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# THE INFLUENCE OF CONSUMER TRUST ON E- COMMERCE

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BACHELOR'S THESIS | ABSTRACT

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# THE INFLUENCE OF CONSUMER TRUST ON E-COMMERCE

Success in the business-to-consumer (B2C) e-commerce is influenced by consumer trust. The steady growth of the Internet has been a key factor impacting the increasing sales rate of e-commerce, as consumers are taking advantage of the convenience and information availability aspects of online shopping. Because the competition in the e-commerce sector is increasingly becoming more intensive, there is a crucial need for understanding all the key factors related to consumer trust. Evidence suggests that a large number of people are still hesitant to make online transactions, due to uncertainties related to the technology, internet as a medium and the online infrastructure of the e-commerce companies. Therefore, there is a demand for examining the notion of trust and creating theoretical and practical models that explain all the fundamentals keys to influencing the consumer mind in the e-commerce context.

There is a lack of multidimensional knowledge-based research, regarding the influence of consumer trust on e-commerce. Thus, a number of studies have been conducted from a single study fields point of view and there is a necessity for more diverse research methods. In order to fully understand the mind of the consumer, there is a requirement for including multiple study fields into the research. As a result, this thesis will analyze consumer trust models and theories through information combined with the fields Marketing, Sociology, and Psychology. Such knowledge will be a vital gateway to complete understanding of the online behavior of customers, and the underlying motives behind purchase decisions. To further enhance the knowledge, primary data collections were conducted, through the qualitative interview and an online survey.

The final results of this thesis were formed by analyzing multidisciplinary and multidimensional study fields, that all resulted in the same finding: trust plays a major role in diminishing the perceptions of risk and insecurity. In addition, trust enables consumers to share personal information, make transactions online and behave according to e-commerce company's instructions. As a conclusion, the analysis of consumer trust is crucial for all e-commerce practitioners and theoreticians.

## KEYWORDS:

E-commerce, Consumer Trust, Consumer Trust Models, Consumer Trust Research

Thomas Kristian Kaplas

# KULUTTAJALUOTTAMUKSEN VAIKUTUS VERKKOKAUPANKÄYNTIIN

Verkkokaupparyitysten menestys on riippuvainen kuluttajien luottamuksesta. Internetin vakaalla kasvulla on ollut suuri vaikutus verkkokauppojen myynnin nousulle, kun kuluttajat ovat hyödyntäneet tehokkaasti verkkokaupankäynnin kätevyyden ja tiedon saatavuuden. Koska kilpailu verkkokaupamarkkinoilla on jatkuvasti hyvin intensiivistä, on myös elintärkeää ymmärtää kaikki kuluttajaluottamukseen liittyvät avaintekijät. Tutkimusten mukaan suuriosa ihmisistä on vieläkin epäroivia suorittamaan maksuja netissä, johtuen epävarmuudesta verkkokauppioita, Internetiä sekä verkkokauppojen online infrastruktuuria kohtaan. Näistä asioista johtuen on erittäin tärkeää tutkia kuluttajaluottamusta tarkemmin ja luoda teoreettisia, sekä käytännöllisiä malleja, jotka selittävät tarkemmin kuluttajaluottamukseen vaikuttavia avaintekijöitä verkkokaupamarkkinoilla.

Kuluttajaluottamuksen vaikutusta verkkokauppoihin ei ole tutkittu tarpeeksi käyttäen monipuolisia tutkimuskeinoja. Tästä johtuen suurin osa tutkimuksista on toteutettu yhden tutkimusalueen näkökulmasta, jonka vuoksi on syntynyt suurta tarvetta monipuolisempaan tutkimustapaan. Jotta voisimme täysin ymmärtää kuluttajan mieltä on tutkimuksessa analysoitava monia eri tutkimusalueita, kuten Markkinointia, Sosiologiaa sekä Psykologiaa. Kyseisten aihealueiden tietojen ja opetusten avulla pystymme paremmin ymmärtämään kuluttajien verkkokäyttäytymistä ja olennaisia ostopäätökseen johtavia tekijöitä. Tutkimustyön laadukkuutta tehostettiin myös primaaridatan keräyksellä, joiden työkaluina käytettiin haastattelua sekä nettikyselyä.

Opinnäytetyön tutkimukseen käytettyjen lukuisten monitieteellisten ja moniulotteisten analyysien avulla pystymme saavuttamaan selkeän loppupäätelmän. Luottamus on suuri avainvaikuttaja, joka kykenee vähentämään riskin ja epävarmuuden vaikutelmaa kuluttajassa. Luottamuksen tunne saa asiakkaat myös jakamaan henkilökohtaiset tietonsa, suorittamaan maksuja internetin välityksellä sekä toimimaan verkkokauppiaan ohjeistuksen mukaan. Pystymmekin toteamaan että kuluttajaluottamuksen syväanalysointi on elintärkeää verkkokauppamaailman käytännönvaikuttajille sekä teoreetikoille.

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Verkkokaupankäynti, Kuluttajaluottamus, Kuluttajaluottamusmallit, Kuluttajaluottamustutkimus

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## **LIST OF ABBREVIATIONS (OR) SYMBOLS**

B2C	Business-to-Consumer
E-commerce	Electronic Commerce
OSAM	Online Shopping Acceptance Model
SaaS	Software as a Service
SMB	Small and Medium Sized Business
SEO	Search Engine Optimization
SSL	Secure Sockets Layer
TAM	Technology Acceptance Model
TBM	Trust Building Model
TRA	Theory of Reasoned Action

# 1 INTRODUCTION

The Internet revolutionized the way people purchase things, but the full potential of e-commerce is yet to be completely exploited. One of the reasons is that there is a lack of trust between the consumers and e-commerce vendors. Throughout this thesis, comprehensive research and theories will be analyzed and practical models created in order to gain a greater understanding of the consumer mind. In addition, Turban and Lee (2017) have created academically significant trust theories, and these theories will be a popular reference source during the thesis.

A simple way to start the consumer trust analysis is to compare e-commerce shops to traditional stores. According to Rao et al. (2008), acquiring consumer trust is even more vital in e-commerce than in traditional commercial transactions. Therefore, it can be seen that one key challenge of e-commerce is that the products cannot be physically seen and the trust is highly connected to the transaction process. On the other hand, in traditional store activities, it is connected to the face-to-face interaction between the buyer and seller. Thus, there are opportunities for companies to create e-commerce environment that emphasize the importance of safe payments and make the customer feel as safe and protected as possible, just like in the case of a traditional business (Grabosky 2001, pp. 1-12).

Previous studies analyzed the topic through single disciplinary studies, either economic, social, psychological or organizational (Dasgupta 2010, pp. 49-72). Therefore, there is a need for research that combines multidiscipline to gain more valuable level of consumer trust understanding. Although recent studies have been identifying the modern key elements of social influence, they have been neglecting some of the behavioral models and theories related to trust and therefore the results cannot yet be fully integrated with the e-commerce environment (Rao et al. 2008).

During 2017, 44% of large companies in the EU-28 countries made e-commerce sales, resulting in 26% of the total sales in this size category. To add, 29% of medium-sized companies made online sales, totalling 13% in that segment. (EuroStat, 2017) In light of this data, there is an urgent need for an analysis that considers the consumer trust and the customer decision-making process. As a result, it is possible to understand the complex and dynamic phenomena of influencing the consumer trust.



## 1.1 Motivation

There were many motives behind the decision to select the topic of consumer trust. First of all, due to author's personal background in the e-commerce field, there was great interest to learn more about the topic and find theories and practicalities that would enhance personal knowledge as the final outcome. Also, many aspects the author experienced within consumer trust were not mentioned in some of the theories and models. Secondly, the subject goes far beyond the study field of International Business, as comprehensive investigations led to multidisciplinary and fascinating subjects like Psychology and Sociology. It was very satisfying to realize the great impact of combining different fields of study to find a common objective of understanding the consumer mind.

There was also a lack of studies that took the practical side of analysis into account. There is a lot of theoretical information available, but not necessarily the kinds that could be used in a practical and modern e-commerce environment. Indeed, one of the interesting parts was the analysis of theoretical information from multidimensional fields with the objective of creating practical resolutions for e-commerce sector. It is also interesting to understand how even the small factors related to e-commerce, like e-commerce return policies, can have an immense influence on consumers trust and only a tiny detail can make or break a sales transaction.

Finally, although online shopping has become a popular phenomenon on a global scale, it was interesting to learn that the sales rates were so far behind the overall market potential. To be more precise, only 53% of global internet users made a transaction online in 2016 (Allen, 2017). To add, only 40% of US males aged between 18-34 said that they would buy everything online, whereas the number of women was even lower 33% (Allen, 2017). These numbers were interesting considering the popularity and growth of the Internet and therefore there was an urgent necessity to find possible resolutions that could increase these numbers in the future.

## 1.2 Thesis objective and research questions

The main objective of this thesis was to gain a better understanding of the consumer trust and how it is influenced by the e-commerce environment. In addition, it was essential to identify the main factors that e-commerce companies need to understand when it comes to impacting the customer behavior and decision-making process. The objective was also to analyze the consumer trust from a personal point of view and identify whether the trust variables are moderated by personality traits, culture, and experience or only by the technological factors created by the e-commerce medium. Thus, the research consisted of a variety of trust theories, company case analysis and primary data collections to access a more valid and diverse data source.

Another objective was also to find answers to the questions that had been discussed within the research community. Subsequently, there was a lot of disagreement in the research community about the issue of analyzing this topic in a valuable manner, due to following reasons:

- Defining trust is difficult
- It is easy to confuse trust with its antecedents
- Many researchers have failed to understand the relationship between trust and risk
- Researchers have been failing to analyze the topic in a multidimensional and multidisciplinary manner (Turban and Lee 2017).

Based on these prior uncertainties within the same research topic, a research plan was created to take all these issues into account.

- Identify and define consumer trust factors specifically for e-commerce
- Determine and verify the consumer trust and risk antecedents with quantitative and qualitative methods
- Use multidimensional studies from different study fields like Sociology and Psychology

The objective was also to answer the following research questions:

- (i) How is consumer trust affected by personal, sociological, psychological and commercial factors?
- (ii) What are the main challenges for e-commerce vendors to build consumer trust?
- (iii) What is the role of technology in the online consumer trust perspective?

### 1.3 Thesis structure

The following structure of the thesis includes more in-depth analysis of the topic. During literature review, the topic will be analyzed in a comprehensive way with the emphasis on identifying the key issues and determining suitable solutions. The goal is to go through the basic elements of consumer trust. Not only will the consumer trust be discussed, but also the relation between trust and risk in the context of e-commerce. The literature review will also go through the main points of the decision-making process and customer journey map, in order to develop a wider perspective about the customer behavior. For the fact that the topic is very theoretical, there will be more visualizing tools given to improve the understanding. For instance, tables and figures will be introduced to provide a better insight into the basic foundations part of the analysis and following parts as well. In the literature review part, there will also be a discussion about the relation of consumer trust in e-commerce in a consumer's personal background and cultural context. In overall, this thesis research implements the methods of triangulation, which emphasises the value of using variety of ways to gather data from the same topic.

After the literature review has been analyzed and the basic knowledge about the topic is clear, will the analysis and discussion of the technological consumer trust theories begin. Technology is an essential part of consumer trust in e-commerce and must be analyzed in the separate research section. In this section, the topic will be taken from basic foundations to advanced knowledge. In this case, there will be tables and figures to enhance the communication of information. During this theoretical overview, the analysis will also include technological, sociological and psychological points of views. Finally, after all the basic elements and deep theoretical analysis, the answers for some of the research questions and community hesitations have been already answered.

Company case research is analyzed before the research methodology part. In this research section, Shopify's trust strategies have been analyzed to emphasize the practical and strategic actions that the company has taken to become a great success story in the e-commerce industry. Therefore, Shopify presents an effective reference model for other companies to implement in their business executions as well. Company case was also analyzed, in order to enhance the validity of the triangulation method.

When the topic has been analyzed in a thorough manner, there is the part of research methodology. In this part, the knowledge gained from previous parts will be used to analyze the objectives of the qualitative primary data collections, which includes an interview and survey conducted by the thesis author. Data tables and figures have been created to enhance the overview of the data collection.

To finalize the thesis, research findings of the primary data collections have been identified and conclusions made. Finally e-commerce presents such a complex industry from the trust point of view, and therefore some suggestions for future research have been discussed.

## 2 LITERATURE REVIEW

Trust plays a key role in helping consumers to overcome the perceptions of risk and insecurity (Kacmar et al. 2002). In order to understand the fundamental factors of consumer trust in the context of e-commerce, the aspect of trust, risk, and decisions making process must be comprehensively understood. This part of the thesis will first define the core influencers of consumer trust, which includes the four elements of trustworthiness attributes related to e-commerce: trustworthiness of the e-commerce company, trustworthiness of Internet as a platform, e-commerce infrastructural factors and personal factors (Turban and Lee 2017). The psychological factors of individuals are also analyzed in the context of e-commerce, thus reflecting the mind of the consumer in diverse manner.

### 2.1 Trust in e-commerce

The notion of trust has been researched by different academic communities, and these theories can also be adapted to the context of e-commerce while pursuing an enhanced understanding of the motives behind consumer trust and behavior. Personality theories of psychology define trust as a belief or feeling of being deeply connected to one's own personality, which originates from individuals early psychological development (Kacmar et al. 2002). On the other hand, sociology and economics determine trust as a relation between institutions, by emphasizing the trust that individuals put in those organizations (Turban and Lee 2017). These fundamental theories can be adapted to the context of e-commerce on a small scale, but the research needs to also take social psychology into account. Social psychology defines trust as the willingness of the trusting individual to make transactions and the creation of perceived risk with acting according to these expectations (Turban and Lee 2017). In this case, contextual factors, like e-commerce appearance, can diminish or improve the development of trust.

To emphasize the contextual environment of e-commerce, the research needs to define e-commerce specific trust attributes like ability, benevolence, and integrity. Ability includes skills and competencies that the consumer needs to possess, in order to engage in the e-commerce platform effectively (Turban and Lee 2017). Therefore, the online vendors must adapt their e-commerce platforms according to their user's technological

competencies. Benevolence, on the other hand, is characterized by the nature in which consumers believe that the e-commerce company is prioritizing goodwill instead of profit maximization. (Turban and Lee 2017) Consequently, vendors communicating positive motives with suitable activities can influence the attitudes of their customers and potential customers. Finally, integrity compasses of perceptions of overall honesty and the belief that the vendor behaves according to acceptable ideologies (Turban and Lee 2017).

So far, there has been a little emphasis on a more practical theory, like reputation, which needs to be highlighted. Doney and Cannon (1997) define vendors reputation as a general perception that the industry's customers have about the company's honesty. On the other hand, reputation in e-commerce is a bit different compared to traditional stores and needs further examination. According to Kacmar et al. (2002), reputation is the spread of information between social networks, which can also be called as a social network effect. Thus, reputation is highly connected to the concept of company image. In psychological and marketing definitions, the image is a mental picture that the individual has about the company. Prior literature defined reputation from individual, organizational, or group point of view, but the reputation of operating systems must be acknowledged as well. Indeed, operating systems are managed by humans and, therefore, the acceptance of the customer is vital to building the network trust. Consequently, it must be emphasized that system reputation has an impact on consumer trust in e-commerce. (Einwiller and Sabine 2003) As a result, reputation must be added to the list of other trustworthiness attributes.

After the definitions of fundamental attributes have been made, can the analysis also consider other contextual e-commerce parameters that influence the perception of trust in the consumer. Lewicki and Bunker (1995) found three e-commerce specific factors that need to be examined. Firstly, in case of online shopping, trust can be influenced by factors such as the uncertainty of transactional outcomes. Secondly, the consumers have no control over the vendor's action and the outcome is uncertain, has a definite influence on consumer trust. Lastly, the perceived risk may be higher than the perceived benefit, which can completely change the consumer behavior and attitude towards the organization. (Lewicki and Bunker 1995)

One of the most intriguing parts of consumer trust analysis is the impact of trust propensity, which is fundamentally a theory about individual's ability to trust. Hofstede emphasized that the trust propensity is influenced by cultural background, personality type and experiences related to development (Hofstede 1980, pp. 42-63). All the above-

mentioned factors are essentially influencing the formation of trust and are crucial factors to consider in the e-commerce context as well. Indeed, when an individual is building trust, the trustworthiness attributes of the company has a direct impact on whether the trust increases or decreases. Thus, greater the level of trust propensity greater the formation of trust towards the e-commerce vendor (Turban and Lee 2017).

By taking these theoretical models and theories into consideration, e-commerce vendors can define methods to address the notion of consumer trust. For instance, according to Hoffman et al. (2000), third-party online trust certification or public key encryption that secures the payments are crucial for building consumer trust. It has been argued, whether these factors are sufficient in acquiring the consumer trust alone. Therefore, vendors also are required to convince that internet as a platform is a safe place for transactions (Kini 2001, pp. 51-61). A more strategic way to increase consumer trust is to create certain assurances within the e-commerce platform. For instance, credit card assurance policies, product warranties and return policies (Turban and Lee 2017). These assurances will be thoroughly analyzed in the company case section.

The theoretical models that have been generated so far are the result of combining multidimensional studies together, to find common objective of an enhanced understanding of individuals mind and consumer mind in specific in the context of e-commerce environment. There has been limited research on the phenomenon of trust propensity in the e-commerce context to draw clear conclusions that whether natural background can have a great influence on consumer mind. On the other hand, recent studies conducted by Turban do show that parts of trust propensity can increase or decrease the general view that consumer has on e-commerce as a medium (Turban and Lee 2017). Thus, general conclusions about the impact of natural background can be drawn.

The various theories discussed in the previous section were combined to form one basic consumer trust model. The figure 1. below explains the different trust variables, individual perceptions and personality traits that are affecting the consumer trust. Firstly, the model defines different personal trusting stances and institution-based influencers. These are impacted by the individual's general web experience. Secondly, the trust in web vendor, in general, is determined by categorizing trusting beliefs and trusting intentions in separate sections. Both categories are connected to individual's perception of site

quality. Lastly, trust-related behavior defines the individuals trusting intentions, for instance, individual's willingness to depend on the e-commerce vendor. (Turban and Lee 2017) The model aims to determine a structure that identifies different aspects that are all important, to achieve consumer trust.

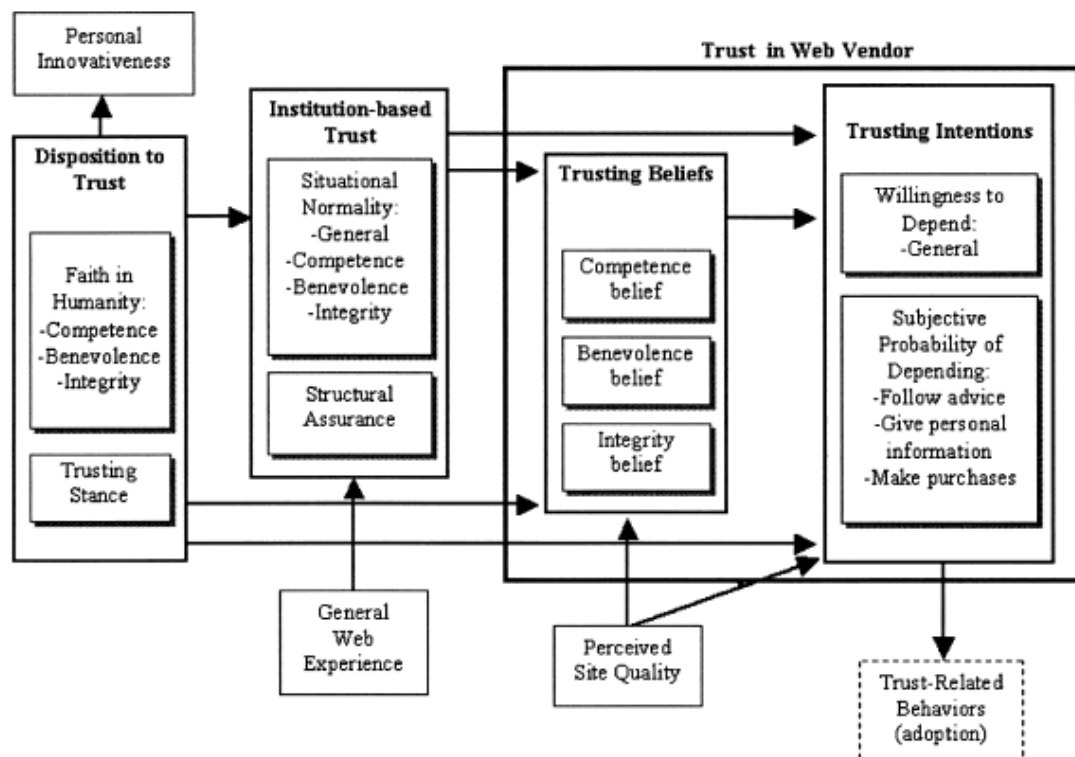


Figure 1. Basic consumer trust model for e-commerce (Turban and Lee 2017)

## 2.2 Risk in e-commerce

The separation between consumers and online vendors and the uncertainty of Internet as a medium are key factors that generate the perception of risk (Pavlou, 2003). There are different forms of uncertainty factors present in online transactions: behavioral and environmental uncertainty. According to Ring (2004), risks are also technology based



and the result of e-commerce infrastructure itself, or relational thus resulting from e-commerce vendors behavior.

Behavioral uncertainty is created because e-commerce companies have a chance to take advantage of the distance and impersonal aspect of online shopping. To add, there are not any governed activities in place to monitor every single transaction to give the consumer extra assurance (Pavlou, 2003). These factors can also be defined as opportunistic activities. Opportunistic activities in the context of e-commerce also include product misrepresentation, false identity presentations, leaking and selling of private information and misleading marketing. Altogether, behavioral uncertainty consists of different forms of risks: economic, personal, performance, and privacy risks. (Pavlou, 2003)

Environmental uncertainty is related to the uncertain nature of the internet as a platform, which is never in the full control of the consumer or even the e-commerce vendor. E-commerce vendors may aim to increase the consumer's perception of trust by establishing firewalls and encryptions, but there is still the risk of third-party interruption of the transaction process. Environmental risks include the theft of credit card information and external capture of private information by hackers for instance. Altogether, the risks mainly consist of monetary risks and privacy risks. (Pavlou, 2003)

The notion of risk can also be analyzed from a personal point of view. Perceived risk is determined by the individual's perception of suffering a loss in search of the desired outcome (Pavlou, 2003). Therefore, e-commerce consumers have individual perceptions related to risk and information available at that specific moment. Because perceived risk is correlated to consumer trust also, it can be determined that the higher the level of perceived risk the lower the intention to make transactions online (Pavlou, 2003).

Luckily for the vendors, there are control variables that may work in the seller's favor. Recent studies have shown that frequency of shopping is a highly influencing factor minimizing the perception of risk. To add, e-commerce retailer's reputation and consumer's satisfaction during the previous online transactions are all risk-reducing influencers. (Romita, 2001)

Authors have critiqued the lack of investigation related to the maintenance of trust and its impact on risk. According to Turban and Lee (2017), maintenance of trust establishes

different dynamics, thus leading to a concept where trust and risk must be defined in different active categories because maintaining the trust is an on-going process. Therefore, the large scale of analysis must be conducted to address the idea of trust as a developing phenomenon and not as a static concept. (Turban and Lee 2017) According to Salam et al. 2005, pp. 72-77 trust is a developing concept, in which the trust is the result of effective exchange relationships. Thus, online customers who evaluate the e-commerce page as entertaining, informative, and organized are more likely to develop the perception of trust towards the online vendor.

### 2.3 Decision-making process in e-commerce

In overall, decision-making process consists of Need recognition, Information search, Purchase and After purchase evaluation (Engel et al. 1990). Decision-making process analysis provides a more practical insight into the consumer mind. Like in previous thesis sections, this part of the analysis will also consider the theoretical models related to consumer trust and combine them with practical identification, to gain the highest value of customer behavior awareness.

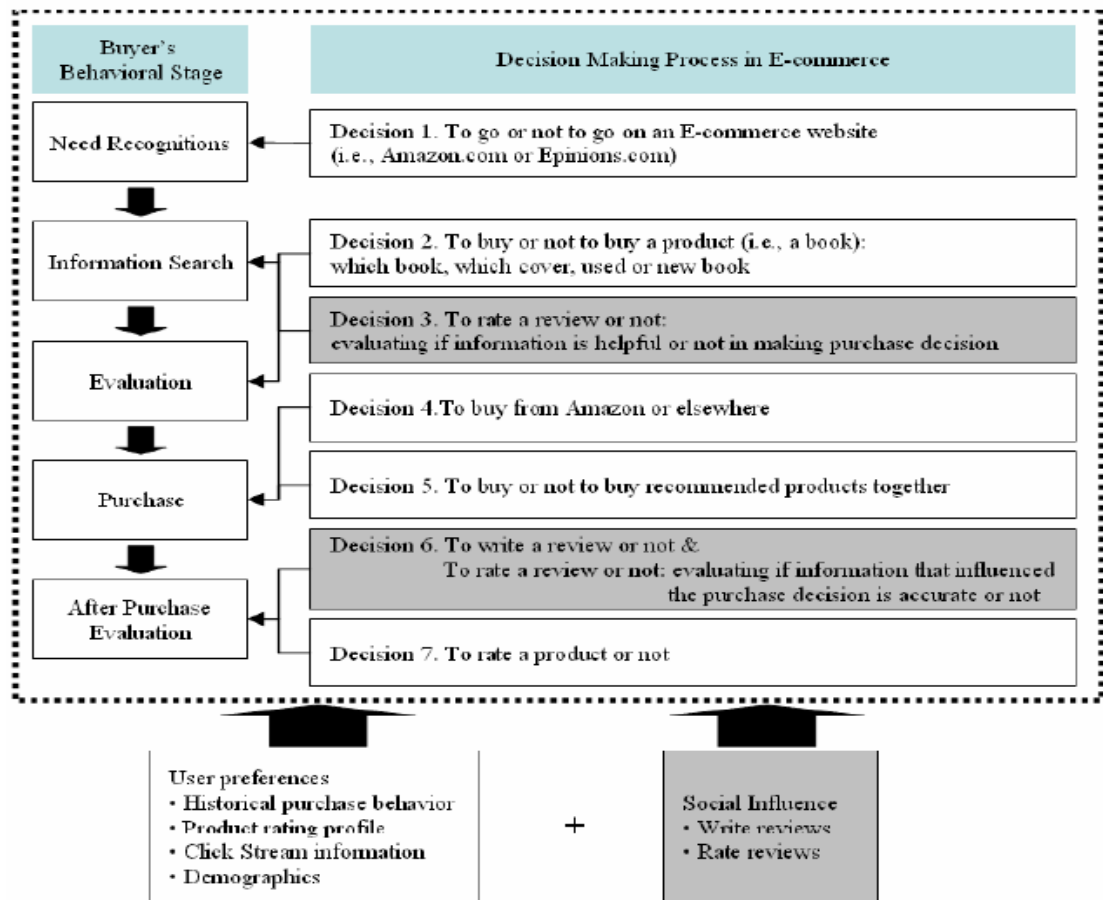


Figure 2. Consumer decision-making process in e-commerce (Kim and Srivastava 2016)

The first section of the consumer-decision making process is the need recognition. This stage includes the decision of whether the person accesses the e-commerce platform or not (Engel et al. 1990). Need recognition in e-commerce is a challenging task, but luckily in a modern technologically advanced marketplace, there are lots of tools and plugins that assist in understanding the customer behavior at this stage. For instance, many e-commerce companies have been using the customer journey mapping tool, in order to understand how their customers behave within their platforms (Wahbe and Andrea 2017). Customer journey mapping is an important part of customer behavior analysis and will be comprehensively examined in the next section. Kerry Munro, the vice

president of e-commerce and marketing at Home Depot, has a perfect solution for need recognition stage.

“A connected e-commerce experience is all about ensuring that the customer enjoys the shopping experience, that you have the right products, that those products are available when they are looking for them, and when they have a question there is someone to help” (Munro, 2017).

Therefore, the importance of the need recognition stage is to provide availability of products that the customer is specifically interested in, and assuring that the support infrastructure is effectively enhancing the consumer’s perception of trust.

Information search and evaluation is the next stage of consumer decision making (Engel et al. 1990). In e-commerce, it is essential to encourage visitors to write reviews and engage in other customer’s comments. The latest statistics provided by Invesp show that 90% of online consumers read customer reviews and 88% rely on reviews as much as personal recommendations (Invesp, 2015). Customer reviews are one of the key influencers on customers trust in e-commerce, as visitors can gain assurance by reading other people’s experiences with the products (Kim and Srivastava 2016). Consequently, customer reviews will, therefore, consist of both information search and evaluation stage, as it provides an effective platform for information sharing among customers. To add, search engine optimization and availability of informative content is a vital factor in the information search stage. As a result, e-commerce companies can sort their products according to ratings and reviews and show the top-rated products in the best spots. On the contrary, negative customer reviews can also affect the consumer decision making. According to Rudolph (2015), 86% of customers will hesitate to buy from an e-commerce vendor with negative customer reviews.

The purchase is another challenging stage and when the e-commerce company must convince the consumer that their platform is secure for transactions and their products are reliable (Kim and Srivastava 2016). In this consumer behavior stage of e-commerce, there are additional ways to achieve competitive advantage. For instance, the company can provide better and cheaper shipping solutions, safe payment methods and suitable

return policies, if the consumer is not happy with the product, delivery terms or service. Accordingly, by using these strategies e-commerce companies can increase the perception of trust and minimize the conception of risk (Turban and Lee 2017).

After purchase evaluation is the final stage of the consumer decision-making process, and the emphasis is again on the customer reviews (Kim and Srivastava 2016). Reviews from old customers create extra value for those who are still wondering whether to purchase or not. Thus, companies must find incentives for old customers to write about their own shopping experiences. By revising recommendations from companies specializing in e-commerce, possible solutions for encouraging customers to engage in reviews came up. According to Shopify's web forums, one of the most effective ways is to create an incentive for a contest with different prizes that the customer can win (Shopify, 2013). Therefore, the perceived opportunity of benefit is high and there is not a lot required from the customer to participate.

### 2.3.1 Customer Journey Map

E-commerce company Shopify has established a fundamental model to further enhance the online experience of the customer (Shopify, 2013). Customer journey map includes all the important key factors related to e-commerce and online consumer experience. To add, it separates the customer and e-commerce vendor in a way that explains clearly the behavior and activity behind every stage. First, journey map defines the customer journey in four different stages: objectives, needs, feelings, and barriers. Secondly, the model determines activities that are required for the e-commerce company, to respond to the abovementioned customer stages. From the e-commerce point of view, the stages can be categorized into four parts: attract, interact, engage and convert. (Shopify, 2013) When it comes to consumer trust, the emphasis must be put on the sections of feelings and barriers. The main objective for e-commerce companies is to convert the initial feeling of defensiveness into the feeling of confidence. In addition, the initial barrier of lack of trust must be transformed into the risk tolerance (Shopify, 2013).

Customer journey map provides clear practical tools and information on how to act to accomplish the consumer's trust. The figure 3 explains the journey map through visualization, which determines all the consumer stages with suitable company actions.

On one hand, the map determines some practical tools to consider, on the other hand it lacks some in-depth information about how to start the process of turning these stages to actual e-commerce functions. Therefore, the company objectives part must be supported by additional practical information, instead of general evidence.

In customer journey map, the company needs to trigger a need in the consumer, but the model lacks a precise advice of how to achieve that. An industry leader in e-commerce site automization SUMO created a powerful tool that creates urgency and encourages customers to take action in the first phase of the customer journey. Discount code generator tool is an e-commerce plugin that allows e-commerce companies to create pop-ups that give the customer an opportunity to receive a discount code in exchange for some action, for instance, subscription to a marketing list. These coupons can be used at the check-out for a limited period, therefore creating a perception of urgency with the objective of driving more sales or convincing customers that are on the verge of making a purchase. (Sumo, 2016) The challenge with the second part is to understand the need of the consumer and providing answers to consumer curiosity. Efficient tool to tackle such task is customer chat plugin that allows customers to interact with the company in real time. According to the research company Kissmetrics (2014), 44% of online customers stated that having real person answer their questions was the most important feature that the e-commerce company can provide. This tool is also adaptable with the provide solutions section that is after understand the need part. Consequently, customer chat is a great plugin for dealing with the immediate need of the consumer. The last section of customer journey map requires e-commerce vendors to clarify the final process. Therefore, it is essential to provide clear instructions about the company policies, like terms, conditions and privacy settings with the aim of creating the feeling of ultimate confidence (Gupta, 2014).

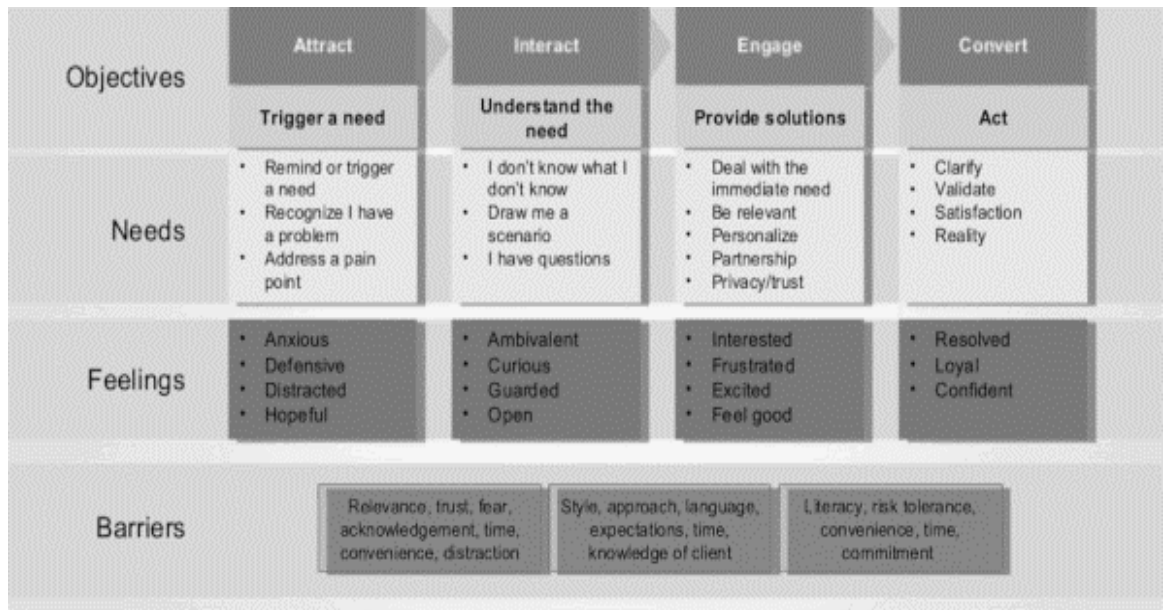


Figure 3. Customer Journey Map (Shopify, 2013)

## 2.4 Online Shopping Acceptance Model (OSAM)

To understand how e-commerce companies attract and retain their customers, it is essential to investigate the concept of online shopping acceptance model. In this part of the thesis, different trust theories will be analyzed through combining the knowledge of different study fields, while acknowledging the cruciality of consumer trust within e-commerce. There has been lack of clear and practical studies about the OSAM concept, and this section aims to clarify the whole process of influencing the consumer trust through a variety of trust theories and models. For example, theories related to motivation, culture, and demographics are all analyzed to determine an effective online trust model. Indeed, this analysis emphasizes the importance of impacting the consumer trust by acquiring consumer acceptance first.

There are as many as nine different types of consumer factors regarding OSAM: demographics, Internet experience, normative beliefs, shopping orientation, shopping motivation, personal traits, online experience, psychological perception and e-commerce experience (Zhou et al. 2007). From all the factors, demographical and motivational

aspects of consumer trust has not been analyzed. Demographical studies of e-commerce consumers have been one of the most researched parts of online shopping analysis. The studies consisted of investigating the factors of gender, age, income, education, and culture. Interestingly, gender-related studies have found that men make more transactions online and spend more money in general (Allen, 2017). To explain this demographical outcome, it is necessary to take more factors into consideration. These additional factors include shopping orientation, information technology acceptance, product involvement, product properties and finally perceived risk. To further analyze these additional aspects, men were far more convenience-oriented shoppers and women were more influenced by social factors. Indeed, the one weakness of e-commerce has always been the lack of social interaction compared with traditional stores. Therefore, women do not find online shopping as convenient and practical as men, which explains the surprising study results. (Schlosberg, 2016) Information system studies have also shown that there are gender differences in technology adoption and usage of technology. Schlosberg (2016) even confirms that men make more purchases with their phones compared to women. Regarding to these reports, it can be seen that women have a higher resistance to e-commerce and are more skeptical about technology. (Schlosberg, 2016) The consumer trust of women is also affected by the fact that the products cannot be touched or tried, and this creates a negative perception of e-commerce as an environment (Citrin et al. 2003). When it comes to income, Eurostats study shows that online shoppers earn more than compared to people who shop in traditional stores (Eurostats, 2016). The impact of cultural factors is essential and the results of the analysis were intriguing. Indeed, culture represents set of shared values that influence societal perceptions, attitudes, perceptions, preferences, and responses (Zhou et al. 2007). In addition, Hofstede's cultural model differentiates five different dimensions: power distance, individualism-collectivism, masculinity-femininity, uncertainty avoidance and long-term orientation (Hofstede, 2003). In the context of e-commerce, the dimension of individualism-collectivism is the most appropriate and needs further analysis. Collectivism-individualism is defined as in which extent does the members of the societal culture tend to be interdependent or independent (Hofstede, 2003). There are great differences between eastern and western cultures, and this has an impact on e-commerce trust and acceptance. According to Park (2004), entertainment shopping orientations are key factors in collectivistic cultures, whereas convenience seeking aspect is essential in individualistic cultures.



Motivational factors of the online shopping acceptance model are connected to the time spent in e-commerce shopping and information seeking (Joines et al. 2003). When it comes to e-commerce, two types of different consumers can be identified: Utilitarian consumers and hedonic consumers. Utilitarian consumers prioritize the importance of making online transactions in an efficient way, with the objective of achieving the target with minimal barriers. On the contrary, hedonic consumer experiences shopping as a way of entertainment. (Zhou et al. 2007) To add, it is essential to acknowledge the differences in consumer habits, in order to determine strategies to access the consumer trust. Hedonic online shoppers were identified as consumers who are gathering information about hobbies, seeking positive social experiences and bargain hunting. Hedonic consumers were also more appealed by well-designed e-commerce sites with easy navigation systems. (Johnson et al. 2004) By identifying different types of consumers, e-commerce companies must tailor their landing pages accordingly, with the objective of creating the ultimate online experience.

The figure below effectively visualizes the online shopping acceptance model by separating different functions, that have already been mentioned, and identifying the correct relations. For instance, the model draws a direct connection between the impact of internet experience to online shopping intention. Thus, the previous experiences of the customer directly affect the intentions in the future as well. In addition, the internet experience is also strongly connected to the aspect of shopping motives, which includes the differentiation between hedonic and utilitarian shoppers. Therefore, different customer types have a variety of motives for online shopping, which also impacts the shopping intentions. The customer demographic's impact on normative beliefs and perceived outcome also clearly affects the online acceptance. (Zhou et al. 2007)

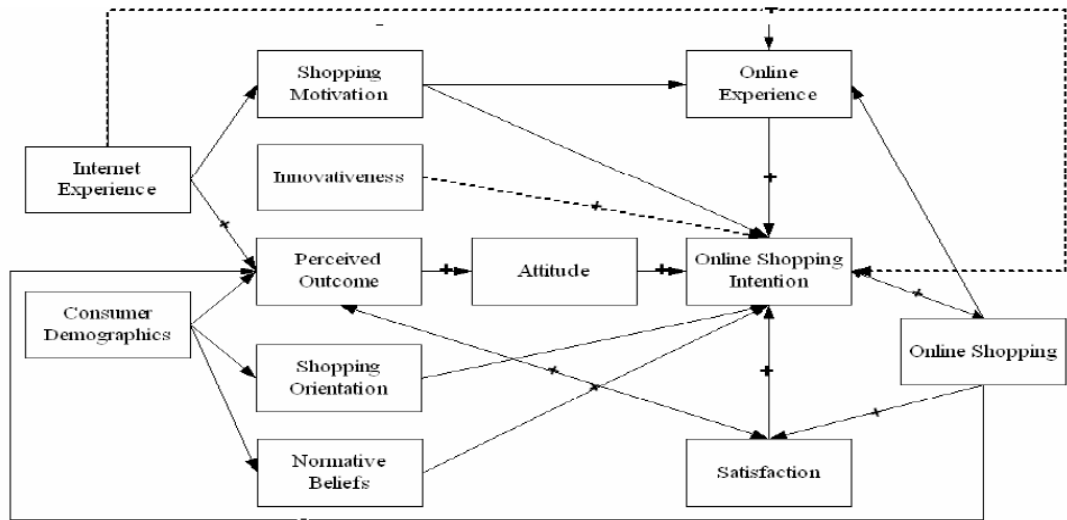


Figure 4. Online Shopping Acceptance Model (OSAM) (Zhou et al. 2007)

### 3 TECHNOLOGICAL TRUST MODELS

One of the key impactors of consumer trust in e-commerce is technology. Therefore, consumers intentions and perceptions for the use of technology must be analyzed. Thus, only by understanding the factors influencing the technology acceptance, can we determine activities that enhance and impact the consumer trust from a technical point of view. Customer intentions mainly include the theories of perceived usefulness and the perceived ease of use. Perceived usefulness is the consumer's perception that the technology available will facilitate the transaction process safely. Perceived ease of use, on the other hand, is the degree to which the consumers feel that the transaction process is effortless. (Pavlou, 2003)

#### 3.1 Technology Acceptance Model (TAM)

TAM was developed to understand the online behavior of e-commerce customers (Pavlou, 2003). The model has foundations in the theory of reasoned action, which includes the ideology that beliefs influence attitudes, which transforms into intentions and results in behavior. In the context of e-commerce, two beliefs can be adapted to the online environment: behavioral and normative beliefs. Behavioral beliefs include the concept that consumers have positive or negative reactions to certain behavior, whereas normative beliefs emphasize the importance of societal groups acceptance of certain behavior. (Childers, 2001) Consequently, the importance of acknowledging both theories within the e-commerce sector must not be underestimated by e-commerce vendors.

Every single step towards the e-commerce transaction requires consumers to engage with Internet and technology (Pavlou, 2003). In the earliest studies of TAM, the web adoption and individual purchasing behavior were already predicted (Lee et al. 2001). When it comes to the notion of trust, the relation of intention and behavior must be highlighted. Indeed, consumers tend to make rational decisions based on information available for them. (Klopping and McKinney 2000) In addition, e-commerce interfaces that seem suitable for transactions and easy to navigate are likely to enhance the consumer trust (Pavlou, 2003).

Prior studies argued that whether there is a clear relation between perceived usefulness and perceived ease of use to the adoption of technology and therefore consumer trust. At the end, it has been determined that the perceived usefulness and ease of use does have a positive impact on intentions to make e-commerce transaction, which is the fundamental result of acquiring the consumer trust. (Pavlou, 2003) The figure below explains the fundamental structure of TAM, with specific modification to e-commerce environment.

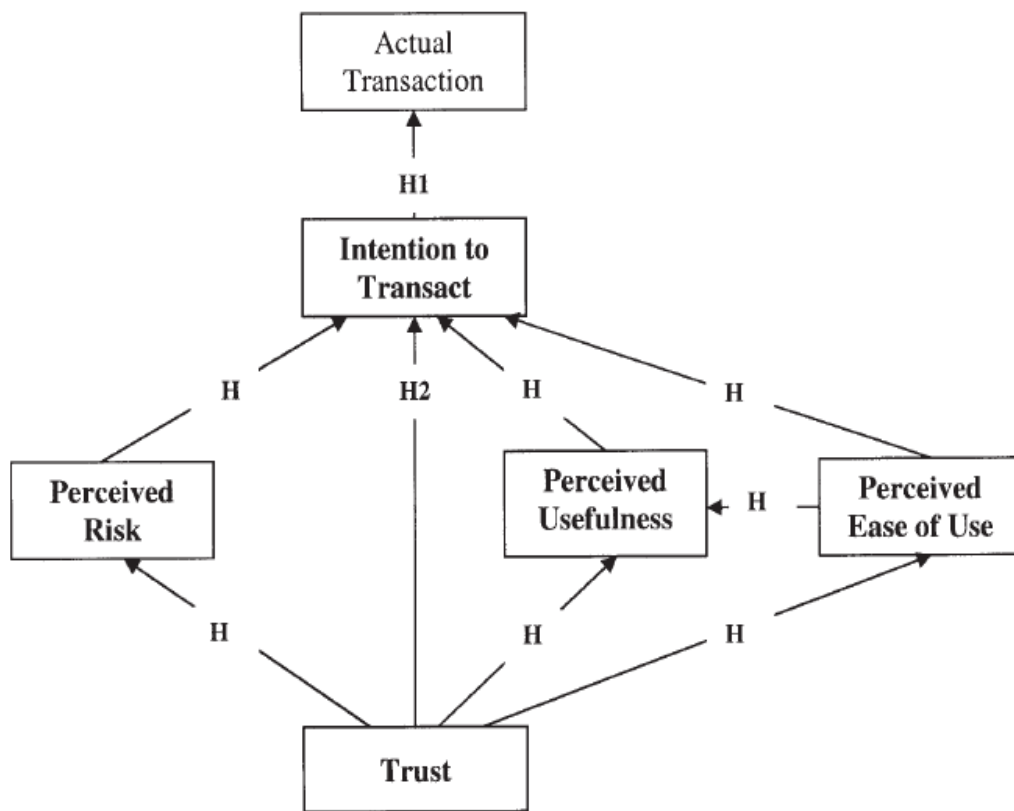


Figure 5. Modified TAM for E-commerce (Pavlou, 2003)

### 3.2 Trust-Building Model (TBM)

As mentioned prior, building trust is a necessity for e-commerce companies, because consumer trust is the ultimate factor that influences consumer intentions the most (Kacmar et al. 2002). In addition, trust allows consumers to overcome the initial perception of risk and execute the following tasks: share personal information, apply actions according to vendor's advice and finally to make transactions in the e-commerce platform. This part of the thesis aims to combine all the previous theories and technological models into one practical model – the trust building model. To add, this model is necessary to analyze as it is often combined with the theories of technology acceptance model that has already been investigated.

Trust building model is essentially important during the initial contact with the potential customer, as the consumer can already decide whether to use the e-commerce platform in the future. This is the result of lack of familiarity with the e-commerce vendor that leads to the perception of uncertainty and risk. During the initial stage of engagement, customers are dependent on all the information available, like the reputation of the company and e-commerce appearance. (Kacmar et al. 2002) In addition, further dimensions of trust like trusting beliefs, trusting intentions and willingness to depend are all crucial key factors influencing the consumer e-commerce behavior. The overall theoretical model fundamentally states that assurance provided by the vendor, site quality, and reputation impacts the user's perception of trust (Kacmar et al. 2002). To add to the theory, trusting beliefs, trusting intention and perception of risk all influence the engagement of the e-commerce consumer as well. Interestingly, these factors can be categorized as a form of cognitive-emotional trust, in which behavioral intentions are the results of acquiring that trust. (Kacmar et al. 2002) It could be criticized that TBM relies too much on theoretical literature that could be already outdated. On the contrary, Gupta (2014) identified in his new study that these same factors still function the same way in e-commerce, but there is a new phenomenon of social assurance.

When it comes to e-commerce, behavioral intentions of the consumer can be categorized in three different dimensions: follow the guidance of e-commerce company, share private information with the vendor and make a transaction on the platform (Kacmar et al. 2002). All the three dimensions require behavior that can create the perception of risk and therefore the notion of trust becomes crucial. As mentioned before, making online transactions creates monetary risks, while sharing information can be defined as a

privacy risk. The objective of the e-commerce vendor is to create a concept that acknowledges this behavioral intention and turns the perceptions of risk and vulnerability into trust related-behaviors.

The trust-building model defines that consumer's intention to engage creates a willingness to depend scenario. Willingness to depend is a major part of the notion of trust and reflects the vulnerability of the consumer (Kacmar et al. 2002). To put it simply, if the consumer is willing to depend, this concept means that the person has decided to neglect the doubts related to e-commerce and move forward with the transaction process.

To understand the general idea of the TBM, the effect of trusting beliefs on consumer trust must be determined. To simplify the theory, trusting beliefs includes the observation that the consumer perceives the e-commerce vendor as a trustworthy character. Trusting beliefs are also related to other familiar concepts of trust, like integrity, benevolence, competence, and predictability (Kacmar et al. 2002). To be effective as an e-commerce platform, vendors must possess these main influencers. By implementing these trust factors, the e-commerce vendor can finally be perceived as a desirable exchange partner (Kacmar et al. 2002). The main characteristics of desirable exchange partner are: ethical, kind, skillful and consistent (Jarvenpaa, 2001).

Structural assurance aspect of the web is connected to sociological studies and further analysis can be done by analyzing that specific study field in more detail. Consequently, sociologists have found that institutional factors have a great impact on consumer trust. Institutional factors include governed, contractual and regulatory structures that all have the objective of making the environment feel safe and secure (Borenstein 1996, pp. 37-44). In a more e-commerce specific context, structural assurance involves the overall image that internet has protective technological and legal structures (Ring 2004, pp. 90-144). For instance, today's internet infrastructure requires companies to have high standard security certificates, in order to process payments from customers, and therefore enhance the structural assurance of the web.

The importance of marketing and branding must be taken into consideration as well, especially in the case of reputation. Reputation is a crucial trust building dimension and particularly essential in the initial contact with the customer (Kacmar et al. 2002). Especially word-of-mouth reputation has been identified as a key attractor of customers and a major diminisher of perception of risk (Jarvenpaa, 2001). A great example of

increasing sales through positive reputation is the e-commerce platform Amazon (Vuong, 2016). Amazon will be discussed in more detail during the research methodology analysis on primary data collection and overall findings section.

Further research must be conducted on the impact of these trust factors to more specific consumer behavior. Indeed, the trusting beliefs that the vendor is ethical should lead to scenarios where the consumer is feeling safe enough to follow the guidance of the vendor (Kacmar et al. 2002). The motivation to follow the vendor's advice is even greater if the consumer has a perception that the platform owner has high benevolence and integrity (Kacmar et al. 2002). From the technological point of view, a great part of the consumer assurance is the perception that the vendor has the technical ability to secure the private information from hackers. According to Jarvenpaa (2001), the general attitude that the consumer has towards internet has a key influence on online purchase behavior.

There has been critique related to the technological trust models and their influences on different factors of e-commerce trust. Pavlou (2003) argued that the individual's trust in e-commerce greatly increases the perception of usefulness and that the topic needs more acknowledgment. In this case, the trust would diminish the need to monitor and control the e-commerce customer process, thus leading to easier transaction experience. On the contrary, when there is a lack of trust, the customer is likely to invest additional care to inspect all the details of the transaction process, which will ultimately diminish the perceived usefulness (Pavlou, 2003). Pavlou (2003) also states that the greater the individual's ability to trust, the lower the cost per transaction for the vendor.

Following the analysis of the impact of technology on consumer trust, it must be determined that e-commerce companies are required to reflect on these factors and implement operational strategies accordingly. Ideal perception of usefulness and ease of use must be accomplished by executing effective e-commerce platforms that match the technological abilities of their customers. Hence, already during the initial contact with the customer, e-commerce companies must pursue the objective of motivating the customer to overcome the perception of risk. In e-commerce, monetary and privacy risks are one of the main challenges and it is vital to creating a positive experience for the customer. On the other hand, institutional factors purpose is to provide the customer with governed assurance that the platform is safe to operate, but the general attitude that the individual has about the online environment might challenge this belief.

## 4 COMPANY CASE ANALYSIS

Although consumer trust model and theory analysis provide a great foundation for understanding the intriguing topic of e-commerce trust, it is still necessary for a company analysis in this industry. There were many options for different companies to be researched, but especially the successful e-commerce company Shopify has been established an effective consumer trust strategy with great results. Consequently, Shopify highlights the cruciality of technological solutions with the support of suitable business strategies and company policies. In addition, the company is constantly growing and due to that reason, it is valuable to see how it is possible to scale consumer trust operations in such a rapid marketplace. Additionally, by analyzing the Shopify trust strategy, it is possible to determine actions that are essential to execute to establish the notion of trust.

### 4.1 Shopify

Shopify is an e-commerce company that provides a selling platform for other online stores. The company itself does not sell products in the stores, but rather provides a medium for other companies to sell their products in their platform in exchange for a monthly or annual fee. Thus, the objective of the company is to communicate to other e-commerce vendors that their platform is an effective medium to build consumer trust and conduct commercial transactions (Shopify, 2017). In addition, companies can take advantage of the growing usage trend and positive reputation of Shopify, by using their online medium and diminishing the perception of risk amongst their customers. Indeed, the strength of Shopify is that their multichannel commerce platform provides an effective solution for the rapidly growing online market. Therefore, e-commerce companies can also take advantage of the simple but scalable online platform. The core value of Shopify is connected to its gigantic ecosystem, that is constantly expanding and thus being challenging to replicate by competitors. In addition, Shopify has acknowledged the essentiality of consumer trust, that is one of the main challenges of e-commerce. Thus, the company has created an effective consumer trust strategy that the online stores can implement in their own e-commerce shops. Shopify's consumer trust strategy includes



establishing an (SSL) security certificate badge, return policy, guarantees, and platform for reviews. Reviews have already been analyzed throughout the thesis and therefore the emphasis is on the first three factors. In addition, to provide an overview of the scale of the company, online stores using Shopify generated \$10.7 billion USD in only the first half of 2017. (Shopify, 2017)

The figure 6 below shows the historical trend of Shopify usage for websites. It is clearly visible that the trend is still on the rise and is heading for greater numbers in the future if the growth continues as Shopify has intended. The growing usage trend of the platform was one of the key factor determining the reasons behind the decision to analyze Shopify in specific.

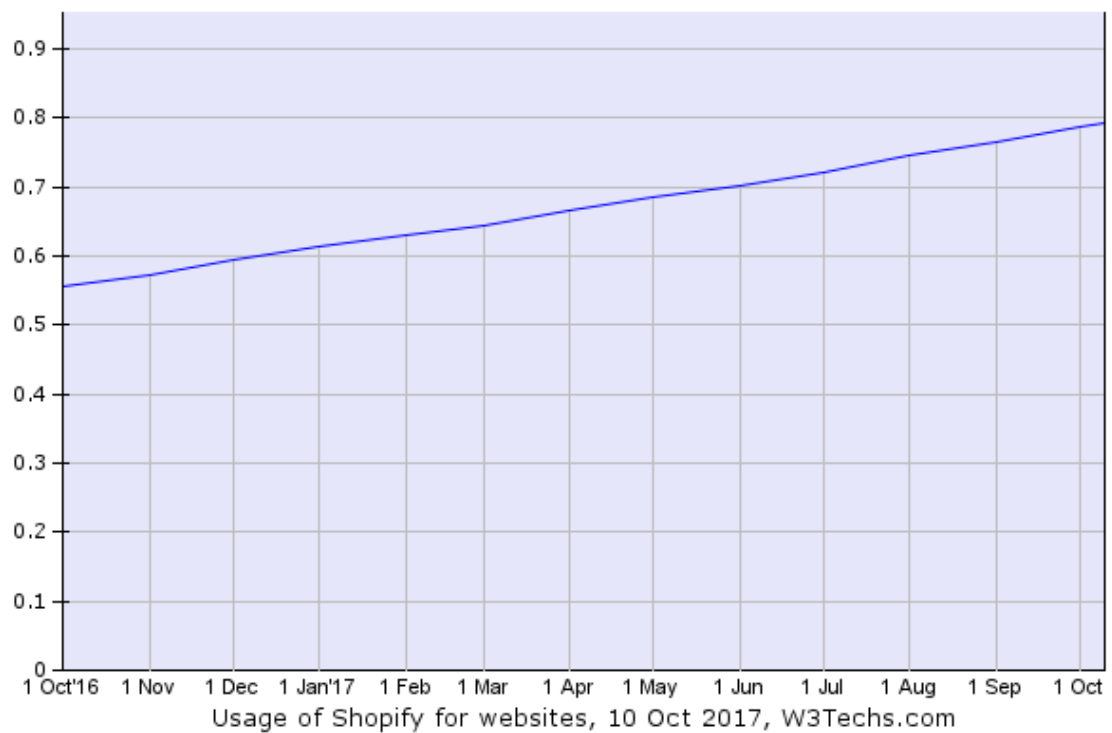


Figure 6. Usage of Shopify for websites (W3techs, 2017)

Shopify aims to answer the following questions with their consumer trust strategy:

- Does the site have secure payment method platforms?
- Is there a risk of personal information hacking?
- Can the company charge extra fees against agreement?
- Is there a possibility that the product never arrives?
- What if the delivered product is the wrong one? (Shopify, 2017)

Shopify implemented a third-party security system SSL in their active online operations. SSL stands for secure sockets layer and is one of the vital components of secure e-commerce experience. Additionally, SSL certificates provide an encrypted connection between the user and the company, with the target of establishing consumer trust. This means that people are safe from third-party interruptions because all the sensitive data regarding credit card details, social security, and personal login information is transferred in an encrypted fashion. (Digicert, 2016) SSL badge can be easily identified from e-commerce stores by looking for HTTPS code in the URL bar. To add, possible signs for SSL badge would be lock icons or green bars. It is crucial to have the SSL badge visible, especially during the checkout process to provide additional safety assurance for the customer. (Shopify, 2017) In the end, the main objective of this tool is to mitigate risk and any possible interference with the e-commerce experience (Digicert, 2016). The challenge with the SSL certificates for e-commerce companies is to communicate the existence of the badge for customers that are not aware of the technical security services. For instance, customers that do not possess the technological ability or awareness would most likely miss the cues for security badges, and therefore the assurance of security must be established with other strategies. Shopify activates SSL certificates by default for all the companies registering to their online plan (Shopify, 2017). The vital benefit of using security certificates is also SEO related. Thus, securely encrypting e-commerce stores is essential for maximum search engine optimization, according to Bahajji (2015) from Google. The connection between SEO and consumer trust is that customers tend to trust organic search results, instead of search engine advertising. Organic search results include indexed pages that are confirmed by Google, whereas search engine marketing includes paid search engine results or so-called AdWords. (Allen, 2017)

Return policies are similarly part of Shopify's consumer trust strategies (Shopify, 2017). An effective return policy can impact the e-commerce consumer trust and turn potential

customers into frequent customers. Additionally, it enhances the perception of trust when the customer knows that the products can be returned, in case the customer does not like the items. According to research by UPS, 63% of American e-commerce customers make a purchase only after checking the return policies of the company. For the fact that 48% of consumers would make more purchases if there was a return policy in place, makes the strategy even more essential. In addition, clear instructions for a product return creates the perception that the company stands behind its product quality. (Chambers, 2017)

Like return policies, guarantees play a key role in building consumer trust. Guarantees can be defined as remedies, in which the corporation promises to compensate the customer in case of product failure. (Peng et al. 2014) The challenge for e-commerce vendors is to ensure their activities match the product guarantees. (Shopify, 2013) Zhongnan University published a survey that draws a hypothesis that product guarantees have a significant positive impact on consumer purchase intention. On the contrary, not having guarantee policies had a negative influence on the purchase intention and consumer trust. Also, the price of the product impacts the perception towards the coverability of the guarantee and intention to purchase. For instance, because of the higher price, the consumer's perceived risk is also higher and they expect a more substantial guarantee. (Peng et al. 2014)

The figure 7 below explains generally how the guarantees are connected to the purchase intentions, and how the essence of price must be emphasized as an influencing factor. In the figure, guarantees have been defined as being a service, as it is more like an intangible service policy rather than an actual tangible product.

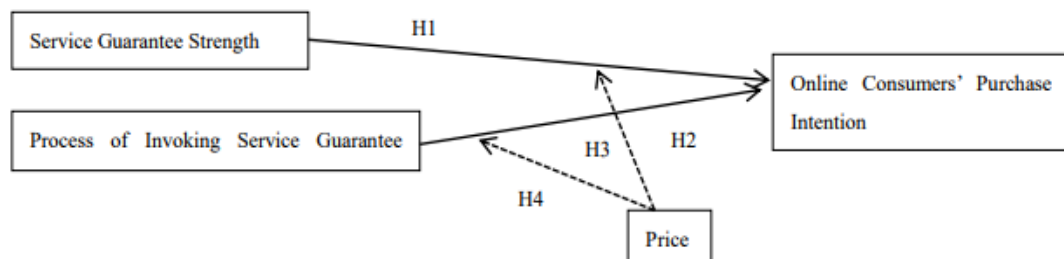


Figure 7. Service guarantee model (Peng et al. 2014)

## 5 RESEARCH METHODOLOGY

### 5.1 Data collection

Consumer trust in e-commerce is a complex subject and needs to be investigated through multiple research approaches. Therefore, the thesis so far has included a comprehensive secondary data analysis, which combines the knowledge and theories gathered from external studies and academic writers. The fact is that consumer trust is not only marketing related and taking external study fields into the analysis is a necessity. Consequently, the research has been conducted by acknowledging the essentiality of psychological and sociological perspectives. To add, the qualitative and quantitative research approaches were crucial during the data collection process, especially during the interview and questionnaire part. Indeed, especially the collection of primary data was essentially valuable for the overall thesis process.

In e-commerce research context, qualitative approaches include many different factors. For instance, ethnographic approach emphasizes the importance of cultural and demographical influencers which are discussed in the literature review. Because the research includes knowledge from fields of psychology and sociology, the method of using these studies can be defined as a phenomenological approach. (Trochim, 2006) On the other hand, quantitative approaches also include many key data design methods. Descriptive design method has been used to determine the current status of consumer trust phenomenon, which has been analyzed through literature review and technological models section. Descriptive design method will be used in the following section of company case analysis as well. Correlational design investigates the relation between different factors, like consumer trust and e-commerce in this case. By using this research method, correlation of different influencers can be defined, although this requires a comprehensive consideration of primary and secondary data. Quasi-experimental design method seeks to identify cause-effect factors between different variables (ProProfs, 2006). For instance, this thesis has been analyzing the effect of previous online experiences and cause for future e-commerce transactions. Therefore, it can be generally determined whether the cause-effect of these abovementioned variables are positive or negative.

In overall, the thesis has followed the structure of the grounded theory. Grounded theory is a model that helps to develop a clear structure for complex topics through analyzing qualitative data. In general, the grounded theory starts with the research questions and continues with determining core theoretical models. Thus, connections between theoretical models and conceptual solutions can be created. (Trochim, 2006) In addition, grounded theory is a vital research method for the thesis analysis, especially when it comes to gathering qualitative data.

## 5.2 Interview

In the following sections, primary data will be analyzed. Primary data collections fundamentally include an analysis of the interview and the online survey. In the case of the interview, the research was conducted by interviewing Tomás Baviera. Baviera is a business author who has written multiple articles to prestigious academic journals. The full profile and more details can be seen at Appendix 3. The objective of the interview was to gather qualitative data from a credible business author that has also acknowledged the essential factors related to consumer trust in business. Baviera also has a lot of experience related to e-commerce trust from a customer point of view. The customer insight provided by Baviera was collected during the interview by discussing Baviera's experiences with shopping online in Amazon's online store and in general as well. Thus, the interview provided great insight from both points of views of e-commerce trust, the organizations and the customers. Another objective of the interview was to create the foundations for the online survey. Consequently, the analysis of the interview determined the emphasis of the survey and the form it must be executed to collect the most valid data. The structure and the results of the interview was analyzed in the following section. The interview with Baviera consisted of 20 main questions about the topic of the influence of consumer trust on e-commerce. In addition, sub-questions were defined on the spot when the author's answers required additional explanation.

### 5.3 Survey

The online survey was conducted to further enhance the collection of primary data. The survey with 18 specific questions was spread through social media channels, mainly Facebook and messaging applications, and received 92 responses. These 92 responses provided a large scale of additional qualitative insight to the topic, and the thesis author decided to close the survey. The aim of the survey was to collect information from people that had some experience with online shopping. Therefore, the strategy was that the survey respondents had personally gone through the process of purchasing products online, and could also specify details about their online experiences and overall perceptions. Indeed, 100% of survey respondents had bought something through the internet. The fact that all 92 survey takers had an online shopping experience, made the small sampling size essentially valuable, as the data collected was very effectively targeted. In consequence that the survey was shared through social media channels, 75% of the respondents were between the ages 20-25. Another aim of the survey was to increasingly validate the previous research made in the thesis and factors that are most effectively influencing the consumer trust. In overall, by analyzing the survey results, the thesis author could clarify enhanced consumer trust trends and vital key findings.

In the survey findings section of the thesis, main survey questions is presented with analysis. Precisely, data tables have an essential role in presenting the information in this part. In-depth analysis of the responses will be made in discussion section, where other key findings are analyzed as well.

### 5.4 Sampling & limitations of primary research

Although the primary research was conducted with weeks of preparation, there were still limitations that must be acknowledged. First of all, there was a certain time limitation with the interview and the pace of moving to next research question was rather swift. Therefore, there was not enough time to make supportive additional questions at every stage, thus leading to answers that are rather short and general. In addition, the research questions were drafted in advance to resolve certain research issues, and therefore the

direction of the survey was predetermined and lacked a certain flexibility. Indeed, the approach for this data collection method was to utilize the structured interview, to increase the validity of the research. On the other hand, the interview findings include results collected by using some follow up questions, that were not part of the original interview structure, but rather made in the moment as a new research issue came up. The atmosphere of the interview was rather relaxed, with the goal of acquiring valuable honest answers, but there are always external factors that can have an influence. For instance, the interview was held in public university library and people walking by and making noise during the interview can have an impact on the research answers, as the focus was possibly interrupted.

The survey was spread through social media channels, for instance Facebook, and was an effective way to gather a good sample of respondents. The most active people in these platforms are usually younger people, thus the age range of the respondents was focused on a targeted sample. The targeted sample is a great strategy when the data collection is large, but in this case, a large variety of different age range could have brought more diverse key findings. Indeed, 75% of the respondents were between the ages 20-25. On the other hand, by analyzing the survey responses, it must be stated that great results did develop in the end. The aim of the survey was to determine an unbiased structure that allowed the respondent to select the most suitable answer/answers. Hence, many questions included multiple choices with a textbox that gave an opportunity to the respondent to express other options that were not predetermined. Online survey as a sampling method was used because it was an efficient way to collect data quickly and it also supported the topic of the thesis itself. The topic of the influence of consumer trust in e-commerce required specific data sampling from a target group that had previous online experience, and online survey was a great way to examine that group in more detail. Another limitation for the sampling was that the respondents were mostly friends and colleagues, which may lead to the fact that answers may not be completely neutral, because surveys were filled from a friendly standpoint.

The interview and the survey structure have been assembled in the appendices page in the end of this thesis, and the analysis itself has been made in the following section of conclusions and implications.

## 6 ANALYSIS AND DISCUSSION

The final results of the research must be specifically defined in this research findings section. Some conclusions have been made throughout the thesis, but the key findings must be gathered together to integrate the primary data collection to the theories and trust models that have been analyzed during the thesis process. Especially those findings that have not yet been comprehensively analyzed in the thesis so far. Indeed, this research paper began with the statement that trust is crucial for e-commerce companies and a necessity for success in the industry (Turban and Lee 2017). Thus, a fundamental analysis of primary data collections must be conducted to determine the accuracy of this statement. Hence, interview and online survey was a vital data collection method. In addition, a number of issues came along with the primary data analysis, thus there is a necessity to define suggestions for future research.

### 6.1 Interview findings

The objective of the interview was to collect accurate and up-to-date data from a business author that had experience from both sides of the trust concept: organizational and customer point of view. Thus, determining multiple questions from each research section proved to be a valuable way to gather information from a credible and experienced source. The main questions and answers must be identified, and because there were multiple follow up questions and in-depth discussion during the interview, there is still a need for analyzing these interview findings in more detail. The table below includes all the questions that were discussed during the comprehensive interview. To add, the interview answers have been included. In overall, the interview was highly professional and there was no need to modify the answers at all to fit the topic. Indeed, the valuable answers have been identified as they were discussed in the interview.



Research question	Answer
Have you ever made a purchase online?	<i>Yes. I buy books every 3 months from Amazon. A few years ago, I bought shoes but they were the wrong size.</i>
What is the main advantage of e-commerce compared to traditional stores?	<i>It's very easy and I don't have to go shopping anywhere. There is also a lot of information available.</i>
What is required from e-commerce vendor to convince you to make a purchase?	<i>Good product presentation, customer service, and product tracking option.</i>
Do you think e-commerce trust is influenced by individual's psychological factors? (ability to trust, psychological development)	<i>Young people's psychological development has been more influenced by the internet, so it is easier for them to adapt to different online platforms and trust them without hesitation.</i>
Do you think e-commerce trust is influenced by sociological factors? (social assurance, peer assurance)	<i>Yes. Social assurance from fellow peers is very essential. Also, customer reviews are an important social factor that influences trust.</i>
Do you think that culture has an impact on consumer trust (individualistic vs. collective cultures)	<i>Acquiring e-commerce trust is more challenging for collective cultures because there the people actually enjoy the experience of going out to shopping with friends. It is entertainment more than fulfilling a need.</i>
Do technology-related challenges impact consumer trust?	<i>Younger people don't have a problem with technology anymore, but older people can still find it very challenging and insecure.</i>
What are the main challenges of e-commerce related to security issues?	<i>The insecurities related to payments are almost totally diminished, but private information leaks seem still to happen. The environment is much more secure than 10 years ago.</i>
Do you think that search engine optimization and search results impact the perception of consumer trust?	<i>Yes, it is crucial for brand awareness and reputation and therefore trust. Especially organic results are a key factor. Google results are an essential product research sources for me.</i>
Do you think that the distance between buyer and seller is still one of the key issues of e-commerce?	<i>It is still a challenge, but companies can invest in customer relations and after-sales services to "minimize" the distance. Logistic solutions are also vital.</i>
If you have a bad experience with online shopping, does it affect your perception of e-commerce trust in the future as well?	<i>Maybe yes. I think I would just spend more time doing the research about the product and company to determine my attitude.</i>
Do you think that appearance of the site is essential?	<i>Yes, Amazon is great at this. It is easy to find information, surveys, and ratings. It is also clear that the site is made by professionals.</i>

Does the reputation of the brand impact your trust and feeling of safety	<i>There is a strong and clear connection. User-centric companies, like Apple, have managed to achieve this strategy effectively.</i>
What do you think are still the main challenges of e-commerce?	<i>Executing trust theories and models can be challenging in practice. Customer orientation also must be highlighted more. The power of word-of-mouth in e-commerce has been neglected in my opinion.</i>
Does being able to immediately contact the company enhance your perception of trust?	<i>It already helps if the customer knows that there is an option to contact the company. Even better, if you can contact them immediately.</i>
If you are planning to make a purchase online, would you need to read customer reviews first?	<i>Yes, always. Customer reviews are one of the most important things that make me trust the product or the company. I read a lot of them before a purchase.</i>
Do you prioritize online customer reviews or recommendations from friends?	<i>No. I actually prefer recommendations from friends, because I know them better. I take a serious look at online reviews too and try to determine what kind of person is writing them and what is the credibility of the individual.</i>
Do you trust the e-commerce vendor more if there are clear return policies and guarantees in place?	<i>It is essential that companies communicate clearly what are their policies with returns. It should be very easy to return unsatisfactory purchases.</i>
Why do you think e-commerce has not reached its full potential yet?	<i>It is just a question of time. There are growingly more transactions online every year. Companies should also invest more in public relations, especially related to recovering trust in case of an issue.</i>

Table 1. Interview questions and answers (Baviera, 2017)

The interview began by identifying the online purchase activity of the person answering the questions, in this case, the business author and professor Tomás Baviera. Indeed, Amazon was Baviera's main platform for purchasing products online. The respondents stated that he purchases books online for every three months. In this thesis research, it has been acknowledged that the frequency of purchase is one of the trust building factors, which proved to be one of the key factors in the respondents' case. Valuable for the thesis was to understand the underlying reasons for choosing only this one specific platform when there are so many available. The reasons behind the decisions brought up familiar concepts: reputation, appearance, customer service, customer reviews, and information availability. Interestingly, a different concept of product recommendations

developed during the interview and brought a valuable insight into a strategy that has not been discussed yet from that specific point of view. On the other hand, product recommendations can be implemented with customer journey mapping tool and customer decision-making process, that indeed have been analyzed in the literature review. According to Baviera, Amazon has a great reputation and by only by doing a Google search, the statement can be verified. The business author also discussed the strong connection between reputation and trust. Consequently, good reputation was identified as an essential aspect that provides assurance for customers to make transactions online. The concept of reputation is highly connected to customer reviews and discussion forums in the e-commerce environment. Baviera also stated that customer reviews are a crucial way to build online trust. On the other hand, the business author highlighted the importance of validating the credibility of the review source, because in some cases negative reviews can be from competitors. Baviera also highlighted the importance of e-commerce appearance. In fact, the appearance of Amazon's landing page was one of the selling points of the platform. To be more precise, Amazon has designed a website that has a lot of information available and the overall feel of the design is very professional. The effective appearance also includes the ease and pace of accessing different categories with just a small effort and little time.

Amazon also suggests similar products that the customer may like. For the fact that these suggestions are usually on point creates the perception of trust, according to Baviera. The interview finding of product recommendations as a trust-building activity raised a few questions, especially related to the algorithm used to execute them. A specific supporting follow up question was raised to determine where Amazon gathers the data to develop the personalized suggestions. Because the issue of consumer privacy has been analyzed in this thesis, it was vital to examine the ways the company customizes its operations to gather personal information without breaking the consumer trust. Baviera clarified this strategy by affirming that Amazon only uses data gathered from the customer's on-site search history. Therefore, any private information or other online behavior is not accessed by the company, because the site suggests products similar that the customer is already looking for. As a matter of fact, Baviera said that he sees the recommendations as a positive e-commerce function, as it saves time for the consumer not having to search for the products that they are interested in. Thus, there are opportunities for companies to integrate this solution to enhance their customer's decision-making process and diminish the customer's hesitations during customer journey map stages.

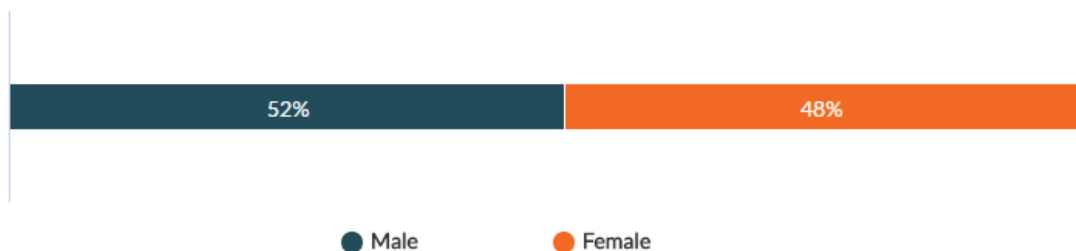
Highly tactical Amazon trust-building strategy was also discussed during the interview and conclusions can be drawn. Additionally, the thesis author and the business author determined that Amazon has found an effective way to imitate the trust building activities of traditional businesses. Especially in the case of purchasing books, Amazon has created an environment where the experience is very similar. Precisely, customers of Amazon can read the back of the book and the introduction. Therefore, the customer doesn't have to worry about purchasing a book that they don't like because they can read some of it in advance.

In overall, the interview established a stronger foundation for the thesis and gave insight into different points of views. By researching these different aspects, it was possible to identify improved key findings, which enhanced the statement that e-commerce is strongly influenced by consumer trust.

## 6.2 Survey findings

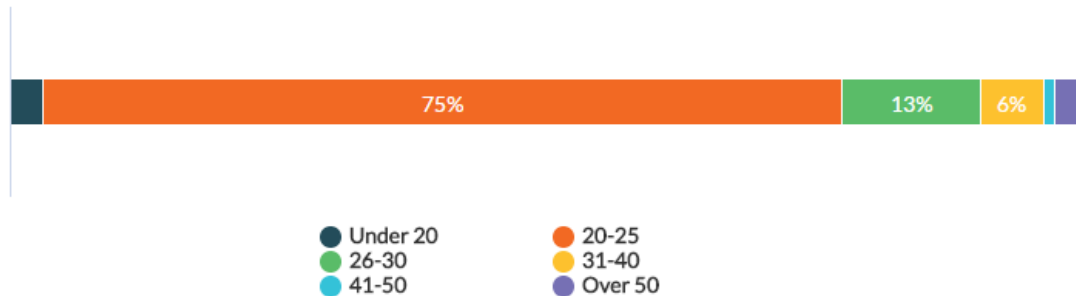
The survey resulted in valuable research findings. Due to nature of difference in methodology employed, analysis was separately provided. Actual survey questions are first presented, followed by analysis. The overall survey can be seen in Appendix 4.

### 1. What is your age gender?



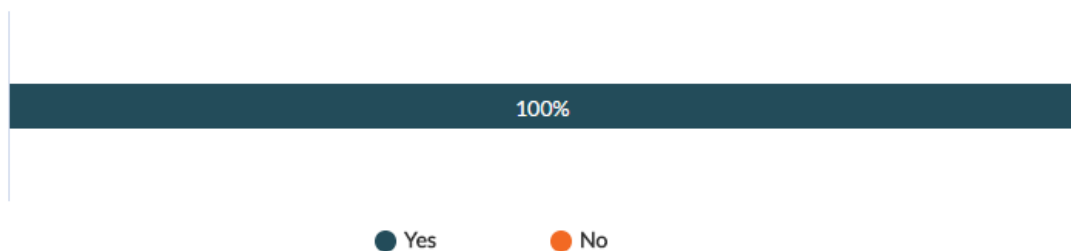
The gender split of the survey pool was almost evenly divided, as the survey poll consisted of 48 male and 44 female respondents. The influence of consumer trust in e-commerce survey has been analyzing the aspect of gender differences, hence it was essential for respondents to indicate their gender.

## 2. Please select your age range?



The majority of the respondents belonged to the age range of 20-25, which totals in 69 respondents and 75% of the whole pool. Interestingly, there were respondents from all the age ranges, but not clearly as many as in the main age category. Hence, the results of the survey are largely based on the respondents from the 20-25 gap, while other age groups are present as supportive data.

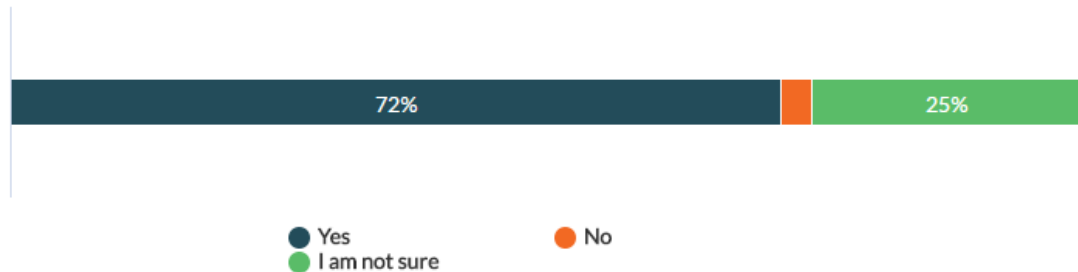
## 3. Have you ever bought anything online?



It was essential for the survey that most of the respondents had gone through the process of purchasing from the internet, thus the trust between the e-commerce vendor and the individual had been effectively accomplished. Consequently, the data provided by the respondents were accurate and based on previous online experiences. An interesting fact was that all the age categories had purchased online, starting from under 20 group and ending to over 50. Although the age groups of under 20 and over 50 had only 5 respondents in total, it still shows an implication and trend that e-commerce is not only

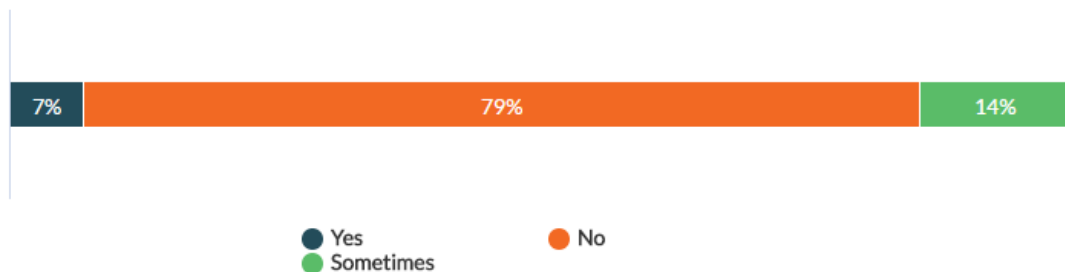
familiar for younger generations that have been growing among technology, but that it is also common for generations that did not grow up with the internet.

4. Do you think online shopping is safe?



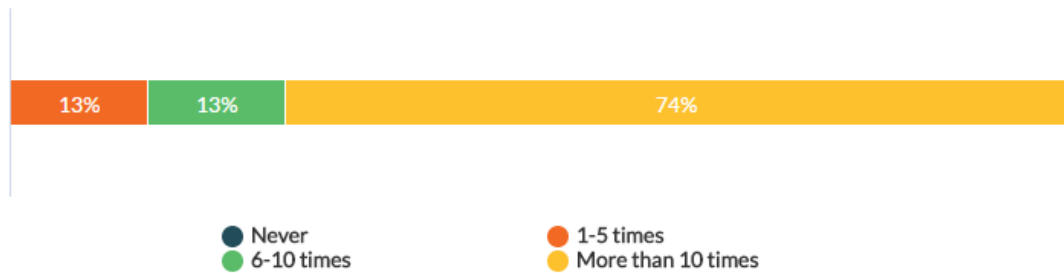
Based on the results of this survey, it shows that 66 people stated that online shopping is safe. On the other contrary, 26 respondents thoughts that online shopping is not safe or were not sure about it. These findings validate the statement already made in the thesis, thus providing additional proof that some consumers are still hesitant about e-commerce.

5. Do you think that online shopping is technologically challenging for you?



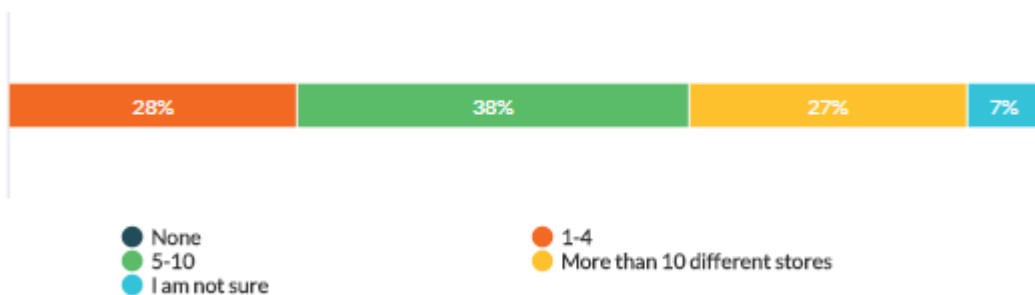
Throughout this research, the aspect of technology has been reviewed and identified as one of the reasons why e-commerce is such an effective platform for companies, but also one of the reasons why there are some hesitations about the e-commerce. Based on the survey results, 6 respondents found online shopping technologically challenging and 13 individuals chose the sometimes options. On the other hand, 79% or 72 respondents selected the option where they did not find online shopping challenging at all. This large percentage of people who did not find technologically challenging is could be due the fact that 75% of survey respondents were from the age category of 20-25 and therefore belong to the generations that are more customer to technology.

6. How many times have you purchased something from the internet?



The vast majority had purchased more than 10 times from the internet, thus resulting in 74% of the total respondents. Thus, 74% of the total respondents had great experience about online purchasing, which gave valuable insight into the thesis. By considering all the previous results, some implications about the survey pool can be made. First, people that feel that online shopping is safe, are also more likely to make online purchases. In addition, the connection between the perceptions related to technological challenges and number of times purchased is clear: the less the perception of technological challenge the greater the number of purchase times.

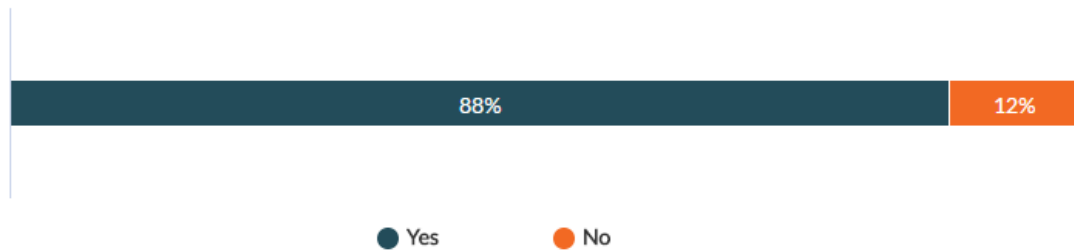
7. How many different online stores have you used for purchasing products?



The number of different stores used for purchasing online implicates the perception of trust that the individuals have towards the internet as a general medium. In case an individual only uses 1-4 stores, it could be determined that the individual only trusts certain companies and has hesitations towards other platforms. Based on the survey responses, 38% had used 5-10 different stores and 27% had used more than 10 difference e-commerce platforms. Consequently, 65% of the total had used multiple

online stores to make purchases, which indicates that their trust towards e-commerce is positive.

8. Do you use any search engines to help you find your products online? (Google, Bing)



The security of the e-commerce sites and the influence on search engine optimization have been discussed throughout the research. To add, e-commerce vendors with better security scores also rank higher in search engine results. Therefore, the use of search engines had to be further examined with a survey question. 88% of the respondents use search engines like Google and Bing, which brings out another interesting key finding. Indeed, there is an indication that the use of search engines is also related to the number of different stores used for purchasing. To further explain, by doing google searches, customers can come across many different companies offering their products and the individual chooses ones based on their personal preferences or maybe even based on the search ranking. Thus, this raises an interesting theory related to the connection between the popular use of search engines and a number of different stores used, especially because search results may vary from time to time, as different companies are investing in different AdWords.



9. If you have to choose one, where do you generally prefer to buy your products?



Another interesting finding was that although 100% of the survey respondents had purchased items online, and large scale of people had even used more than 10 different stores for online shopping, but still, 70% of the people prefer traditional stores if they had to choose one. In the following two survey questions, the reasons behind selecting either online stores or traditional stores as a preference have been identified through graphics.

10. You prefer online shopping. Please select if you disagree or agree with the following statements. 1=strongly disagree 5=strongly agree



It has been stated that some of the advantages of e-commerce are information availability, convenience and time-saving. According to the survey research, the greatest advantage of e-commerce compared to traditional stores was that it is easy to compare prices and there is a greater product selection online. Customer decision-making process and customer journey mapping were comprehensively discussed in the literature review section, and these aspects were also a great part of those theories. For instance, it has been analyzed that during the initial contact with the customer, or so-called need recognition stage, it is vital to provide the customer with the right selection of products. Customers also seek information from the e-commerce to gather additional assurance, which might ultimately result in a purchase, and therefore information availability is a crucial factor.

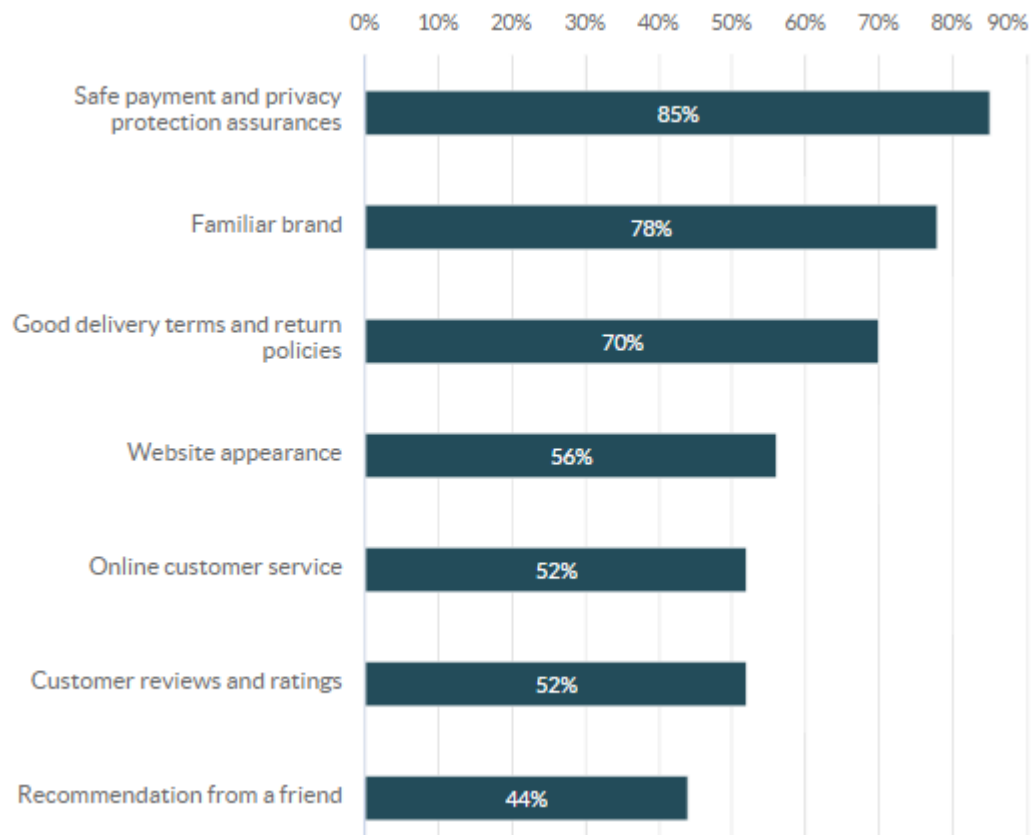
11. You prefer traditional stores. Please select if you disagree or agree with the following statements. 1=strongly disagree 5=strongly



Traditional stores have one key advantage that is very challenging for e-commerce stores to imitate, which is that the customer has an opportunity to physically see and feel the products. Respondents also agreed with the statement that traditional shopping is safer compared to online shopping. Consequently, in the traditional shopping, customers don't have to worry about safe payment methods and delivery terms as the transaction

is happening on the spot. To add, the easy return of products still remains one of the essential factors of traditional shopping. Interestingly, most of the customers would not agree with the statement that traditional shopping would be easier than online shopping, which highlights the convenience aspect of e-commerce.

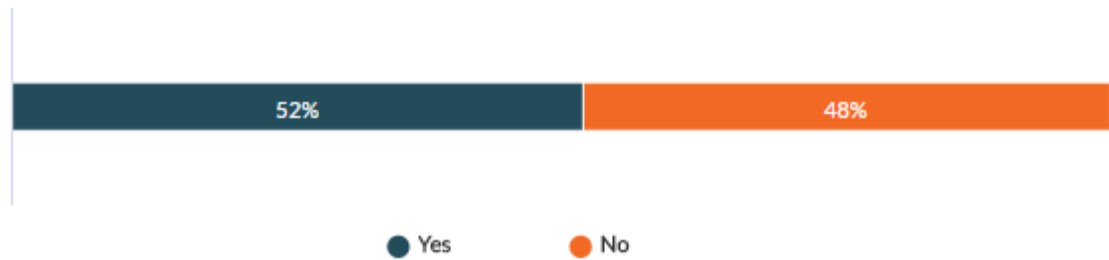
12. What factors make you trust the online seller more? Please choose all the options you think are accurate for you.



This particular research question was structured to determine factors that would influence the consumer trust the most and verify statements made during the overall thesis process. Safety assurances rose above the other options as a trust enhancing influence. The safety aspect of e-commerce has been mentioned in this research as being one of the essential influences, and this survey result strongly improves that indication. Interestingly, brand familiarity came after the safety aspect, which shows that companies have an opportunity to surpass the brand familiarity by communicating safety assurances effectively. Hence, it must be highlighted that safety of the platform is crucial

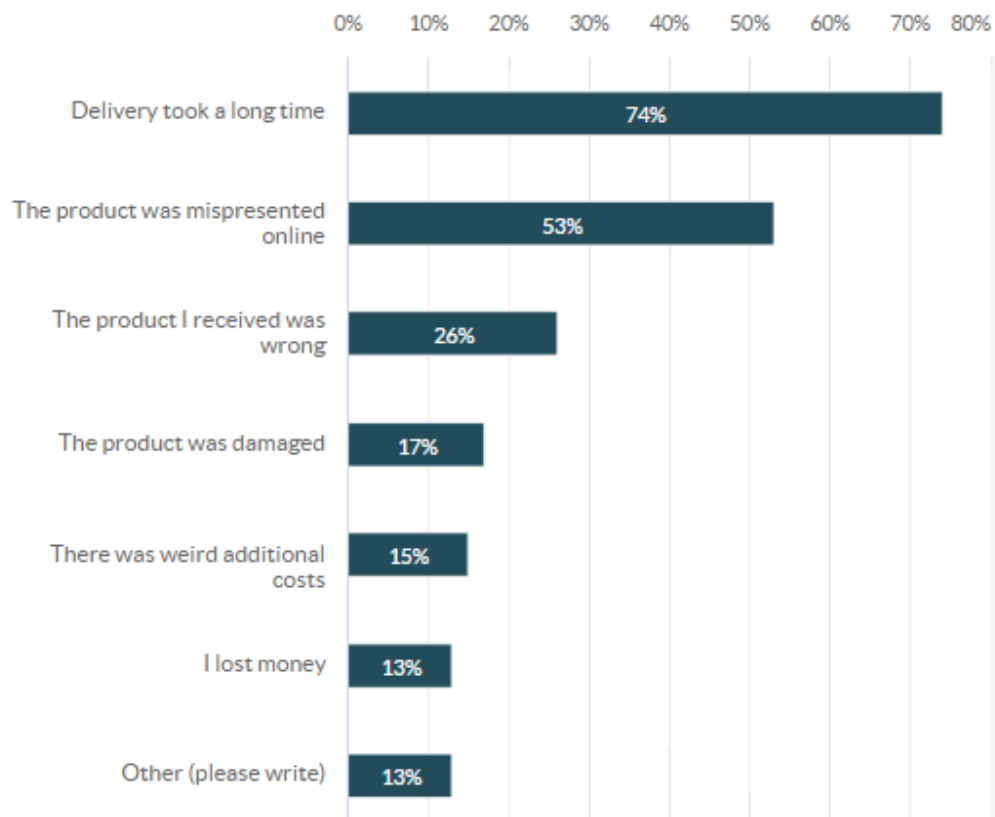
and foundation for building the trust. Consequently, without the required safety standards, the e-commerce vendor cannot achieve the foundations for consumer trust.

13. Have you ever had a bad experience when shopping online?



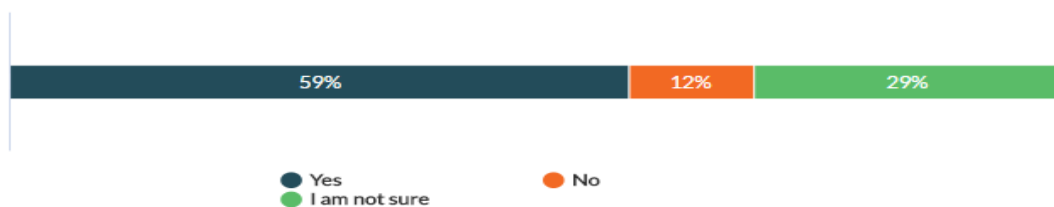
By acknowledging the survey respondent's bad experiences, there was an opportunity to identify actions that e-commerce vendors can take to improve their online executions. Based on these survey statistics, over half of the survey takers had a bad experience with online shopping. The following question asked the respondents to specify what had happened to them in these scenarios that resulted in a perception of bad experience.

14. It looks like you had a bad experience. Please, select all the necessary options to specify everything that happened to you



Long delivery time was chosen by the clear majority of respondents as the main cause for the bad online experience. In addition, misrepresentation of the products was the second biggest reason for the perception of bad experiences. 4 respondents added their own answer to the question by stating that the product never arrived. Therefore, it can be concluded most of the bad experiences were related to the delivery of the products.

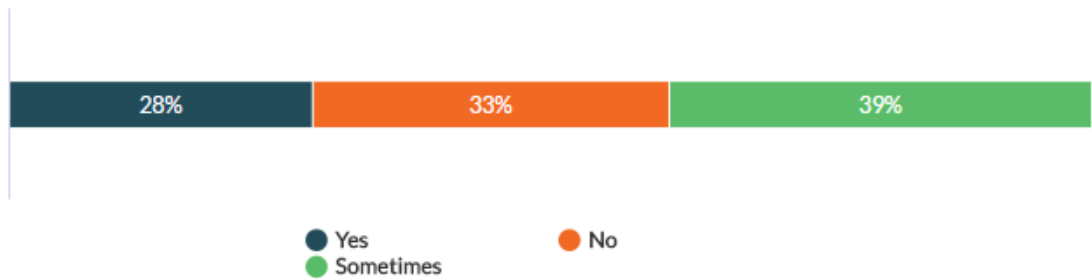
15. Do you trust companies more if they are active on social media platforms?



This question was tailored to identify factors that can influence but also maintain the consumer trust. Activity on social media is fundamentally related to marketing executions of companies, and based on the survey responses, it is an effective way to enhance the

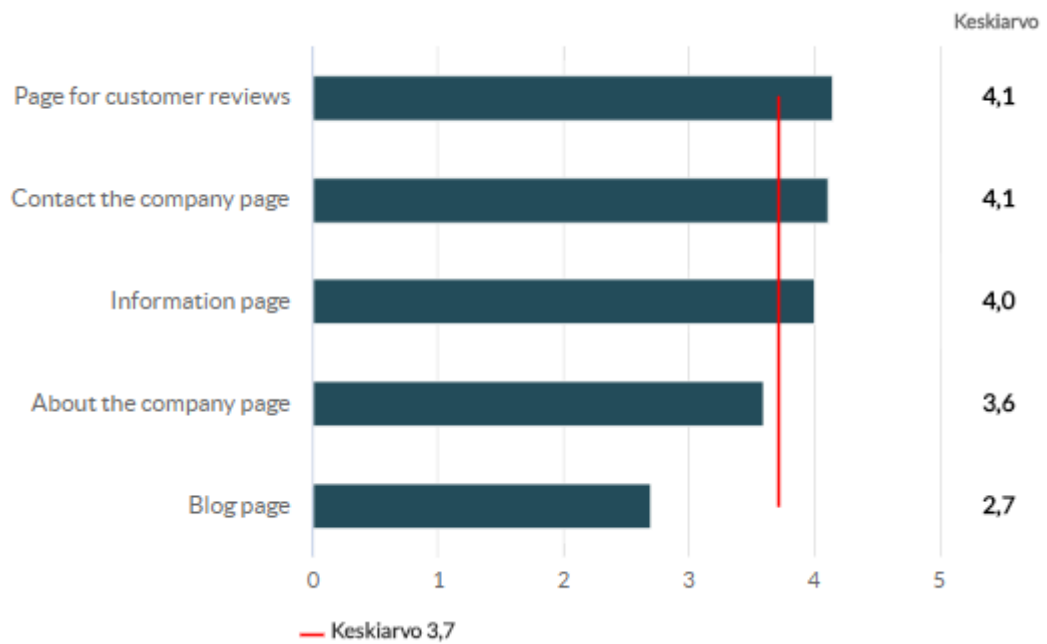
perception of trust. Indeed, 59% of the respondents trusted companies more if they are active on social media platforms, whereas 29% were not sure of the influence.

16. Are you concerned about how the online company is using your personal information?



This part of the survey research was to address the aspect of privacy concerns and personal information usage. In overall, the results came up with mixed findings and not a clear conclusion can be made. It must be stated that 39% of the respondents felt that they were concerned about their personal information at least sometimes, and 28% were specifically concerned. By acknowledging that being concerned sometimes can be seen more as a negative than positive influence, it must be stated that a phenomenon can be identified: customers are not completely convinced that their personal information is safe in the hands of e-commerce companies.

17. How important these pages are for you when shopping online? 1=not important  
5=very important



This survey section was another question particularly made for assessing factors influencing and enhancing the consumer trust. In this case, the weight was on the specific pages that needed to be included in the e-commerce platform to create the perception of trust. Three pages were above others: page for reviews, contact the company page and general information page. It must be highlighted that information about the company page was also almost as important as the other three.

18. Please select all the information that you need from the online store before making a purchase. Select all the options that feel accurate for you.



The final question of the survey was designed to investigate the information that the consumer needs before making the purchase. The previous question related to bad experiences highlighted the importance of the delivery. In this question also, shipping cost and delivery time were clearly the most important information that is required before making a purchase. Return policies and customer reviews were also an information source that brought additional assurance.



## 7 CONCLUSIONS

This thesis aimed to clarify the reasons why consumers are still hesitant towards e-commerce, and examine theories and practical examples of company strategies to mitigate these reluctances. Especially, the relation between trust and e-commerce consumer behavior has been examined throughout the thesis. Consequently, it is essential to determine the most crucial findings of this thesis research, by implementing the value of triangular data analysis methods.

One of the key issues of e-commerce is that consumers are hesitant to provide their credit card and personal information for the seller. This hesitancy is highly related to the fear of losing private information or even money. Companies have been integrating safe payment methods and third party security encryptions, but still the online environment is perceived as an unsafe environment. Another issue is that the products cannot be physically seen or touched and the consumer perceives the purchase as a risky activity. Therefore, the perceived outcome of purchasing online is more uncertain than compared to traditional shopping. In reference to the thesis online survey, 70% of respondents chose traditional shopping as personal preference. It must be emphasized that the safety of the e-commerce platform is an essential foundation for establishing the consumer trust. In addition, the e-commerce vendor must convince that their platform is safe for transactions and the customer data is safe in their hands. If the customer perceives the online marketplace as a safe environment, can the trust building effectively begin with the ultimate objective of sales transaction. The literature review sections of the topic trust and risk emphasized the uncertainties related to opportunistic activities. These activities include the uncertainties that arise when there is a distance between the seller and the buyer. According to the thesis survey findings, bad experiences related to e-commerce were commonly related to delivery issues and product misrepresentation. Product misrepresentation is a great example of opportunistic activity, where the company is taking advantage of the impersonal aspect of e-commerce.

The differences in customer preferences and backgrounds create a challenging task for e-commerce companies to adapt their online platforms to fit every customer taste. For instance, the technology adoption and ability is something that the e-commerce vendor must emphasize. This phenomenon becomes clear in the online survey findings, as 21% of the respondents determined e-commerce technologically challenging. In addition,

literature review analyzed the importance of technology adoption model (TAM). The most important finding about this model was the key value of perceived ease of use. Consequently, the consumer that sees the online platform as ease to use and navigate, is also most likely make transactions. In this case, the information availability aspect must be highlighted, as customers tend to make rational decisions based on information provided for them. Trust building model was analyzed to add value to the concept of technology adoption model. Hence, the objective of TBM is to understand the factors that impact overcoming the initial perception of risk in e-commerce. These factors include structural assurance of the web, which consists of assurance provided by societal and legal factors. Thus, the consumer is also impacted by perceptions related to society and legal influencers.

The analysis of Shopify's trust strategy was defined to understand the practical side of consumer trust. Thus, the company analysis was an essential part of the triangular method of the thesis research. The key findings were related to security and search engine optimization. As a result, the company emphasized the importance of platform security and the relation with good search engine rankings. During the research, the relation between the rankings and consumer trust has been made clear: the better the organic search results, the higher the perception of trust. To add, 88% of the survey respondents used search engines when shopping online.

Online survey provided great validity for the research, especially because 100% of the respondents had online shopping experience. 74% of respondents even had purchased online more than 10 times. It was crucial to understand the factors behind either preferring traditional or online shopping. Thus, it was crucial to acknowledge why 70% of the respondents still preferred traditional shopping. Respondents determined that online shopping is more convenient, easy and time saving. In addition, online shopping was stated to be a place where comparing prices was easy and where there is a greater product selection. Information availability of e-commerce was also chosen as one of the key values of online shopping. On the contrary, traditional shopping has many key advantages over online shopping. Respondents determined that they like seeing and feeling the products before purchase, which is definitely something that is hard to emulate by e-commerce vendors. Additionally, the customers stated that returning products was easier in traditional shopping. Finally, the respondents chose a traditional shopping factor that essentially concludes the thesis: traditional shopping is more safe than online shopping.

### 7.1 Suggestions for future research

This research has comprehensively analyzed the topic through multiple study fields, to determine the impact of consumer trust on e-commerce. In addition, the large scale of theories has been clarified and findings concluded, but there is always need for future research about the topic, as it is a dynamic phenomenon and the environment is always shifting to new dimensions. In the future, it would be beneficial to further analyze the aspect of social factors and culture, and it impacts the consumer trust in the environment of e-commerce. Thus, cultural factors could be analyzed from a cross-cultural point of view, where the e-commerce vendor and potential customer are from different cultures. In addition, knowledge related to trust recovering would be a powerful way to understand the mind of the consumer from a new perspective.

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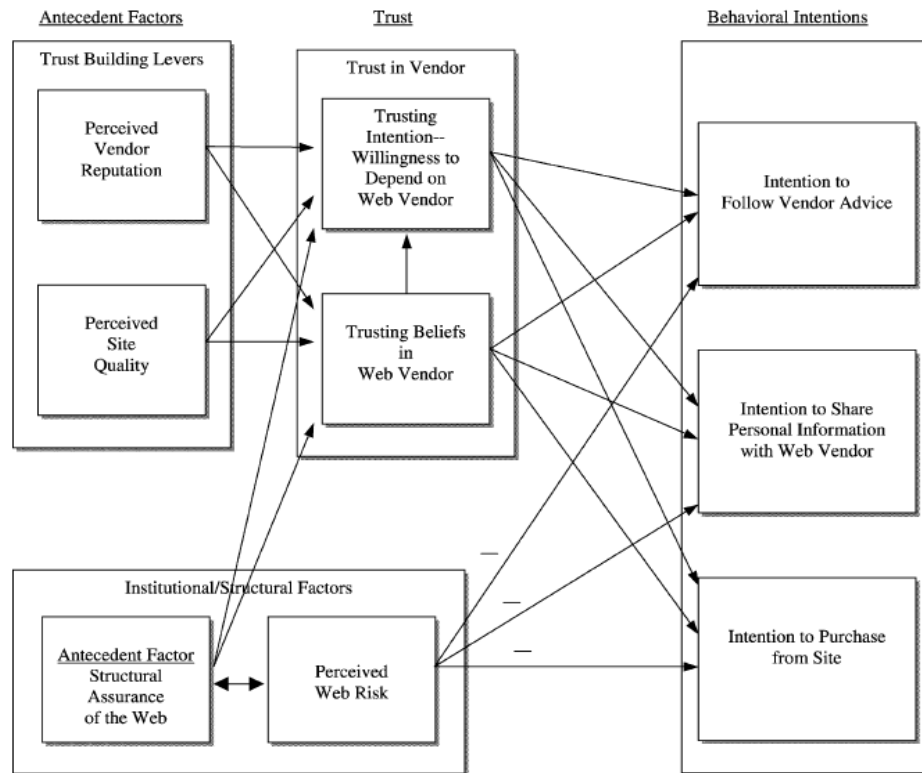
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Appendix 1. Trust Building Model (TBM) (Kacmar, 2002)

<p><b>6.11.2017</b> <b>UPV,</b> <b>Valencia</b> <b>Spain</b></p>	<p><b><i>The Influence of Consumer Trust on E-commerce Interview with Tomás Baviera (Author, Communications consultant &amp; Professor Ph.D.)</i></b></p>
<p><b>1.</b></p>	<p><i>Have you ever made a purchase online?</i></p>
<p><b>2.</b></p>	<p><i>What is the main advantage of e-commerce compared to traditional stores?</i></p>

3.	<i>What is required from e-commerce vendor to convince you to make a purchase?</i>
4.	<i>Do you think e-commerce trust is influenced by individuals' psychological factors? (ability to trust, psychological development)</i>
5.	<i>Do you think e-commerce trust is influenced by sociological factors? (social assurance, peer assurance)</i>
6.	<i>Do you think that culture has an impact on consumer trust (individualistic vs. collective cultures)</i>
7.	<i>Do technology-related challenges impact consumer trust?</i>
8.	<i>What are the main challenges of e-commerce related to security issues?</i>
9.	<i>Do you think that search engine optimization and search results impact the perception of consumer trust?</i>
10.	<i>Do you think that the distance between buyer and seller is still one of the key issues of e-commerce?</i>
11.	<i>If you have a bad experience with online shopping, does it affect your perception of e-commerce trust in the future as well?</i>
13.	<i>Do you think that appearance of the site is essential?</i>
14.	<i>Does the reputation of the brand impact your trust and feeling of safety</i>

15.	<i>What do you think are still the main challenges of e-commerce?</i>
16.	<i>Does being able to immediately contact the company enhance your perception of trust?</i>
17.	<i>If you are planning to make a purchase online, would you need to read customer reviews first?</i>
18.	<i>Do you prioritize online customer reviews or recommendations from friends?</i>
19.	<i>Do you trust the e-commerce vendor more if there are clear return policies and guarantees in place?</i>
20.	<i>Why do you think e-commerce has not reached its full potential yet?</i>

## Appendix 2. Interview questions (Baviera, 2017)

Tomás Baviera

Baviera is a business author who has written multiple articles to prestigious academic journals. For instance, the author has written a research on " Political candidates in infotainment programmes and their emotional effects on Twitter: an analysis of the 2015 Spanish general elections precampaign season". Other great research from Baviera was about the topic of "The Power of Gift" . In addition to being a publishing business author, Baviera is also a communications consultant and a business professor at the Polytechnic University of Valencia

## Appendix 3. Interview profile

**Thank you for taking time out of your day to fill this survey. It should not take more than 1 -3 minutes and is completely anonymous. The survey is for my Bachelor Thesis for the topic "The influence of consumer trust on e-commerce". Thank you for helping me with the end of my studies! - Thomas**

**Kaplas**

**1. What is your gender?**

- Male
- Female

**2. Please select your age range**

- Under 20
- 20-25
- 26-30
- 31-40
- 41-50
- Over 50

**3. Have you ever bought anything from internet?**

- Yes
- No

**4. Do you think online shopping is safe?**

- Yes
- No
- I am not sure
- 

**5. Do you think that online shopping is technologically challenging for you?**

- Yes
- No
- Sometimes
- 

**6. How many times have you purchased something from internet?**

- Never
- 1-5 times
- 6-10 times
- More than 10 times
- 

**7. How many different online stores have you used for purchasing products?**

- None
- 1-4
- 5-10
- More than 10 different stores
- I am not sure
- 

**8. Do you use any search engines to help you find your products online? (Google, Bing)**

- Yes
- No

**9. If you have to choose one, where do you generally prefer to buy your products?**

- Online stores
- Traditional stores

**10. You prefer online shopping. Please select if you disagree or agree with the following statements. 1=strongly disagree 5=strongly agree**

	1	2	3	4	5
Online shopping is more convenient and easy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Online shopping is more time saving	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is a greater product selection online	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I prefer home delivering products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is more information online	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is easier to compare prices online	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I don't like going to the stores	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**11. You prefer traditional stores. Please select if you disagree or agree with the following statements. 1=strongly disagree 5=strongly agree**

	1	2	3	4	5
Traditional shopping is more safe than online shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Traditional shopping is easier	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like seeing and feeling the products in stores	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is easy to return products to the store	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I like the social interaction in traditional shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**12. What factors make you trust the online seller more? Please choose all the options you think are accurate for you.**

- Familiar brand
- Online customer service
- Website appearance
- Good delivery terms and return policies
- Customer reviews and ratings
- Recommendation from a friend
- Safe payment and privacy protection assurances

**13. Have you ever had a bad experience when shopping online? (please choose only one)**

- Yes
- No

**14. It looks like you had a bad experience. Please, select all the necessary options to specify everything that happened to you.**

- The product was misrepresented online
- The product I received was wrong
- There was weird additional costs
- Delivery took a long time
- The product was damaged
- I could not return the product
- I lost money
- Other (please write)

**15. Do you trust companies more if they are active on social media platforms?**

- Yes
- No
- I am not sure

**16. Are you concerned about how the online company is using your personal information?**

- Yes
- No
- Sometimes

**17. How important these pages are for you when shopping online? 1=not important 5=very important**

	1	2	3	4	5
Information page	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Blog page	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
About the company page	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Contact the company page	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Page for customer reviews	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**18. Final question! Please select all the information that you need from the online store before making a purchase. Select all the options that feel accurate for you.**

- Delivery time
- Shipping cost
- Information where the products are made
- Customer reviews and ratings
- Package tracking options
- Return policies
- Company's social media channels

Appendix 4. Survey structure