time. A deeper assessment of people’s realities may be achieved and better understood by the study of conversations in interviews, as for example when a respondent may contradict himself, rather than the deployment of a questionnaire.

5.3.2 Sampling

The selection of respondents for the primary research was done via the combination of snowball sampling and purposive sampling. The snowball approach was used in a study of visitors to Disney theme parks by Bryman and by Marshall (cited at Bryman & Bell, 2007) who found potential interviewees who were suggested by women managers. Pettigrew and McNulty (cited at Bryman & Bell, 2007, p.499) pointed out that “access to elites is best achieved through other elite members”. Furthermore, Saunders et al (2003) argue that purposive sampling enables one’s judgement to specific cases in order to meet the research objectives, whilst the feedback from Karen, a student using purposive sampling in her research project (cited at Bryman & Bell, 2007, p.500) indicates that purposive sampling “shows how interviewees may be selected purposively on the basis of their likely ability to contribute to theoretical understanding of a subject”. Finally, Neuman (2000) has found that this method can prove to be useful for small samples.

Respondents recommended another individual, willing to participate in the interview. Of the 6 online buyers interviewed, one was referral of the first participant, and of the 6 consumers that haven’t made any online purchases, one was referral of the second participant. However in order to avoid similarity of views among the interviewees and the recommended respondents, all the other respondents were found independently of the two in each group.
5.3.3 Composition of Sample

Table 5.2 shows the comprised respondents of the sample.

Table 5.2

Sample composition

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<td>Internet users that have made one or</td>
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<td>more online purchases.</td>
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<td>Consumers, heavy and intermediate</td>
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<td>Internet users that haven’t made any</td>
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At this point it should be reiterated that according to the online e-metrics study, conducted in 2005 by AGB Nielsen Media Research, findings, the majority of Greek Internet users are men (78.6%), belong to the age group of 25-44 (67.1%) and they hold at least a high-school diploma (97.3%).

As this study will not explore demographical consumer characteristics, the sample was comprised by people with an age range 18 and above, living in the city of Athens/Greece. The prerequisite for heavy Internet users was an average of 4 times per week Internet use. Users that were not online buyers were also employed in order to examine both current attitudes in Greece.

One obstacle was finding consumers that have never set up an Internet connection, neither individuals that have never “clicked” on a web page or search engine in their life, except from elderly people. It is worthwhile mentioning that before the development of the research proposal the author’s parents had never used Internet, while at present they are using it on a regular basis for information search and participation in online societies related to their profession!
Scheduling and considerable time was absorbed in order to find the interviewees. Whilst the technique of snowball sampling helped in some cases, unavoidable circumstances affected the attempted interviews, such as serious health problems of a respondent’s close relative, which lead to the cancellation of the interview.

It must be mentioned that an accident on the author’s part delayed the process of interviews, due to extended treatment recommended by the orthopaedist (analysed in chapter 9).

5.3.4 The process of depth Interview

Interviews duration was between 30 minutes and one and half hour each, and were carried in a one to one form between respondents and the researcher.

In order to ensure the coverage of research questions, by reaching an efficient format and composition of questions, previous work such as the one of Bryman & Bell (2007) was helpful. Whilst the researcher’s objective was not to patronise respondents’ knowledge of the subject, the form of interviews should remain the same, and not turn into unstructured ones, so attention was paid in order to avoid jargon with respondents.

The interviews begun with structured “projective form of questioning” (Jankowicz, 2002, p.244), in order to reveal the profile and personal characteristics of consumers, not asking them directly if they consider themselves innovative persons or Internet experts, but with general questions, related to each aspect, that will provide answers that the researcher will interpret as an indication of the respondent’s aspects under research. At the next stage, the form of focused interview was employed in order to assess the selection of offline and online channels throughout the decision making process and the rationale for their choice. Finally a focused open-ended question was set in order to reveal experiences and true emotions about the differentiation of behaviour in the scenario of purchasing music.
The interviews employed were a hybrid of structured and semi-structured sessions, with each respondent having the same set of questions, but giving them the freedom and time to express their views and justify their actions on the subject area, and be expressed more extensively in the last open question.

Whilst the interviews were led by the interviewee, an effort was made to create a rapport, enable a semi-two way process, enhancing the researcher’s social perceived identity and skills. Every interview must be considered as unique and a mode of learning for both the respondent and the researcher. The author supports the view of Karen, a student cited by Bryman & Bell (2007, p.487) that “I acquired a potentially transferable skill. I learned a lot through [the interviews that I did] about how to…probe and to get what you want out of it….you can so easily sort of sit there and listen to what they’re saying…you need to balance that…guiding them so that you can achieve objectives that you’ve got”. 
5.3.5 Pilot Interview

A pilot test of the interview was conducted in order to improve it and identify and eliminate potential pitfalls and problems such as inappropriate tone or poorly wording in questions (Proctor, 2003). The process of the pilot, its evaluation and findings are shown in Exhibit 5.2. Extensive written notes were used as the author perceives himself to be a quick writer and able to note key points and respondents answers while maintaining an efficient eye contact and encouragement. Furthermore, the use of a tape recorder proved to be helpful, especially in cases that some Respondents provided prolonged answers and statements that had to be double-checked with the written notes in order to provide solid findings. The pilot respondent was asked by and finally gave permission to the author to integrate the findings in the core research.

Exhibit 5.2: Pilot Test Process
5.4 Ethical Issues - Respect for Respondents

The aim and purpose of the study was made clear to the respondents. The author reassured respondents of their feedback anonymity, confidentiality and that for ethical reasons, their identities would be protected. Furthermore, it was important to stress that the results of the study would only be used for the Dissertation.

It was also explained that the respondents’ participation and the questions of the interview were voluntary, meaning that, if they felt uncomfortable with some questions, they could bypass them, although the subject area was such that this explanation was made more out of formality.

Settings were flexible, some people preferred the interview to take place at a quiet restaurant, as a more neutral setting, others preferred their office. Initially it was explained that the interviews would take up to 45 minutes, however in some cases there was the desire to talk for longer. It was considered important not to interrupt the respondent’s work, so interviews were interrupted in few cases where respondents were businessmen and had to make or receive an urgent telephone call, nevertheless the interview continued to take place afterwards.

5.5 Data collection and analysis

In order to analyse the collected data, academics’ (Malhotra & Birks, 2007; Kinear & Taylor, 1996; Kolb cited by Dictionary of Human Resource Management, 2001) served as guidelines. As already mentioned, there was employed a qualitative approach in the current study, using depth (semi-structured and focused) interviews.

Applying Kolb’s learning cycle of knowledge, at the first stage, the researcher collected the expanded from the interviews and transcribed them, a process described in the concrete experience stage of Kolb’s learning cycle. Thinking about these
experiences was the next stage that was a time-taking process followed by extensive reflection of the data, while the transcription was taking place, the reflective observation stage as Kolb describes. An analysis and interpretation of the data then took place, where the author drew out issues relevant with the research, observed patterns and assessed their relation to one another and to the findings of the literature. At this stage of analysis, the abstract conceptualisation, labels were assigned to the data in order to facilitate their organization, management and interpretation, labels such as the stages of decision making process (information search, evaluation of alternatives and so on), personal characteristics such as innovativeness, past experience and so on, barriers such as consumer trust, and keywords such as experiential. Finally in active experimentation, the final stage of the cycle, the analysis was tested where possible and findings were triangulated by the use of secondary data.

Kolb’s learning cycle is defined by the Dictionary of Human Resource Management (2001, p.196) as “a theory developed by psychologist David Kolb that describes how four stages influence the way that people learn”. There was indeed an acknowledgment, derived from the reading of conventional wisdom that this would be a simplistic approach for studies as the current one, nevertheless the approach integrated a series of processes at different levels, the completion of the full cycle, does indeed lead to successful learning, and the model managed to serve on the ways in which the gathering and analysis of data was done.

The presentation of findings was accomplished via a table of findings summary which represented the quantified frequency of recurring issues and relations among the labels assigned to the transcripts, throughout the actual conceptualisation stage, which were categorised accordingly. By all means, the author focused on remaining objective and achieving neutrality while quantifying and categorising the available qualitative material.
5.6 Secondary Research

The gathering of extensive secondary data included a series of surveys, researches and statistical analyses, such as the ones of Gatech, statistical publications from www.internetworkstats.com, e-metrics studies from AGB Nielsen (Tsoukalas, 2005) and other, in order to reveal central issues such as the use of Internet, ecommerce presence, information on B2C worldwide and in Greece, the profile of Internet users etc.

Other good sources included local magazines and newspapers, especially those that enabled access to their online archives, such as Kerdos Nespaper (2006).

Jankowicz (2002, p.214) notes the importance and usefulness of a method called triangulation, “you might find yourself using more than one method or technique, in combination, either because your design calls for it, or because you want to use the results from one method to cross-check the results from another”: The author took advantage of triangulation in order to address the research questions, via expanded secondary research.

5.7 Limitations of the research

Every research has certain limitations that can derive from the nature of the research methods employed and they way they have been applied.

To begin with, the researcher was inexperienced and mistakes during the interviews were made. Given the fact that the role of moderator in these procedures is delicate and critical, the lack of experience might have affected the information gathered.

Furthermore, the size of the samples used in the research was small, a fact that limits the generalisation of the findings. The researcher tried to gain an in-depth view of the studied population and to avoid generalisations, having in mind that it was not within the scope of the current micro research to produce a general theory.
6. RESEARCH ANALYSIS AND FINDINGS

6.1 Introduction

This chapter presents and analyses the findings of the research based on the depth interviews with online and non-online consumers, supported by the findings of secondary research.

The data are discussed according to the objectives of the research and a critique of the findings will be made in light of the original research questions and sub-questions.

Appendix 1 provides a summary of findings in a form of a table that includes a horizontal axis with Internet and a physical shop and a vertical axis that includes the consumers’ personal characteristics. The stages of the decision making process are at the top of each row, in order to demonstrate the use of Internet or the physical shop and the personal characteristics that affect the adoption of each in every stage of the decision making process. Finally there is a separate table, similar to the main table that demonstrates the main findings of consumers’ behaviour in the scenario of purchasing music.
6.2 How do consumers use the offline and online channels throughout the decision making process? What are the advantages and disadvantages of Internet in this process?

6.2.1 Which channel (Internet over the physical shop) are you likely to use in order to search for information for an imminent purchase? Kindly justify your answer.

At this stage, the predominance of Internet is significant. The respondents highlighted the unlimited amount of data they would be able collect via Internet regarding a product they were about to purchase, the ease of collecting them and the subjectivity of them. Respondent A states: “you have more time and options to search through the internet…nowadays, most e-shops are very well organized and the information provided via the Internet is very satisfying, making your presence to the actual shop unnecessary”. This supports the findings of the study cited by Tsoukalas (2005), where 88% of Greeks use Internet mainly for information search, Shim et al (2001, p.399) statement that “Internet is perceived as a powerful tool for consumer information search” and Jayawardhena et al (2003, p58) argument that “the Internet allows consumers to gather intelligence that would not be possible in a more traditional market”.

Whilst Wang et al (2006, p.364) refer to the “physical appearance of a seller’s business establishment” as a moderating factor to use Internet for information search regarding an imminent purchase, the evidence indicates that although consumers pursue to establish a social interaction throughout the process, at this stage they feel uncomfortable to face a sales representative while they don’t have sufficient knowledge about product features and operation and because they don’t perceive in general sales force as adequately trained. Respondent B & G agree that “expertise may be lacking by staff of a physical shop”.

Finally respondents referred to the capability of combining data collection about a product while being able to touch it and discover its features, as a disadvantage of Internet adoption for this stage, but they identified certain product categories to which
this case may apply, such as touch-feel products. Respondent L sums up that, “I can collect a variety of info about an mp3 player on Internet, and can discover its exact specifications with just a few clicks, but it would be nice to grab it at the same time and start playing with it, being able to adjust the volume button and see how it fits to my needs”.

6.2.2 Which channel (Internet over the physical shop) are you likely to use in order to compare products for an imminent purchase? Kindly justify your answer.

The findings show that the majority of Greek consumers sample prefer to use Internet in order to compare a series of products before they make a purchase. Again perceived usefulness and convenience, the access to forums where experiences and product presentations by experts can be retrieved and the ability for a more analytical comparison among similar products were identified by respondents as the main advantages of Internet at this stage of the process.

“I can enter the site of Eleftheroudakis Bookshop and browse for all books on the history of the civil war in Greece, with comments and views for each of them and on their subjectivity”, says Respondent D, whilst Respondent H adds that “I can enter the web page of AutoBuild magazine and compare all the 1600cc coupe cars and observe strengths and weaknesses by the comments of current owners of each of the cars”. This confirms the statement by Jayawardhena et al (2003, p.60), “Bulletin boards and news groups provide the opportunity to seek out existing customers, or expert, views, on products and services prior to purchase”.

Again the advantage of the physical shop over Internet at this stage was found to be the ability to physically examine the products. Respondent A reveals: “Internet is definitely the best way to compare products…I would never Internet though to compare alternatives for an imminent clothing purchase”. Furthermore, three respondents, one from the first group, and two from the group that haven’t made any purchases online, mentioned that they would use both channels in order to compare and contrast alternatives before making a purchase. Respondent J made clear that: “I would use both channels in order to look for all information available”, statements
that reveal that consumers are beginning to feel reluctant as they approach the purchase stage of the process.

6.2.3 Which channel (Internet over the physical shop) are you likely to use in order to purchase (buy, order) a product? Kindly justify your answer.

The findings of a relatively not up-to-date research by Kataras (2001) conducted by Strategic International Research, on the Greek e-commerce use, indicate that only a 5% of the total population sample uses Internet to make purchases.

As pre-assumed, at this stage, the predominance of Internet is overwhelmed by the physical shop, for there is partial consumer tendency to make a combination of channels, but showing more preference to the physical shop. There are mixed points of view and attitudes: Respondents B and D agree that “life is fast and furious” and that the old days people knew them in the shops and knew how to serve them better, many respondents acknowledged the general advantage of Internet in terms of convenience, like Scrinivasan, Anderson & Ponnavolu (2002) indicate, time-saving, better bargains.

An online shopper, Respondent F, surprisingly stated that, “I will choose the online purchasing process only in some cases that it may speed the procedure of buying a product or the desired product is only available through the internet at the time”. Two respondents even stressed the importance of shopping online in order to avoid irritating salesmen,“ I cant stand the salesman” said Respondent A “following me , standing exactly besides me while I am trying to test a belt !”.

Respondents C and E, before concluding their answer, provided a two-sided rationale: Respondent E explained that “I would choose Internet if I wanted to buy a gadget such as an I-phone or a usb stick, or a cd player, because it promotes great collection of products in smarter prices than a physical shop. Contrary, I would prefer to buy products related to size, such as clothes from physical stores. The main reason is the problem of fit of the product”. Respondent E is 1.95m tall. The above statement confirms the work of Gehrt and Yan (2004, p.6) from the recent camp, who suggested that “ it is more likely that search goods can be adequately assessed with the
information available at retailer Web sites and other non-store formats than experience goods”.

On the other hand, a respondent from the second group of non-online shoppers gave emphasis to the importance of the sales person who processed her needs in the purchase of a sweater and found her a variety of items to suit her preferences, “in the end I bought more than one sweaters!”. Respondent K, that has never made an online purchase stated that “for example, I can’t order clothes online, I need the personal service….my first and last stop will be the department store”.

Above all, trust is indeed a major issue here, confirming the findings of conventional wisdom, such as Cheung & Lee, (2006) and Lokken et al (2003). The majority of respondents had a semi to full negative attitude towards making the final purchase online, due to lack of trust. Trust in terms of the quality of the service provided (delivery time), and in terms of privacy and security issues.

Respondent K highlighted both disadvantages in her answer: “I would definitely use the physical shop in order to purchase a product. Unlike the Internet, via which products are delivered within a certain period of time from the moment of the order, when at the physical shop one can instantly receive the product bought. Appart from that, given that the only way of purchasing products via the Internet is with the use of a credit card, I find it rather risky to reveal such personal data, that is credit card details, on an environment accessible by everyone”.

A respondent from the second group of non-online shoppers, Respondent I discussed that “I still prefer the feeling of security while I make a face-to face transaction. Maybe I am old fashioned”, while Respondent G raised his tone of his voice saying: “they will never get my personal data, never….furthermore, we are all exposed nowadays, one way or another, no sir, not me….”. This statement confirms the argument of Cheung & Lee (2006, p.479): “Internet users do not have enough trust to do online transactions with Internet merchants”, and the “perceived security control” – “perceived privacy control” attributes that Friedman et al (cited by Cheung & Lee, 2006, p. 483) summarize as attributes that are “positively related to consumer trust in Internet shopping”.
6.2.4 Which channel (Internet over the physical shop) are you likely to use in order to contact the company/service provider/shop after the purchase? Kindly justify your answer.

Kim (2002, p.600), points out that Internet “allows consumers to personalize and customize their experience…customer and after sales service is implemented through instructional support, product advice via e-mails, and customization”. The respondents of this study, though, indicated that they would prefer the physical shop or the phone call to the company, in order to make complaints for product defectiveness, ask for guidance regarding installation and operational issues, and general queries.

The sample identified the lack of physical interaction, lack of trust and after-sales service inefficiency as the main disadvantages of the Internet use at this stage. Respondent F who previously stated that would make an online purchase only for time-saving and product availability purposes, has answered that “it depends for the purchasing procedure – However I will prefer the possibility of an immediate response and a better understanding of a potential problem through a physical shop”. This confirms Kim (2002, p. 600) counterargument in which he explains that “Consumers, through a computer screen, cannot communicate to the retailer if they are frustrated with or pleased with the way the shopping environment looks and smells…other barriers to shopping online include transaction-related risks (e.g after sales service).
6.3 Do consumers’ personal characteristics affect the intention to use Internet in the consumer decision making process and finally make an online purchase?

6.3.1 Does consumers’ level of innovativeness affect their intention to make an online purchase?

The findings are in harmony with conventional wisdom regarding the important role of levels of innovativeness in the decision making process. However innovativeness was found not to affect equally all stages of the process.

In depth, Respondents like Respondent A, B and G, that are willing to use Internet for information search demonstrated high levels of innovation, Respondent B and G like to be the first one to test new products, while Respondent A always finds fascinating the purchase of new things. It can be assumed that Respondents which can be characterized as innovators-early adopters perceive information search via Internet as an innovation, a fact that triggers their desire to employ this channel at this stage.

Innovativeness was not found to affect significantly the consumers’ intention to use Internet over the physical shop during the stage of evaluation of alternatives and post-purchase behaviour.

Regarding the purchase stage, although most of Respondents would not engage in an online purchase due to reasons mentioned in the previous unit, the findings regarding innovativeness are in harmony with the academic background. All Respondents that would engage in an online purchase, were found to be either innovators or early adopters. Respondent B that considers life as “fast and furious” and an online purchase as an act that will save time and provide convenience, admitted that he likes to purchase new things and is not at all reluctant towards new products, while Respondent G that is not willing to use Internet in order to buy or order a product, was found to be a late majority consumer, suspicious towards technology as Kotler and Keller (2009) conclude. This confirms the conclusions of Donthu & Garcia (1999) who found that online shoppers are more innovative than non-online shoppers.
6.3.2 Does consumers’ past experience of online transactions affect their intention to make again an online purchase?

The findings indicate that consumers past experience of online transactions affect positively the use of Internet in all stages except post-purchase behaviour where there is no significant effect of this characteristic. Respondents such as A and B, that were willing to use Internet in order to compare products before making a purchase, were found to have made more than 10 online purchases during 2008, for products such as books and DVDs.

Above all, regarding the purchase decision, the findings confirm the theory by Goldsmith, (2001), Perea et al, (2004), Shim et al, (2001) that consumers who have engaged in more than one online purchases in the past, are likely to make an online purchase again. Respondents from the first group who answered that will use Internet in order to buy/order a product, were found to have shopped more than once via Internet, a fact that may confirm their satisfaction of the process, which would enable them to use the online channel once more. For example, Respondent C who answered: “I often want to have the products the same day I order them. In that case I would rather go to a physical shop” and also that “If I buy the product as a necessity (e.g. a book I need for university) or buy something ahead, then I would order it online”, admitted at the beginning of the session that, during 2008, has made more than 5 online purchases.

6.3.3 Does the frequency of Internet use (objective knowledge) affect the consumers’ intention to make an online purchase?

The findings of a Greek online research (in other words, conducted upon respondents that are active Internet users) on the use of Internet, conducted by AGB Nielsen, in cooperation with Phaistos Networks (2004) suggest that a proportion of Greek consumers can be characterized as intermediate to heavy users, while spending more
than one hour per day using Internet (71.4%), a rather fair proportion had made an online purchase (51.67%). The majority uses Internet mainly for information search (76.5%) but less than a half would engage in an online purchase over the next 6 months.

On the other hand, Gehrt & Yan (2004, p.8) from the recent camp, suggest that “the more frequently consumers use computers the more they are willing to adopt electronic commerce”. Loshe et al (cited by Park and Jun, 2003, p.535) conducted a panel data study and discovered that “the percentage of panellists making a purchase on the Internet increases as a function of time spent online”, and the author would expect those findings to be confirmed by the current study’s results. However, whilst looking at Greek reality it can be argued that Respondents’ answers don’t match exactly with the findings of conventional wisdom.

The findings of this study confirm more significantly the findings of the AGB Nielsen research. Respondent L, who in the intention to purchase online answered “I prefer buy a product at a physical shop because I enjoy go shopping more than remain in front of my pc”, stated also that she enters a web page “every second day”. Respondent E, who prefers the physical shop for his purchased and would only make an online purchase in the case of electronic-gadget devices, can be considered as a heavy Internet user, connecting more than three times throughout a regular day. It seems that the Greek consumer, based on the small sample that this study examined, doesn’t demonstrate a “wired lifestyle” (Bellman et al, cited by Park and Jun, 2003, p. 535).

Consequently, the findings reveal that a heavy Internet user in Greece may endorse and embrace Internet in his daily life and may have used Internet to purchase online, but a less heavy user may feel comfortable with a certain product’s offering on Internet, and adopt a more systematic online purchasing attitude.
6.3.4 Does perceived experience and familiarity with Internet (subjective knowledge) affect consumers’ intention to make an online purchase?

Park & Kim (2003) discussed about user interfaces, the people’s interaction with computers and how it may affect the adoption of e-commerce. Brucks (2001, p.3) explained that “experienced consumers have prior knowledge about the attributes of various alternatives….perform more efficient information searches…can more quickly determine which alternatives are inferior”. Respondent C that will definitely prefer Internet for information search and evaluation of alternatives, perceives herself as an experienced online user, an expert “in the fields of Communication, research via Internet and B2C”, who is aware of how most of the things are done on Internet.

Respondent K that has never made an online purchase and would be unwilling to prefer using Internet in any of the process stages, perceived herself as an experienced Internet user only regarding to the use of e-mail and basic functions. She states that “no, I don’t perceive myself as an expert, for the Internet has numerous possibilities and uses which I haven’t explored” and this reversly confirms the findings of conventional wisdom. Another important aspect is that Respondent K, with relative low expertise regarding Internet, prefers to make more offline purchases than online, as she finds “risky to reveal such personal data, that is credit card details, on an environment accessible by everyone”, and this confirms another finding, that of Tam (1999) and Miyazaki & Fernandez (2001) who found that the level of Internet experience may lower the effects of perceived risk!

6.3.5 Does consumers’ shopping orientation and perceived online shopping pleasure affect their intention to make purchases online?

To begin with, seven out of the twelve respondents can be characterized as recreational or hedonic consumers, based on their answers. Furthermore, the assumption, by the current study, that the pleasure derived from online shopping, compared to the one of physical shop, would affect the intention to purchase online, was not valid, due to the fact that eleven out of the twelve respondents, feel
enthusiasm, have fun and feel pleasure only at the physical shop. Respondent K that prefers to use the physical shop during the whole process has revealed that, “Despite the convenience that online shopping offers, I consider that a purchase via a physical shop is more pleasurable because it brings you in contact with the physical world and the people around you and people are primarily social beings”. Respondent C who prefers Internet for information search was found to belong to the category of consumers that shop via the physical shop for pleasure and via Internet out of necessity.

Regarding the effect of shopping orientation on the intention to use Internet throughout the stages of the decision making process, there was not found a clear advantage of one type over the other, something that confirms the supplementary effect of both types, recreational and economic shopper, as contradicting theories of Karayanni (2003) and Fenech & O’Cass, (2001) suggest. Respondent A, a purely economic shopper, stating that “shopping is a necessary process that must be done” would prefer the Internet to search for information, compare products and contact the company after the purchase, whilst Respondent E who loves to “extend the options of buying something in each occasion” and explains that “shopping helps the improvement of my interpersonal relationships”, has the same level of Internet adoption in the process with the pre-mentioned Respondent A.

Furthermore, Respondents C and F who would prefer to make an online purchase only to save time, belong to different consumer camps, Respondent C spends time for shopping and has a pleasurable experience at the physical shop, whereas Respondent F shops for pleasure only occasionally and for certain products and generally doesn’t spend much time for shopping.
6.4 With reference to purchasing music, are consumers mechanic entities that always follow the same decision making process when about to make a purchase or are they rational and emotional human beings that may seek for a pleasurable experience and adopt an own decision making process in order to assess this “experience”?

Foxall and Sorano (2005) argued that changing attitudes are emotional responses to changing environmental stimuli. Senecal & Nantel (2004, p.160) assumed that “the type of product affects consumers’ choices” and Premkumar (2003, p.90) pointed out that “the availability of MP3 technologies, digital downloading, and CD writing have empowered customers and changed their buying behaviour”. All of the above findings were confirmed by the findings of the current study, in which Respondents that were previously reluctant to fully explore the premises of Internet, they all prefer, in contrast, to purchase music via Internet.

Respondent F, an economic shopper and reluctant towards Internet use in the decision making process states: “for me, music is one of the products I dare buying through the Internet…better information/critique for a new album…available faster than in a shop…albums/singles only available for downloading from the Internet”. Respondent C adds that “Music as a good is very difficult to value and describe…..I do not need to go through a plenty of shelves…easy way of comparing products/prices and the freedom of decision”. Respondent A reveals that, “you can actually listen to the music before you buy it…you can purchase only a certain amounts of songs, the ones you like”. An important aspect is that several Respondents are iPod users so they are using iTunes, a software compatible to their mobile devices in order to asses the experience and all aspects and features of music.

Whilst Respondent K and Respondent F, analysed their rationale within the context of the classic decision making process, i.e preferred Internet to search for new music, compare albums and other, all the other Respondents demonstrated an own-based decision making behaviour as they were developing their answers.
“A product that can be saved as data on a pc and can be found in various ways does not require alternatives’ evaluation and further specifications’ research” said Respondent G. Respondent L notes that “there are a series of acting scenarios regarding the purchase of music…I may hear a new song from a music concert and go by my friends house and copy it….I may watch a video clip and download some of the artist’s songs from his new album…indeed music entails multiple dimensions”.

Respondent C made an extended explanation, “I pay for a good that I do not possess and I can consume it only acoustically….here the social component (sharing impressions) and the personal component (what is the right choice for ME, giving emphasis) play an important role….I may search for new music in a certain online-shop, buy the album from the physical shop for collecting purposes, but purchase on iTunes a remix of one of the album’s songs”. All of the above confirm the findings from the innovative camp, such as Senecal et al (2005) and Schmitt (2007) who examined consumption in a socio-cultural context (experiential marketing) and suggested that consumers Sense – Feel – Think – Act – Relate and that they can adopt an own-based decision making process based on the environmental stimuli, their emotions and their direction towards the search of fantasies, feelings and fun.
7. OVERALL CONCLUSIONS

7.1 Literature Review

The current study’s literature review initially referred to the evolution of Internet and electronic commerce in Greece. It reviewed the findings of conventional wisdom, such as Solomon (2007) and Kotler (2003) and Kotler & Keller (2006) that refer to a five-stage decision making process and aspects of consumer behaviour towards a purchase. Furthermore, the consumer personal characteristics that can affect the intention to use Internet in decision making and the final purchase decision were examined, based on the classic camp, such as Goldsmith (2001), Rogers (1995), Solomon (2007), Citrin et al (2000) and Ward & Lee (2000). This author’s review although acknowledging the importance of, questioned conventional wisdom by pointing to evidence from the critical camp, such as Schmitt (1999; 2007), Senecal et al (2005) and Foxall & Yani-de-Soriano (2003), who indicate that the consumers are not mechanic entities, but rational individuals that may adopt an own-based purchase decision making process in order to assess the changes of environmental stimuli and pursue a holistic experience and not just a need for consumption. New evidence indicated by the critical analysis offered a theoretical underpinning to the current research.

7.2 Research results and analysis

The findings of this study attempted to enrich the academic background on the use of offline and online channels in the consumer decision making, highlighted those personal characteristics, that play a significant important role in the intention to make an online purchase, and indicated the social dimension of consumer behaviour with reference to the purchase of music. The above themes are the three broad themes that the conclusions of this study will discuss.
7.2.1 The role of Internet in the consumer decision making process

In addressing the current research question of this study, the research examined the behaviour of consumers throughout the stages of consumer decision making process indicated by conventional wisdom.

The findings indicate that, based on the sample and secondary research, Greek consumers seem to have made some progress in adopting Internet in their daily life and throughout the decision making process, suggested by conventional wisdom, but still remain reluctant to use Internet for the final purchase.

Shim et al (2001, p.399) are right to perceive Internet as “a powerful tool for consumer information search”, for the predominance of Internet was significant over the stage of information search, mainly due to unlimited data available, perceived ease of use and speedy access.

Furthermore, apart from the moderating factor of physical product examination, most Respondents highlighted Internet again in comparing alternative products before an imminent purchase, mainly due to its perceived usefulness and ability to construct a rationale based on analytical comparison and evaluation via forums, bulletin boards and newsgroups, as Jayawardhana (2002) suggested.

At the stage of making a purchase, there were various behaviours, definitions and rationale, findings that indicate the Greek consumers adopt a channel based on their beliefs, needs, influences of the environment and certain situations (search goods versus experience goods). Nevertheless a tendency was found to make a combination of channels, with a slight, but enough to set an argument, preference of the physical shop over the Internet. Convenience, speedy procedures, time-savings and better prices in some cases were identified as the main advantages for an online purchase, whilst lack of consumer trust, in terms of privacy control and security control, as suggested by Cheung & Lee, (.2006) and Lokken et al (2003) was found to be a major determinant and de-motivator for an online purchase.

Kim (2002) seems to be right, while making a counterargument, in which he stressed the negative impact of risk and luck of physical presence at the stage of post-purchase
need for support by the company/service provider/shop via Internet as those were also the main reasons highlighted by the current study’s findings. Respondents, in their majority, would prefer an immediate response and a better understanding of a potential problem through the physical shop.

The findings of the last two paragraphs may construct the conclusion that the last two stages of purchase decision making are interrelated in the mind of the consumers, with reference to channel adoption.

### 7.2.2 The effect of consumer personal characteristics on the intention to adopt Internet and purchase online

The intention to use the physical or online channel, or both, was also found to be influenced by a series of consumer personal characteristics, as suggested by previous academic work. However, conventional wisdom is again questioned as not all of the personal characteristics effect significantly on the consumer intention to make an online purchase.

Respondents with high scores regarding their level of innovativeness, were found to prefer Internet for information search and more willing to make an online purchase than less innovative consumers, as suggested by Donthu & Garcia (1999). Internet seems to be the perfect choice for the purchase of innovative products by innovative consumers. Innovation seems also to be a motivator for combining channels, something that enhances the assumption that consumers seek for the “experience package” that a new or multidimensional product may have to offer.

Past experience of online transactions was found to affect positively the adoption of Internet in all stages except the post-purchase behaviour. While participants, in their majority are reluctant to prefer Internet in making the final purchase, from the ones that did or combined channels, the majority had previously made an online purchase and were satisfied by the process, a tendency which agrees with the findings of Perea et al (2004).
Bellman et al (cited by Park & Jun, 2003, p.535) argue that consumers demonstrate that consumers demonstrate a “wired lifestyle” and that the willingness to adopt electronic commerce will rely on the frequency of Internet use. This argument did not prove to be clearly valid, as Respondents have adopted the use of Internet in their daily life, to some significant extent, but this hasn’t motivated to use Internet more than the physical shop (AGB Nielsen, 2004).

Respondents that did not prefer Internet throughout the purchase decision making, mainly due to perceived risk, demonstrated low levels of Internet expertise, whilst Respondents admitting that are aware of how most things are done on Internet, and experts in some fields such as business to consumer commerce and communication, preferred Internet to search for information and compare products. The above confirm Tam (1999) regarding the positive impact of subjective knowledge on Internet consumer behaviour and Miyazaki & Fernandez (2001) regarding the positive impact of experience and familiarity with Internet on minimizing perceived risk.

The findings of the last two paragraphs may construct a conclusion that subjective knowledge may impact more significantly on Internet buying behaviour, than objective knowledge, a conclusion that also confirms Flynn & Goldsmith (1999).

Karayanni’s suggestion that “enjoyment derived from shopping through physical stores should be negatively related to Web-shopping” (Karayanni, 2003, p. 145) proved to be valid. Most of the Respondents were found to be recreational-hedonic shoppers and assessed enthusiasm, fun and pleasure as emotions that can be experienced mostly when shopping at the physical shop. The study confirmed contrasting theories of the consumer type that is more likely to use the Web and make an online purchase, as there was not found a clear advantage of the economic over the recreational shopper and vice versa.
7.2.3 The social dimension of consumer behaviour with reference to the purchase of music

The last section of the findings refers to the innovative academic camp, such as Foxall and Sorano (2005), Senecal & Nantel (2005) who found that consumers may change attitudes towards a purchase, based on the change of environmental stimuli, the type of product and situational influences. Respondents indeed changed their attitude towards Internet adoption in the scenario of purchasing music as they didn’t feel reluctant to explore its capabilities and use it in order to acquire music.

Premkumar (2003, p. 90) was right in explaining that the radical changes in the world of music “have empowered customers and changed their buying behaviour”. Respondents provided a variety of explanations, beliefs, emotions and tendencies towards the purchase of music, independently from the classic decision making process. They were found adopting a rational, own based, experiential decision making process as Schmitt (1999) from the innovative camp has suggested. They highlighted the importance of iTunes and how it changes the world of Music, the different ways available to obtain music and the combination of channels, activities and people, in order to assess and acquire what they perceive as music: the fantasy, feeling and fun of an experience. The above indicate that marketers and retailers need to reengineer their strategies and reorganise their business around the customer.
8. RECOMMENDATIONS

8.1 Establishing Consumer Trust in Internet shopping

The current study’s findings have indicated that a major moderating factor for using Internet in decision making and making the final purchase online is the lack of consumer trust, in terms of privacy control and security control. Consumer trust can be achieved via three critical dimensions: integrity, competence and security.

Specifically, integrity can be achieved by building a strong justice image and fulfilling all the promises made to the customers, such as fair prices, the option of return and refunds and the fulfilment of orders.

The promotion of competence of Greek Internet merchants can be done by delivering a professional website. This website should include features facilitating navigation, accurate information and efficient graphic design. Extra features should include quick order ability, order tracking, online chat room and an internal search engine.

Finally, it is clear that Greek consumers must be convinced that their online financial transactions will be safe. This can be achieved by some steps that must be taken by online vendors. Logos, declarations, testimonials, records of achievement, that it, evidence convincing about the e-retailers web page financial security must be provided in every page of the web site. The establishment of a financial-safety rating system will help minimizing consumer fear. Independent payment sites such as Paypal could be more widely used in order to provide customer with financial assurances. Paypal requires the entry of credit-card information only once so fear can be minimized as payments can be less obtrusive. The fears of customers’ check out can be also minimized by new pocket-sized devices which contain customer identifier. By all means, vendors should acknowledge that the customers’ credit card info should be insulated in a visible manner.
8.2 The challenge of multi-channel retailing: focusing on the customers

The findings have shown that throughout the conventional consumer decision making process and in the scenario of purchasing music, consumers do not always use one channel without acknowledging the importance of another. Retailers are therefore facing, within a global competitive arena, a new empowered type of customer, with a diversification of needs and fragmentation of values. The tough challenge is how to reorganize their business in order to personalize the offerings, to allow customers browse flexibility and the combination of channels based on every customer’s personal shopping mission.

Multi-channel retailing “is a catalyst for change across the business, helping retailers move away from product-centric operations to more customer-centric organizations”. (Bagge, 2007, p.57). The opportunity with MCR lies in assessing the ways to win the future customer.

Raman Gupta (cited by Cubitt, 2008, p.45) explains that “firstly you need to bring together diverse data across various channels”. A multi-channel business must be fully integrated across all the channels, it must include a multi-channel marketing department as well as inter-functional coordination among all departments. The proper use of data and customer insight will help to segment customers based on the channels they are using and then communicate with them. Above all, multi-channel retailers musty have in mind that people will be encouraged to buy if they are triggered by an attractive browsing environment and that all the things traditionally offered by one channel must be delivered consistently across the multi-channel operation.

8.3 Experiential Marketing: creating a holistic consumer experience

The research indicates that consumers are rational human beings that may engage in an own-based decision making process in order to assess the experience of purchasing. This means that marketers should reorganize their strategies towards customer experiences and in a broader socio-cultural context.
Experiences can change the way we perceive the world, our priorities and can relate us to a new dimension.

According to Schmitt (cited by Honigman, 2007), Experiential Marketing is about meeting customer experiences, derived by Sense, Feel, Think, Act and Relate, marketing strategies and how those elements can be integrated in holistic marketing operations. An example of the “Sense” experience is an extremely attractive environment, such as iTunes with “feel” appealing the feelings of consumers, such as the “I carry and play music with mp3 player, I am stylish” feeling. The experience of “Think” is related to the feeling of engaging in great thinking that is encouraged by a great experience, such as developing revolutionary product features for your product. “Act” has to do with the message a product has to offer, related to the consumers’ lifestyle and behaviour, like the “Just Do It” of Nike. Finally “Relate” relates to the building of brand communities. Marketing experts must figure out which experience suits best their brand.

Marketers must first make research on what experiences does the competition offers and then create an experiential platform, not in terms of conventional positioning, but in terms of what experience should the brand deliver. A major issue is integration, not only in terms of introducing a great product for example, but promoting the company’s web site and physical stores too.

8.4 Towards an experience-oriented organisation

Building an experience-oriented organization requires the assessment of business and marketing in general, as well as the thinking of holistic experiences and marketing strategies defined by experiential marketing (Schmitt, 1999). There are neither special processes nor a particular structure in this unconventional type of organization. The focus is on creativity and innovation, on long-term trends, on the physical environment and on viewing human resources as human capital. The experience-oriented organization has an aim to promote its employees experiential development and to guarantee integration across all experience providers, such as the external agencies.
Above all, the success of an experience-oriented organization will rely on the ability to reach modern consumers via lifestyle marketing, holistic experiences, innovative offline and online environments that will reveal their needs, wants and expectations according to their unique consuming mission!

8.5 Areas for further research

Since Respondents revealed the social dimension of consumer behaviour, with reference to the purchase of music, more in-depth research is required to identify the synergies of the two channels. Furthermore, a series of case studies on various and from different categories products may provide significant and more solid findings.

This study can also be extended to identify alternative distribution strategies regarding digital music in order to minimize the illegal downloading found to be adopted nowadays by the teenage segment, comprising a life-threatening issue for the music industry
9. REFLECTIONS

9.1 Subject matter

The author had initially planned to examine the first two research questions with reference to the purchase of music. Nevertheless after the feedback from the proposal, the author decided to place music as a separate question, first examine the consumer behaviour in the conventional process and the personal characteristics in a general context, and then to use the purchase of music as a tool-scenario that may reveal the possible social dimension and experiential processes of consumers in their decision making, due to the unconventional dimension of the music-experience.

9.2 Project planning

The author used two documents in order to plan and track the study’s progress. The first was a Microsoft Project file in which every important activity was added and that contained the likely durations for each of the activities. Furthermore a Word file was created with each of the study’s chapters in which the author assigned percentage of completion across each chapter, estimated word count, whilst tracking them all the time during the conduct of the study. This helped in the measurement of progress and created a sense of achievement as each chapter was concluding.

9.3 Timetable and contribution of others

The analysis and transcription of interviews took an unexpected long time, due to the lack of the author’s experience as a researcher. Snowball sampling took longer time that it was expected, due to timing process of recommendations by the first Respondents.

Although Respondent were free to express their emotions, attitudes and rationale of answer, in endeavoring to address the research questions, the author tried to control and steer them back to the main themes, whenever it was needed, like in the last open-ended question.
Finding mutual times to conduct each interview was another issue which proved to be time-consuming, prolonging the research time and completion.

In coping with these and other issues, the help of iCon staff was invaluable, and the Blackboard was a really helpful tool which provided answers and guidelines for all the related tasks.

**9.4 Personal health issue**

The author had a back injury at the beginning of 2008, which was the main cause of a chronic back-syndrome, accompanied by neurological effects. This health issue prolonged the completion of the project. Although there were no moving difficulties and the author did not take a work-leave (the problem was not shared with the company’s administration as the author believed he could maintain the same professional performance) the neurological nature of the problem, demanded the subscription of extended medication, and a series of physiotherapy treatment sessions were followed, throughout the year, accompanied by indoor swimming sessions in order to cope with the problem and improve the quality of daily life, in terms of physical and psychological status. The author’s health has significantly improved but the health problem will take time to be totally diminished.

**9.5 Development of management competencies**

The author gained a series of skills that can be further applied to his role of programmes administrator at the local center of a British University. These include self-discipline, the skill of focusing on a target despite of the challenges and difficulties that may come forth. Furthermore, via the need to integrate a series of tasks in order to provide with a reliable project, the author became more systematic regarding his profession and also understood that the experiential dimension of consumer behaviour may apply in the Education industry, a detail that may prove invaluable in supporting effectively the students and providing a better educational service-experience offering!
10. REFERENCES


Cubitt, Emily (2008), “The allure of online shopping”, *Precision Marketing*, pp. 45-46, September 2008,


11. BIBLIOGRAPHY

Hall, England, UK.


NY, USA.

USA.

New Jersey, USA.


Publications, Athens, Greece.
11. APPENDICES

Appendix 1: Summary of Findings

<table>
<thead>
<tr>
<th></th>
<th>INTERNET</th>
<th>PHYSICAL SHOP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information search</strong></td>
<td>Predominant role, due to unlimited amount of data, powerful tool</td>
<td>For touch-feel products such as an mp3 players.</td>
</tr>
<tr>
<td>Personal characteristics</td>
<td>Physical presence of a seller is not necessary.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Innovativeness, past experience of online transactions, perceived Internet expertise affect the intention to use it for information search.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No clear advantage of recreational shopper over economic shopper.</td>
<td></td>
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</tbody>
</table>

**Evaluation of Alternatives**

<table>
<thead>
<tr>
<th></th>
<th>Majority prefers it due to perceived usefulness and ease of use, analytical comparison ability. Few would use both channels.</th>
<th>Advantage is the ability to physically examine the product. Few would use both channels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal characteristics</td>
<td>Past experience of online transactions, perceived Internet familiarity affect positively the intention to use it.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No clear advantage or recreational shopper over the economic shopper.</td>
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</tbody>
</table>
**Purchase decision**

| Personal characteristics | The predominance is overwhelmed, due to lack of consumer trust, social interaction. Mixed attitudes on the importance of sales people. Preferred for speedy transactions. Combination of channels. Online shoppers are more innovators than non-online shoppers. Past experience of online transactions, perceived Internet familiarity impact positively. Both types of consumers may purchase online. | Slight preference of the physical shop. Clothes and products that entail the aspect of sizing. Importance of the sales force. More security. Combination of channels. Hedonic consumers have fun only at the physical shop. Both types may engage in an online purchase. |

**Post-purchase behaviour**

| Personal characteristics | Similar attitude as with the final purchase stage, due to lack of immediate social interaction, in a case of problematic product. Innovation does not play a positive role. Not clear advantage of recreational shopper over the economic shopper. The last two stages are interrelated. | |
### Scenario of purchasing music

<table>
<thead>
<tr>
<th>Respondent’s attitude</th>
<th>Own-based decision making process</th>
<th>Classic decision making process</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Majority of Respondents demonstrates a need for a pleasurable experience. Not reluctant to use Internet regarding the purchase of music. Came up with different own-based scenarios and ways to acquire music, unexpected attitude due to the influence of others, the Media, the unique features of music, various channels of access, perceived experience, rather than just a product.</td>
<td>Two respondents will stay with the conventional process, will use Internet throughout all stages of the process, will combine channels.</td>
</tr>
</tbody>
</table>
APPENDIX 2. : INTERVIEW GUIDE AND QUESTIONS

UNIT 1: (ON PERSONAL CHARACTERISTICS)

SECTION 1 (ON INNOVATIVENESS)

1) Do you like to purchase new things?

2) Are you usually among the first people to test a new product?

3) Are you reluctant towards new products?

4) Do you take risks in life?

SECTION 2 (ON PAST EXPERIENCE)

1) How many times, during 2008, have you established a transaction/purchase using Internet?

2) (for respondents having made at least one online transaction) What type of products did you purchase?
SECTION 3 (ON FREQUENCY OF INTERNET USE – OBJECTIVE KNOWLEDGE)

1) How often do you use Internet?

SECTION 4 (FAMILIARITY-EXPERIENCE WITH INTERNET)

1) Do you encounter difficulties in using the Internet?

2) Do you encounter difficulties in using electronic e-mail?

3) Do you perceive yourself as experienced with Internet?

4) Are you an expert in using Internet?

5) Do you believe that you must learn things further in order to better use Internet?

6) Are there many things on Internet that you don’t know how they are done?

SECTION 5 (ON SHOPPING ORIENTATION-SHOPPING PLEASURE)

1) Does shopping affect your psychological mood?

2) Do you perceive online shopping more pleasurable than the physical shop?

3) Compared to the physical shop, would you say that you receive more pleasure from the online purchase process?

4) Do you spend much of your time for shopping?
5) Does shopping comprise for you a kind of fun?

6) Compared to Internet, do you find yourself having fun at the physical shop while shopping, or you just enter and buy the product?

7) Do you feel that purchasing via a physical shop will make you escape from daily routine more than purchasing online?

8) Would online shopping make you feel more relaxed than shopping at a physical shop?

9) Would you feel more enthusiasm to make an online purchase than via a physical shop?

10) Do you belong to the category of people that make a purchase via the physical shop for pleasure, while buying via Internet out of necessity?

UNIT 2: (ON THE USE OF INTERNET IN THE PURCHASE DECISION PROCESS)

1) Which channel (Internet, the physical shop or both) are you likely to use in order to search for information for an imminent purchase? Kindly justify your answer.

2) Which channel (Internet, the physical shop or both) are you likely to use in order to compare products for an imminent purchase? Kindly justify your answer.

3) Which channel (Internet, the physical shop or both) are you likely to use in order to purchase (buy, order) a product? Kindly justify your answer
4) Which channel (Internet, the physical shop or both) are you likely to use in order to contact the company/service provider/shop after the purchase? Kindly justify your answer.

UNIT 3: (FOCUSED QUESTION (ON THE SCENARIO OF PURCHASING MUSIC)

I am sure that up to now you may have purchased a good that entails of multiple features, formats and multiple points and ways of access, a good that can be characterized as “multi-dimensional”. Music could, hypothetically, be considered as such.

The question is set to find out whether you would engage in the same decision making process or not (examined in the four previous questions) to search for information, evaluate alternatives, make the purchase and post purchase contact in the scenario of purchasing music and in what ways would you use Internet or the physical shop, or both. Kindly take your time and freely express your emotions, always justifying your answer.
APPENDIX 3

Excerpts from Transcripts

3.1 Extract from consumer interview on innovativeness-Respondent E

Interviewer: Do you like to purchase new things?

Interviewee: Yes, once per month.

Interviewer: Are you usually among the first people to test a new product?

Interviewee: In some occasions, yes.

Interviewee: May you kindly identify those occasions?

Interviewee: Yes, for example, I like to be among the first ones to test a new electronic device.

Interviewer: I see…so in general, would you say that you are reluctant towards new products?

Interviewee: I guess not…no…cause it becomes a challenge for me.

Interviewer: Right, ok…and do you take risks in life?

Interviewee: Yes, I like to try new things without knowing the end of the story.
3.2 Extract from consumer interview on the scenario of purchasing music – Respondent C (Respondent C provided an extended answer mentioned in the analysis of findings)

Interviewer: I am sure that up to now you may have purchased a good that entails of multiple features, formats and multiple points and ways of access, a good that can be characterized as “multi-dimensional”. Music could, hypothetically, be considered as such.

The question is set to find out whether you would engage in the same decision making process or not (examined in the four previous questions) to search for information, evaluate alternatives, make the purchase and post purchase contact in the scenario of purchasing music and in what ways would you use Internet or the physical shop, or both. Kindly take your time and freely express your emotions, always justifying your answer.

Interviewee: Music as a good is very difficult to value and describe.

Interviewer: Is that so?

Interviewee: Yes of course…

Interviewee: In what ways?

Interviewee: First of all, its consumers need a very special treatment. A physical shop that sells music doesn’t need to provide technical information or evaluate the pros and cons of a certain genre or artist. The information criteria (before and after the purchase) yields to the social component and the personal criteria. I hardly ever go out with the aim to buy music – If I go to a physical music store, then I do it right after buying clothes or electrical devices. So it is a sort of recreation.

Interviewer: Right.

Interviewee: The shop must create the right atmosphere for a buyer to go there alone or with friends to enjoy the music before buying it like a souvenir from the holidays. The more you restrict pleasure in the shop, the less probable it is that the audience
will buy the music. (It is similar to a bad holiday: Would you spend much money on a souvenir from a destination that you didn’t like at all?) So all in all, buying music in a physical shop is simply an all-round 3D-entertainment experience (you can listen to it, see it, touch it, even smell it…)

Interviewer: Right..that’s an interesting point of view…please go on..

Interviewee: I listen to a CD in a shop and then I make the decisions which songs I would download online afterwards (because the CD is hardly ever worth being bought as a whole) If I am looking for new music that suits to my taste, I would rather stick to the Internet. It offers an easier orientation, because I do not need to go through a plenty CD shelves to find what I am searching for but simply enter the right keywords. Again, the “technical” information is not as important as when buying technical devices for instance. Here the social component (sharing impressions) and the personal component (what is the right choice for ME) and the need to assess music as an experience that may fulfill an expectation of fantasy, play an important role. Recommendations from users that have a similar taste as me and individual suggestions (made easier with the rise of Web 2.0) are essential.

Interviewer: So you perceive music as an experience rather than a typical product or service?

Interviewee: Exactly! Often I do not want buy a CD, but simply want to download music (because it is more comfortable and I can choose the songs I like only). In that case I pay for a good that I do not possess and I can consume it only acoustically, which reduces the perceived value of it. Furthermore, regarding the choices I have to acquire it, I may search for new music in a certain online-shop (because it is better arranged and offers better orientation) and buy it in another one (because it is cheaper there) and all that within a short time span.
**APPENDIX 4**

**School of Management**

**Dissertation Proposal Pro-Forma**

This Pro-Forma provides the preferred template for University of Leicester School of Management Distance Learning dissertation proposals. A proposal should contain all of the elements of this Pro-Forma and you are strongly encouraged to use this pro-forma when submitting your work.

Before you submit this Proposal please make sure that you have completed the following steps:

1. Read the latest version of the Dissertation Guidelines on Blackboard.
2. Read and considered the Support materials and additional notes on Blackboard.
3. Discussed your ideas with a Dissertation Tutor via Blackboard or the workshops.
4. Remove the notes to each section in the Pro-Forma.

---

**Your Name, Programme of Study, Student Number, Centre & Intake.**

SAVVAS-NIKOLAOS DELIS
MBA
STUDENT NUMBER: 29348SKVS314
CENTER: ICON-GREECE
OCTOBER 2004 INTAKE

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Please identify any University of Leicester Tutors that you have discussed your proposal with and the forum you used (e.g. workshops/Blackboard)

I HAVE EXTENSIVELY DISCUSSED MY PROPOSAL WITH **DR. MATTHEW HIGGINS** DURING AN ATHENS WORKSHOP AND VIA BLACKBOARD.

---

**Title (max. 15 words)**

*Note on Content: A title should summarise the main idea of the proposal simply and, if possible, with style. You may want to use a title and a subtitle, separated by a colon (e.g. ‘Brown Eggs: What they are Made of and How to Eat Them’)*

The Role Of The Internet In The Consumer Decision Making Of Music Purchase: An Examination Of Greek Culture
Abstract

Note on Content:
A brief and comprehensive summary of your proposal.

ABSTRACT

Internet and Electronic commerce, a relative new entrepreneurial practice, brought a series of developments to the enterprises that were proved important and rapid. This reason turned a lot of marketing researchers in this new area, and resulted in an important number of studies that investigate the purchasing behaviour of consumers in Internet. However, most studies up to now investigate exclusively purchasing behaviour in Internet, cut off from the behaviour in the conventional market. However in reality this does not happen, as on-line and off-line activities are expected to influence each other.

Therefore, the aim of this study is to examine the role of the physical and online channels in the decision making process, the social dimension of consumer behaviour and the situational factors that may affect the decision making, with reference to the purchase of music. The study will draw upon an extensive literature search, a review that will rely on academic names such as Chaffey, Daft, Kotler, Lambin, Solomon, Turban, Foxall, Shmidt, Senecal and others, a secondary data search that will include surveys from Gatech, statistical publications from www.internetworkstats.com, e-metrics studies from AGB Nielsen and other. Finally, 12 depth interviews on Internet and non-Internet users will comprise the core of the qualitative research method of the study, that will attempt to reveal the role of the internet in the decision making of purchasing music, focusing on Greek culture. The research proposal will be concluded with the reflections part, a task timetable and a list of references that will support and enhance the study’s accuracy and quality. The establishment of this type of study can prove to be important for researchers of marketing, but it can also help the companies to coordinate their online and offline strategies and activities.
1. RESEARCH QUESTION

The study’s research questions will be the following:

1. How do customers use both the online and physical channels through the decision making processes when purchasing music?

2. What is the role of each channel in the process?

3. In what ways do situational factors and the social dimension of consumer behaviour influence the intention to choose the physical shop and Internet in the decision making process?

2. PERSONAL INTEREST

This area is of personal interest to the author as first of all, consumer behavior was always a fascinating and challenging topic for me, as it studies the rationale and manner in which consumers purchase products and services, and the ways they use their experiences and ideas to satisfy their needs and wants. Furthermore the flourishing of ecommerce and its enormous growth potential has enchanted the author and a desire was born to occupy myself and further explore the ways by which Greeks can embrace this phenomenon into our daily lives so as to meet the global challenges, make a strong presence in the global business field and promote the philosophy and virtues of our country!
3. LITERATURE REVIEW

The review of literature serves as an outset of research project when the research topic is selected and throughout the author’s work, when other writings are presented more systematically and thoroughly to readers. Jankowicz (2002, p.159), notes that “knowledge doesn’t exist in a vacuum” and that the work and findings in a study will be significant to the extent that they match or differentiate from other people’s research and findings.

3.1 INTERNET

Daft, (2006, p.552) describes Internet as “a global collection of computer networks linked together for the exchange of data and information, the World Wide Web (WWW) is a set of central servers for accessing information on the Internet”. Internet is decentralized and self-managed, features that facilitate the unbiased movement of ideas and information.

3.1.1 Number of Internet users

It is difficult to estimate the exact number of Internet users, as Internet is constantly evolving so the most recent statistics need to be found and presented.

In Greece, only the 22% (2.420.00 users) of the total population uses the Internet. Among 25 countries within the European Union, and with a E.U internet usage average of 51 percent, Greece takes the last place with 22%, with the next country ahead to be Cyprus (that is Greek too) with 31%! Island comes first with 86%, Sweden second with 81% and Norway third with 80%. United Kingdom’s internet users comprise the 66% of its total population. ((Kerdos newspaper, 2006).

3.1.2 Profile of Internet users

The findings derived from most researches are that Greece, as much as countries worldwide, present important differences in the profile of Internet users in
combination to the more general population. However two general tendencies are observed:

1. Internet penetration is increased in the all breadth of a users’ team subcategories.

2. The subcategories with the lower penetration tend to present higher rates of increase from the average rate of increase.

The result of this two tendencies is that, despite the differentiations, there is a remarkable tendency of reduction of the digital gap in the various demographic categories.

In detail, according to the last research of Gatech (GVU’s Tenth World Wide Web User Survey), that was conducted in October 1998, the average Internet user is:

- man (66,4%)
- relatively young person (medium age: 37,6 years)
- resident urban or semi-urban region (86,2%)
- of academic education (87,8%)
- with high income (medium income: $57,300)
- with 4-6 years experience in Internet (37,1%)

(Gatech, 2000).

### 3.2 CONSUMER BEHAVIOR

Solomon (2006, p.7) defines consumer behaviour as “the study of the processes involved when individuals or groups select, purchase, use, or dispose products, services, ideas, or experiences to satisfy needs and desires.

The consumer buying behaviour is influenced by cultural, social, personal and psychological factors. (Kotler&Keller, 2006, p.174), (Schiffman and Kanuk, 2000, p.122).

Marketing academics have developed a five-stage model of the buying decision process. The stages are: problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour. (Kotler, 2003, p.204), (Gilbert, 2003, p.57), (Solomon, 2006, p.305), (Jobber, 2001, p.63).
3.2.1 Experiential Marketing

A new approach to marketing that is strongly related to consumer behavior is experiential marketing. Schmitt (1999, p.53) notes that “experiential marketers view consumers as rational and emotional human beings who are concerned with achieving pleasurable experiences”. Experiential marketing promotes a type of thinking that examines a certain consumption situation in a broader socio-cultural context. That leads us to the situational nature of consumer decisions.

So a consumer’s intention to perform a purchase offline or online may not be only affected by the factors mentioned at the beginning of this unit and not only by his personal characteristics, (innovativeness, past experience, objective and subjective knowledge). Consumer behavior has a social dimension also, that is supported by the assumption that the consumer may adopt an own-based decision making process, but he/she may also ask a friend or be informed by a friend (word of mouth) or from an online information source about the features that are important to take into account for a given product. Furthermore, the consumer may perform a combination of actions and channels and choose among a variety of product forms before the purchase, like in the case of purchasing music. (Senecal et al, 2005), (Foxall&Yani-de-Soriano, 2003)

3.3 Internet Buying Behavior

Despite the variety of studies that have been conducted in relation to Internet, the on-line consumer behaviour has not been researched adequately. (Donthu & Garcia, 1999, Korgaonkar & Wolin, 1999, Sieber, 2000, Miller, 1995).

It could be hypothesized that as Internet constitutes the base of electronic commerce, on-line buyers will have more characteristics in common with the users of Internet that with normal consumers. (Konstantinides, 2004)

However, certain more recent researches like the one of Mathwhick et al (2001) support that the on-line buyer does not differ from the medium consumer as the demographic characteristics do not influence the intention or not to buy on-line, with only exception the sex, as men are found to buy more through Internet(Sexton et al, 2002, Gatech, 2000, Korgaonkar & Wolin, 1999). Consequently all Internet users can be considered as potential on-line buyers.
3.4 The World Of Music

According to Strategy Analytics (2005) report (cited at Chu & Lu, 2007, p.139), “people in North America and Western Europe spend billions of dollars to purchase music from sources like Apple Computer’s iTunes Music Store, Napster, Yahoo and a hoard of Internet service providers”. The music market has totally changed after the introduction of Internet, leading to a widespread of digital music files, the MP3 and other formats, and a series of online music providers but also a number of “peer to peer” file-sharing networks, such us eMule, via which billions of MP3 files are illegally downloaded every month. Taking into account that there is a global shift to online music due to overpriced music that the physical shops offer, the purchase of music is a multi-dimensional topic that the present study will attempt to analyze from a consumer behaviour perspective.

Proposed methods (approx. 400 words)

Note on Content:
• a precise statement of the methods you propose to use.
• Justify the choices you make. Explain why this method is being used in preference to others.
• Discuss the specifics of the method(s) you will use. Be clear about data sources and what will count as data in your research project.
• (In your methods section you may need to make some reference to other exemplary studies and will certainly need to refer to the literature on research methods.)

RESEARCH METHODOLOGY

There will be a mix of methods used to obtain the data necessary for this research:

1. Literature Search

As described in the previous chapter, this research project will attempt to identify and draw upon the literature available in order to meet the objectives of the research. The study will draw upon an extensive literature search, a review that will rely on academic names such as Chaffey, Daft, Kotler, Lambin, Solomon, Turban, Foxall, Shmidt, Senecal and others. The literature review part will comprise the basis of the research project, as other people’s work and studies will guide the study in the point that certain questions will arise and a focus will be made to the chosen research technique that will investigate the research framework.
2. Secondary Data Search

Part of the Literature Review chapter will include a series of surveys, researches and statistical analysis, such as the ones of Gatech, statistical publications from www.internetworkstats.com, e-metrics studies from AGB Nielsen and other, in order to reveal central issues such as the use of Internet, ecommerce presence, information on B2C worldwide and in Greece, the profile of Internet users etc.

3. Depth Interviews

The depth interview technique belongs to the category of qualitative research methods. In a depth interview the interviewer has the task to probe and elicit detailed answers to every question he makes. The interviewee’s response is the one that directs the interview but the success of this technique depends mostly on the interviewer. The interviewer must correctly interpret the respondents’ answers in order for this method to be successful. (Proctor, 2003)

The rationale behind the choice of this technique, is that in depth interviews there is zero group pressure so the respondents can reveal honest feelings, the depth interview gives the feeling of a one-to-one personal situation, and the importance of the interviewee’s personal thoughts and feelings are highlighted in a manner that he/she feels that is in the middle of attention. Finally, the interviewer can take advantage of the closed face-to-face relationship in order to attract non-verbal feedback. (Proctor, 2003). Finally, it will be more easily to arrange a series of depth interviews in contrast to arranging a focus group where a big number of individuals must be gathered and coordinated.

The interviewees will be separated into two groups: the first group will include 3 non-internet users and the second group will be comprised of three intermediate and three heavy users. For heavy internet users the major prerequisite will be to use Internet at least 4 times a week. The interviews will begin with general questions in order for the interviewer to compose the interviewees’ profile, personal characteristics and habits as social entities and as consumers.
The objective of this research method will be to reveal the synergies between the physical and online channels in Greek consumers’ decision making of purchasing music and the factors that influence the respondents’ intention to purchase music through Internet.

Reflections (approx. 500 words)

Note on Content:
Include reflections on:
- Potential practical and empirical obstacles (e.g. access).
- Conceptual and theoretical problems and difficulties.
- Ethics (both in the narrow and the broader senses).
- Your position as a researcher in a political field, and reflection on how this will impact on your study.

REFLECTIONS

There are a number of obstacles that may arise. As stated in the abstract part of the proposal, I have not found any study that analyzes the consumer’s behaviour, and the ways consumers may combine the physical and online channels when they make a purchase decision, nor have I found extensive literature concerning the social dimension of consumer behaviour. Therefore I will face the difficult task of collecting a variety of academic journals that focus on channel management and decision-making and then combine them in order to present it in the Literature Review part. Although consumer behaviour is an area that is supported by many devoted and enlightened academics, the area of interest is left behind, especially in Greece.

Furthermore, taking into account that one of the forms of music in these days is the music people download illegally from peer-to-peer networks, I must earn the respondent’s trust in order for them to be in a position to freely reveal their past actions, true beliefs and concerns on music and the modern music industry.

As an unskilled interviewer I will definitely face the following challenges:

Based on the fact that I will conduct twelve interviews, I must be in the position to ensure the quality of the research experience, a quality that will be subject to the respondent’s richness of experiences and their relevance to the study, an assumption that cannot predicted.

Furthermore, obtained data may be difficult to interpret and analyse, as there can be hidden messages and thoughts that will need to be combined with a deep theoretical awareness in order for the generated data to make sense.
Above all, time management will be the main issue to consider when conducting the study. Time must be harmonically allocated to each of the tasks that must be undertaken for the successful completion of this research project, and we all know that time is never enough!

CONCLUSION

The establishment of a successful research project, after a proper research proposal is presented, is the result of the combination and synergy of a series of tasks. From an introduction that will draw the reader’s attention and will make a clear presentation of what will be discussed in the next pages, to a clear set of research questions that will comprise the core of the study, then a literature review must follow that must gather a mix of solid and well known academic work and successful studies, a review that will enhance the study’s academic character and will enhance all the parts the reader would like to see in order to conclude that there is an interesting topic to be discussed, that there are previous work, discussions, external data that other people have spent hours and hours in order to contribute to their science and that there might be found some gaps to be explored at the next steps of the study. But knowledge and literature search would be an “orphan” and only a repetition of people’s thoughts if a researcher with an evolving spirit would not experiment on and investigate new dimensions of his area of interest. So the proper research method must be employed in order to obtain reliable, measurable and interpretable data, data that can be compared to the theoretical framework in order to produce findings and conclusions that will lead to the successful completion of the research project.

Consumer behaviour, the phases of decision making and consumer’s choices, based on rational or pure sentimental reasons, have always drawn the attention of academics, marketers, psychologists, sociologists, multinationals, businessmen, even political analysts.
Music, that will play an important role in this study, plays an important role in our lives too, it can create pleasant or unpleasant situations, it can unite people and it can create social movements that will make this world a better place for us and our children!

**Timetable (approx. 100 words, or a one page diagram)**

*Note on Content:*
- Provide dates and major steps or milestones.
- This should be presented in bullet points or as a pictorial diagram.
- Make sure that you include other commitments such as holidays, and allowing time for tutors to approve your research proposal.

- From weeks 1-19: literature searching and writing, submission of the proposal, reading on methodology
- From weeks 20-29: preparing the interview, selecting the interviewees, receive the result of the research proposal
- From weeks 30-39: conducting the depth interviews
- From weeks 40-41: sorting and studying the interviews’ data
- From weeks 42-44: interpreting and analyzing the interviews’ data
- From weeks 45-49: transforming draft writing into finished product
- From weeks 50-51: final review and polish the Dissertation
- Week 52: submission of the Dissertation
REFERENCES


Leicester University School of Management
Ethical Review Form: Part 1

Please read the following two statements and place an X in the area indicated for the statement that most accurately represents your research intentions.

<table>
<thead>
<tr>
<th>Student Statement.</th>
<th>Insert X</th>
<th>Student Action.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement 1</td>
<td>I have read the above information. I confirm that my research <em>does not</em> involve the study of live human beings.</td>
<td></td>
</tr>
<tr>
<td>Statement 2</td>
<td>I have read the above information. I confirm that my research <em>does</em> involve the study of live human beings.</td>
<td>X</td>
</tr>
</tbody>
</table>

You are only required to fill in part 2 of this form if your research involves studying live human beings. In cases of automatic ethics approval or where no ethics approval is necessary please allow 8-10 weeks from receipt by the University for the return of your grade. In instances where part 3 of the Ethics Form is completed you should allow 8-14 weeks. **Proposals that are received without the completed Ethical Review Form will be returned to the student unmarked.**
Leicester University School of Management  
Ethical Review Form: Part 2

Please answer all of these questions by ticking yes or no in the box provided

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>1.</td>
<td>Does the study involve participants who are particularly vulnerable or unable to give informed consent? (e.g. people under the age of 18, people with learning disabilities, students you teach or assess)</td>
</tr>
<tr>
<td>2.</td>
<td>Will it be necessary for participants to take part in the study without their knowledge and consent at the time?</td>
</tr>
<tr>
<td>3.</td>
<td>Does the study involve audio or visual recording of people in public places?</td>
</tr>
<tr>
<td>4.</td>
<td>Will the study involve the discussion of sensitive topics? (e.g. sexual activity, drug use, illegal activities, death, whistleblowing)</td>
</tr>
<tr>
<td>5.</td>
<td>Are drugs, placebos or other substances to be given to the study participants or will the study involve invasive, intrusive or potentially harmful procedures of any kind?</td>
</tr>
<tr>
<td>6.</td>
<td>Will blood or tissue samples be obtained from participants?</td>
</tr>
<tr>
<td>7.</td>
<td>Is physical pain or psychological stress from the proposed project likely to cause harm or negative consequences beyond the risks in normal life?</td>
</tr>
<tr>
<td>8.</td>
<td>Will the study involve prolonged or repetitive testing?</td>
</tr>
<tr>
<td>9.</td>
<td>Will financial inducements (other than expenses) be offered to participants?</td>
</tr>
<tr>
<td>10.</td>
<td>Will the study involve recruitment of patients or staff through the NHS?</td>
</tr>
</tbody>
</table>

If your answer is yes to any of these questions, please fill in Part 3.
In no more than a page –

1. Explain why you ticked yes to one or more of the questions on Part 2, and how you plan to address the ethical issues raised.

You will need to do this in consultation with a Dissertation Tutor on Blackboard. Please identify which Tutor you discussed these issues with.

Blackboard Tutor’s Name:
----------------------------------------------------------------------------------------------------------------------------------

Assessor’s Comments (to be completed by the markers of the proposal)

Assessor’s Name:
Assessor’s Signature:
Date: