# St. Petersburg University Graduate School of Management Master in Management Program

# THE ROLE OF INITIAL CONSIDERATION AND ACTIVE EVALUATION WITHIN THE CONSUMER DECISION JOURNEY FRAMEWORK

THE CASE STUDY OF AMAZON ITALY CUSTOMERS

Master's Thesis by the 2<sup>nd</sup> year student

Concentration — MITIM

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ЗАЯВЛЕНИЕ О САМОСТОЯТЕЛЬНОМ ХАРАКТЕРЕ ВЫПОЛНЕНИЯ ВЫПУСКНОЙ КВАЛИФИКАЦИОННОЙ РАБОТЫ

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Описание цели, задач и основных результатов:	Цель данного исследования заключается в изучении способа оптимизации опыта онлайн-покупок в контексте электронной коммерции Amazon Italy. Цель была достигнута путем анализа модели маршрутизации пути клиента McKinsey (2009), но с уделением особого внимания двум этапам маршрутизации: первоначальному рассмотрению и активной оценке. Используемая методология — это качественный анализ и исследовательский проект с проведением углубленных интервью с использованием персонального подхода. Каждая персона, в зависимости от её поведенческих характеристик, имеет различный опыт в двух этапах процесса по решению потребителей - «первоначальное рассмотрение» и «активная оценка». Анализируя восприятие людьми интернет-покупок и их шаги двумя этапами анализа маршрутизации пути клиента, можно было выявить, какие элементы в двух фазах могут быть оптимизированы в электронной коммерции Amazon Italy. Результаты эмпирического исследования показали отсутствие поддержки клиентов Amazon Italy. Это означает, что существует потенциал для улучшения платформы в фазе активной оценки. Благодаря улучшению вознаграждения клиента в отношении потребителей электронной коммерции Amazon Italy, опыт онлайн-покупок на Amazon Italy будет оптимизирован, что принесет пользу как маркетологам, так и клиентам.
Ключевые слова:	Маркетинг, Цифровой маркетинг, электронной коммерции, Маршрутизация пути клиента, Amazon Italy.

#### **ABSTRACT**

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Description of the goal, tasks, and main results:	The goal of the research is to investigate the way to optimize the experience of the shopping online in the context of Amazon Italy ecommerce. The goal is achieved through the analysis of the consumer decision journey model by McKinsey (2009) but with a focus on the two phases of the journey: initial consideration and active evaluation. The methodology followed is qualitative and exploratory research design with the conduction of in-depths interviews following a persona-based approach. Each persona, depending on their behavioral characteristics, has a different experience in the two phases of the consumer decision journey 'initial consideration' and 'active evaluation'. By analyzing their perceptions of online shopping and their steps through the two phases of the consumer decision journey analyzed, it was possible to find out which are the elements in the two phases that could be optimized on the Amazon Italy ecommerce. The results of the empirical research revealed a lack of customer rewarding by Amazon Italy. This means, that there is a potential for improvement of the platform in the phase of active evaluation. By improving customer rewarding in the active evaluation phase of consumer decision journey on Amazon Italy ecommerce, the online shopping experience on Amazon Italy will be optimized and this will bring benefits to both marketers and customers.
Keywords:	Marketing, Digital Marketing, Ecommerce, Consumer decision journey, Amazon Italy
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#### 1. Introduction

The emergence of Internet has disrupted the process of buying things. In the past, the customers used to go to physical retail shops in order to get goods. Online shopping has absolutely revolutionized such experience. Without going out of home a customer can now buy whatever he or she likes just with one single click, saving time and energy and in many cases saving money. With the development of online shopping, as more and more companies went into online selling: a new area of business research has emerged as well. The researchers started investigating the peculiarities of the online shopping trying to explain, how the online sellers can influence their clients.

The paper is based on the consumer decision journey elaborated by McKinsey&Company in 2009: a model that describes and analyzes each phase of the consumer decision making process. The consumer decision journey includes several steps which are: trigger, initial consideration, active evaluation, moment of purchase, post-purchase and loyalty. The model leads to the consumer's loyalty which stimulates again another consumer decision journey.

The research consists of two main pillars which are: literature review and empirical study. It was relevant to understand what sources are available in this field of research and how such topics should be approached. The literature review let the researcher design a proper study in this field, that would allow for drawing reliable conclusions and recommendations. In the empirical part, the chosen methodology was followed in order to deliver results on how the two chosen phases can be optimized in order to generate a better customer experience.

The researcher has defined the research gaps for the paper that stand in the influence of the two phases 'initial consideration' and 'active evaluation' on the consumer decision journey and the ways to optimize the customer experience in the stages of initial consideration and active evaluation. The gaps of the research have enhanced the need of investigate more deeply these two phases of the consumer decision journey and it has led to the arise of two research questions: what is the influence of the two phases 'initial consideration' and 'active evaluation' on the consumer decision journey and how to optimize the consumer decision journey through the improvement of the two phases 'initial consideration' and 'active evaluation'.

The goal of the research is to find a way to optimize the experience of the online shopping in the context of the ecommerce 'Amazon Italy'. Italy has been chosen as a country to analyze because it is one of the fastest growing ecommerce market in Europe and Amazon is the most used ecommerce platform in Italy. The goal of the paper has been achieved through the analysis of the consumer decision journey by McKinsey (2009) but with a focus on two phases of the journey: initial consideration and active evaluation.

The goal is achieved by conducting in-depth interviews with persona-based approach where six marketing personas have been described and analyzed. Each persona was interviewed on his/her experience on the online shopping in Amazon Italy with a focus on the phases of the consumer decision journey 'initial consideration' and 'active evaluation'.

Thanks to the diversified insights gathered form each personas' behavioral characteristics in the two phases of the consumer decision journey on the Amazon Italy ecommerce, the element of improvement has been found in the lack of customer rewarding in the active evaluation phase on the platform. The results of the research will benefit both the customers as it will optimize their online shopping experience on Amazon Italy and it would lead to an increase of customer centricity on the platform. The results will also benefit the marketers as it will give them valuable insights on how to improve the marketing and sales strategies on the ecommerce by introducing the rewarding approach which was found to be missing.

#### 2. Literature review

## 2.1. The online shopping between benefits and drawbacks

The emergence of Internet allowed for creations of a new sales channel, what turned out to be a disruptive change for the way marketing is perceived. It is a platform, through which did not require anymore a physical presence of an outlet, where the consumers would usually go to purchase new items. Online transactions do not need a face to face interaction between a buyer and seller. This led to an establishment of a completely new kind of shopping, called online shopping. Such change had to be followed with a new area of research around this topic, since there are different influential factors and consumer behavior insights linked to the offline and online shopping<sup>1</sup>.

With the growing accessibility of technology, the interest of the customers toward the online shopping has been increasing. The clients tend to choose online over offline buying as it offers them a possibility of purchasing the same products they could buy at a physical outlet, but they do not need to fight crowds anymore. It was also empirically stated, that consumers may find in the Internet the products they unavailable offline anymore, but still accessible at online retailers. This ease of accessing the items is one of the main advantages of online shopping.

Since technology has disrupted both information and communication, the online store is slowly replacing the physical stores and it has created the big phenomenon of electronical commerce, more frequently called 'e-commerce', where consumers can choose which goods to buy from several brands that sell on the web browser. E-commerce has reshaped the way customers do shopping, their behaviors and their journey through the consideration and evaluation of the product<sup>2</sup>.

In the Web, the shopping experience becomes a challenge for both consumers and sellers who face both benefits and drawbacks, but it creates many win-win situations for both demand and supply sides; some of the most significant benefits for the sellers are the followings:

- Easier communication with the customers
- Flexible and interactive channel
- Effective promotion thanks to a larger market

<sup>&</sup>lt;sup>1</sup> Shafiee, M., & Bazargan, N. (2018). Behavioral Customer Loyalty in Online Shopping: The Role of E-Service Quality and E-Recovery. *Journal Of Theoretical And Applied Electronic Commerce Research*, *13*(1), 26-38. doi: 10.4067/s0718-18762018000100103

<sup>&</sup>lt;sup>2</sup> Yichuan, Wang, and Yu Chiahui. 2017. "Social interaction-based consumer decision-making model in social commerce: The role of word of mouth and observational learning." *International Journal Of Information Management* 37, no. 3: 179-189. *Inspec*, EBSCO*host* (accessed May 5, 2018).

- Customer service with more immediate reaction.

As for the benefits for the customers, the followings are the most prominent:

- Time and energy saving
- Price comparison
- Checking the other consumers' reviews
- Choice among several brands and different products<sup>3</sup>.

The consumer decision journey is affected by the factors listed above. All the factors listed above are directly connected to the first two phases of the consumer decision journey which are 'initial consideration' and 'active evaluation'. The benefits of the online shopping are the background with which the consumer decision journey can start. It is crucial to take into consideration not just the benefits of the online shopping but also the drawbacks and the risk that the customers perceive regarding the online shopping experience: these can, in fact, directly influence the beginning of a consumer decision journey process and they change depending on the type of consumer<sup>4</sup>.

Abhigyan Sarkar (2011) investigates the major differences between customers, it discusses the fact that customers obsessed by shopping, usually avoid the shopping online as they do not have a first tactile impression of the product which bring them an uncomfortable situation of uncertainty and risk. Besides the first tactile impression of the product, the customers who assign high values to shopping, they do not have also another element which is crucial to them to achieve the perfect shopping experience: the interaction with the salespeople in the physical shop, which triggers a feeling of excitement in the customer that contribute to the shopping experience and represents a meaningful value for the customer. On the other hand, there are customers who perceive their shopping with higher utilitarian value, these customers prefer the shopping online as it is beneficial for them in terms of saving of costs and time<sup>5</sup>.

The ease of online shopping may even lead to the addiction to this way of buying. People would become so dependent on purchasing on Internet, that they even do not perceive it anymore,

<sup>&</sup>lt;sup>3</sup> Lim, Yi Jin, Abdullah Osman, Shahrul Nizam Salahuddin, Abdul Rahim Romle, and Safizal Abdullah. "Factors Influencing Online Shopping Behavior: The Mediating Role of Purchase Intention." *Procedia Economics and Finance* 35 (2016): 401-10. doi:10.1016/s2212-5671(16)00050-2.

<sup>&</sup>lt;sup>4</sup> Kostyk, Alena, Mihai Niculescu, and James M. Leonhardt. "Less Is More: Online Consumer Ratings Format Affects Purchase Intentions and Processing." *Journal of Consumer Behaviour*16, no. 5 (2017): 434-41. doi:10.1002/cb.1643. <sup>5</sup>Sarkar, Abhigyan. 2011. "Impact of Utilitarian and Hedonic Shopping Values on Individual's Perceived Benefits and Risks in Online Shopping." *International Management Review* 7, no. 1: 58-65. *Business Source Ultimate*, EBSCO*host* (accessed May 7, 2018)

how much they have already purchased. Choosing products online does not make them feel tired like it would be in case of offline shopping. The advantage of online shopping for some buyers may turn out to be a disadvantage, changing the way they perceive the surrounding reality and disrupting their behavior as consumers<sup>6</sup>.

One could assume online shopping is homogenous across the world and that it works in the same way globally, but indeed the way customers perceive it varies among the countries. The study on American, Chinese, German and Singapore's customers stated, that the customers may treat the brands available online. It is rooted in the market maturity, in the very mature American market the clients would see an online brand like any other brand, whereas in China, for example, online brands are perceived different than the offline ones. What follows, also the risk associated to online shopping is spread differently among the customers from various countries. The companies use this awareness to build up their online presence according to the customer (country) profile, which is one of the key success factors in their business<sup>7</sup>. The same refers to the cultural factors, the perception of online shopping varies also among the national cultures. People presenting different cultural background perceive new technologies differently, what also leads to a different perception of online shopping depending on culture<sup>8</sup>.

Online shopping has disrupted the way people do shopping. Technology has allowed the consumers access the products with few clicks on the website without going out of home. This way they can save time and energy and be provided with additional discounts they would not find offline. The ease of buying online may even lead to the addiction to this way of purchasing goods. This disruption impacted the companies, that now need to analyze new consumer journeys and adjust their sales and marketing strategies. According to the identified studies the perception of online shopping also depends from a certain market and national culture. Online shopping is a new area in retail, which required the market players to define a new customer profile, what is one of the main success factors.

<sup>&</sup>lt;sup>6</sup> Keskin, Ayten Doğan, and Selim Günüç. 2017. "Testing Models Regarding Online Shopping Addiction." *Addicta: The Turkish Journal On Addictions* 4, no. 2: 221-242. *Academic Search Complete*, EBSCOhost (accessed May 7, 2018).

<sup>&</sup>lt;sup>7</sup>Clemons, E.K., J. Wilson, C. Matt, T. Hess, Ren Fei, Jin Fujie, and Koh Noi Sian. 2016. "Global differences in online shopping behavior: understanding factors leading to trust." *Journal Of Management Information Systems* 33, no. 4: 1117-1148. *Inspec*, EBSCOhost (accessed May 7, 2018).

<sup>&</sup>lt;sup>8</sup> Ashraf, Abdul R., Thongpapanl Narongsak (Tek), and Auh Seigyoung. 2014. "The Application of the Technology Acceptance Model Under Different Cultural Contexts: The Case of Online Shopping Adoption." *Journal Of International Marketing* 22, no. 3: 68-93. *Business Source Ultimate*, EBSCOhost (accessed May 7, 2018)

#### 2.2. The consumer decision journey

#### 2.2.1. The Purchase Funnel



Figure 1: The Purchase Funnel by Lewis Cundari, A. (From Funnel to the Journey: The New Customer Purchase Journey. Customer-Centric Marketing, 2015, 45-56. doi:10.1002/9781119154785.ch04.)

The purchase funnel is a marketing model developed in 1898 by Elias St. Elmo Lewis, an American advertising advocate who studied and helped creating the basis of advertising and marketing. The idea of the purchase funnel model started arising from the necessity to trace the consumer journey from the awareness moment to the purchase of the product, in order to understand better where, when and how to reach consumers more efficiently<sup>9</sup>. The idea of the Purchase Funnel was born with the same logic: to achieve the sale, the customer has to follow the same steps to the purchase. The steps, in the case of the Purchase Funnel, do not take into consideration neither the person nor the product or other factors. In the model by Lewis, the customer follows four main steps:

- 1) Awareness: the consumer is aware of the existence of a product or brand
- 2) Interest: the consumer is interested in the product
- 3) Desire: the consume starts thinking about the product he/she wants to purchase and its characteristics which more attracts his/her attention
- 4) Action: the consumer checks the price, it is a reasonable price, so he/she goes at the cashier and he/she buy it<sup>10</sup>.

<sup>&</sup>lt;sup>9</sup> Edelman, David C. "Branding in The Digital Age." *Harvard Business Review* 88, no. 12 (December 2010): 62-69. *Business Source Ultimate*, EBSCO*host*(accessed April 14, 2018).

<sup>&</sup>lt;sup>10</sup> Dierks, Alexander. "Chapter B: From the Traditional to a More Nuanced Brand Purchase Funnel. *Re-Modeling the Brand Purchase Funnel*, 2017, 37-198. doi:10.1007/978-3-658-17822-2\_2.

For dozens of years companies were using this traditional approaching coming up with marketing and sales strategies with the use of the Purchase Funnel. The emergence of Internet and digital technologies disrupted also this area. Thanks to the new technological solutions the companies got access to new tools to reach the customers at any step of the funnel. The companies need to start understating their customer profiles and on the way to the purchase they need to provide the clients searching online certain touchpoints, that will potentially lead to the purchasing decision. Such customer-centric approach allowed by the use of Internet reshaped the way companies use different online media for advertising and create the kind of path for the customers to trigger their purchasing intentions. The companies now need to go beyond the traditional Purchase Funnel when addressing their customers. This model started becoming old-fashioned, since the importance of new technological factors were not taken into consideration<sup>11</sup>.

What also needs to be pointed out is that according to the Purchase Funnel the purchasing process is linear, what is not the case in the era of online shopping. Thanks to the technology offered, the customers can skip some stages of the funnel, jump between them, or even come back to the ones skipped before. With only one click the potential customers can move through the stages from awareness to purchase within just a few seconds. The word-of-mouth is also spread much quicker thanks to the social media. That makes the Purchase Funnel a model, which is easy to understand but oversimplifies and hardly applicable in the time of e-commerce, when the buying process has a rather circular characteristic 12.

Due to the arguments above the Purchase Funnel of Lewis has undergone deep transformations which added more and more details by following the researches and analysis improved and optimized in the years. After many modifications in the years, the funnel was radically modified by McKinsey&Company in 2009 who created a new customer decision experience with more parameters: the model of Consumer Decision Journey was created <sup>13</sup>.

The Purchase Funnel for many years has been an underlying model helping the marketers and sellers better understand the path the customer go through on the way to the purchasing decision. It used to be a crucial theory for dozens of years. Nevertheless, with the emergence of new technologies

<sup>&</sup>lt;sup>11</sup> Gertz Oliver and Deidre McGlashan 2016. "Programming the purchase funnel." *Journal Of Brand Strategy* 5, no. 3: 275-281. *Business Source Ultimate*, EBSCO*host* (accessed May 7, 2018).

<sup>&</sup>lt;sup>12</sup> Bonchek, Mark, and Cara France. 2014. "Marketing Can No Longer Rely on the Funnel." *Harvard Business Review Digital Articles* 2-4. *Business Source Ultimate*, EBSCOhost (accessed May 7, 2018)

<sup>13</sup> Ibid.

this model has certain limitations, which made it not fully applicable to the realities of the online shopping. Purchasing decision is reached through the phases of awareness, interest, desire and action, but the process can no longer be described as a linear one. This is why, based on this model a new one was established in 2009, which aimed to explain the way to purchasing decision with a circular approach called Consumer Decision Journey.

#### 2.2.2. The Consumer Decision Journey and its phases

The traditional consumer decision journey, elaborated by McKinsey in 2009, is circular process where one phase influences the other. The model was created in order to follow the latest technologies and the success of the ecommerce which created a new shopping experience for the consumer. The consumers are nowadays more empowered by the technologies and the knowledge derived from Internet sources and it is always under the exposure of numerous triggers and touch points which influence him/her in his/her decision, purchase and re-purchase. Having a wide range of products presented to the consumer everyday by different sources, brings the consumer follow a continue process of adding and subtracting brands and among this process, companies are always trying to conquer the final purchase decision or even the chance to be among the added and subtracted brands in consumer's mind<sup>14</sup>.

The model of Consumer Decision Journey started being used by the companies to optimize the customer relationships and increase the profits at the end of the process. The digitalized online environment allowed the market players better utilize their marketing potential and come closer to the customer. As it was stated above, the process cannot be explained anymore as linear, the understanding of the Consumer Decision Journey allowed the companies to design the touchpoints for the customers, so that he or she can continuously be guided by them to reach the purchasing decision<sup>15</sup>.

As it is described in Figure 7, the model is made of four main parameters:

1) Initial Consideration set: after the trigger phase, when the consumer is under an ongoing exposure where he/she hears, sees brands, the consumer starts his/her decision journey with

<sup>&</sup>lt;sup>14</sup> Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. (2009). "The consumer decision journey." Mckinsey Quarterly no. 3: 96-107. *Business Source Ultimate*, EBSCO*host* (accessed March 29, 2018).

<sup>&</sup>lt;sup>15</sup> Röhrl, Thomas. 2017. "Digitalisierung der Customer Journey bei Banken und Sparkassen-Herausforderungen und Potenziale." *BIT: Banking & Information Technology* 18, no. 3: 35-44. *Business Source Ultimate*, EBSCO*host* (accessed May 7, 2018).

aver narrow number of brands in their minds and this happens for several reasons, one is the life which can be busy and not giving the consumer space for document himself/herself with the different brand of the industry. The momentum when the consumer pass to the other parameter is when they are sure that they want to buy a product from that industry, regardless of the brand.

- 2) Active Evaluation: the number of brands the consumer is considering increases and the consumer wants to purchase and he/she is actively searching the product. The actions that describe active evaluation in real life is going on the internet, e-commerce, being focus to ads on TV
- 3) Moment of Purchase: it is seen as the moment of closure as the consumer is making its purchase, but it is also a critical moment as the consumer may not have made yet his/her decision regarding the brand or product to purchase - the consumer can even make this decision in the store.
- 4) Post-purchase experience: it is the last phase and it is based on the core parameter of Loyalty. There are, as the research from McKinsey tells, two different kind of Loyalties. Active Loyalty is represented by the landscape where consumers do not consider other brands when they are in the re-purchase phase; and the other type of Loyalty is Passive Loyalty which happens when customers are willing to re-purchase the same brand but, at the same time, they are also open or sometimes even more in favor of purchasing another brand during the active evaluation phase<sup>16</sup>.

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<sup>&</sup>lt;sup>16</sup> Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. *Op. cit*.

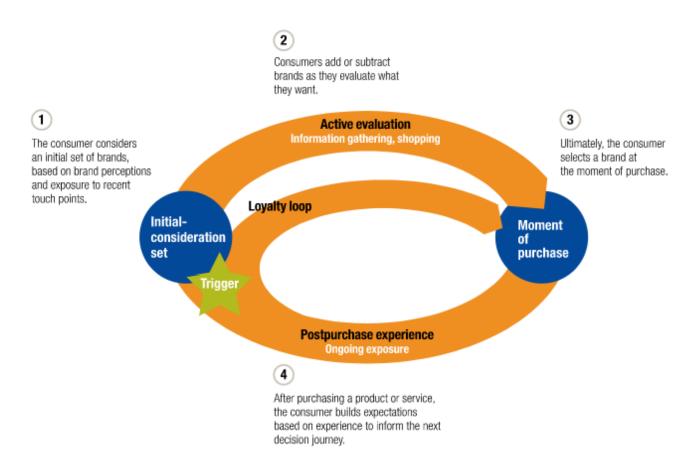


Figure 2 The consumer decision journey (Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. (2009). "The consumer decision journey." Mckinsey Quarterly no. 3: 96-107. Business Source Ultimate, EBSCOhost; accessed March 29, 2018).

Over time the understanding of customer experience and Consumer Decision Journey became a crucial success factors operating in the online environment. The interaction of the companies with their customers through various touchpoints made the customer experience more social, when it comes to its nature. The awareness of the client's profile is critical here. With the model provided by McKinsey the marketers and, generally, the organizations got a tool to map the customer experience on the way to the purchasing decision<sup>17</sup>.

The emergence of Consumer Decision Journey allowed for a better understanding of the customer experience with regard to the purchasing decision making. The four phases distinguished by McKinsey describe the way customers can be triggered by the companies to take a buying call. The client path is circular in nature over the phases of initial consideration, active evaluation, moment of

<sup>&</sup>lt;sup>17</sup>Lemon, Katherine N., and Peter C. Verhoef. "Understanding Customer Experience Throughout the Customer Journey." *Journal Of Marketing* 80, no. 6 (November 2016): 69-96. *Business Source Ultimate*, EBSCO*host* (accessed May 7, 2018)

purchase and post-purchase experience, what then can lead to the customer loyalty. The customer is always exposed to the touchpoints generated by the companies.

# 2.2.3. Importance of understanding the Consumer Decision Journey

The purchase funnel has been created in other marketing environment, when certain technologies did not exist; with the evolution of the technologies and the beginning of the shopping online, the purchase funnel started being no more a feasible marketing model. The consumer decision journey has been developed by McKinsey in order to follow the latest technologies and to follow a new concept of consumers who are empowered by the knowledge to which they have access on Internet. With such a huge consumer empowerment, the purchase funnel became a model that started lacking in many characteristics. The main difference between the Purchase Funnel and the consumer decision journey that in the purchase funnel, the consumer starts with a wide range of brands in his/her mind and he/she gradually narrow them to the final decision of the purchase; in the consumer decision journey, the process is not gradually but mutable and flexible: in the consumer decision journey, in fact, the consumer starts, in the initial consideration phase already with a narrow number of brands or specific products which has already narrowed in the trigger phase<sup>18</sup>.

As stated above, the model of Consumer Decision Journey led to a creation of an additional tool for the companies to analyze the customer experience on the way to the purchasing decision, which is customer journey mapping. The companies can simply visualize the touchpoints, which become triggers for the clients during the whole purchasing process. At all stages of the journey the companies can observe, what are the directions the company needs to follow to perfectly respond to the customer's needs, so that it leads to the purchasing decisions. This way it can be concluded, that the Consumer Decision Journey can be treated as an innovation-boosting tool. With the analysis of the journey the organization can come up with new service solutions for the customers and provide them with cutting-edge solution not necessarily linked to the products sold themselves<sup>19</sup>.

The model became a foundation for the researchers to define, how the customers, who are first unaware of a certain brand, then become truly loyal to its products or services. At all the stages of the Consumer Decision Journey a company can create an environment for the customers, in which their

<sup>&</sup>lt;sup>18</sup> Bettman, James R., Mary Frances Luce, and John W. Payne. "Consumer Decision Making." *Handbook of Consumer Psychology*. doi:10.4324/9780203809570.ch23.

<sup>&</sup>lt;sup>19</sup> Rosenbaum, M.S., M. Losada Otalora, and G. Contreras Rami´rez. 2017. "How to create a realistic customer journey map." *Business Horizons* 60, no. 1: 143-150. *Inspec*, EBSCO*host* (accessed May 7, 2018).

experience can continuously get improved. Nevertheless, there are certain areas of the journey, that an organization cannot influence directly, since a positive perception of a customer toward a brand can already be created in his or her childhood. A positive association of the brand increases then the readiness of such clients to take a concluding purchasing decision<sup>20</sup>.

The researchers agree, that the understanding of the Consumer Decision Journey is crucial for the success of a particular brand in the online environment. It allows companies to adjust their marketing and sales strategies online in the way, which can boost their performance with regard to the improvement of customer experience. Then this leads to a potential increase of sales and profits. From the perspective of this paper, what needs to be pointed out is that the journey is perceived by the researcher in a holistic way as a process in which the customers simply find out about the certain product and they buy it, skipping the other stages of the journey<sup>21</sup>.

There is an interesting distinction observed, analyzing the available literature. On the one hand the Consumer Decision Journey is presented as a very important tool companies can use to better respond to the customers' expectations, but on the other hand very little attention is put to the particular stages of the journey, in particularly to the initial consideration (which has been partially studied) and active evaluation. The journey is perceived holistically as a whole process without distinguishing the influence of particular phases. The companies are aware of importance of understanding the Consumer Decision Journey for their success, but it is questionable if they know the impact of single stage of it.

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<sup>&</sup>lt;sup>20</sup> Riivits-Arkonsuo, Iivi, Kristel Kaljund, and Anu Leppiman. 2014. "Consumer Journey from First Experience to Brand Evangelism." *Research In Economics & Business: Central & Eastern Europe* 6, no. 1: 5-28. *Business Source Ultimate*, EBSCO*host*(accessed May 7, 2018).

<sup>&</sup>lt;sup>21</sup> van der Veen, Gerrita, and Robert van Ossenbruggen. 2015. "Mapping Out the Customer's Journey: Customer Search Strategy as a Basis for Channel Management." *Journal Of Marketing Channels* 22, no. 3: 202. *MasterFILE Premier*, EBSCO*host* (accessed May 7, 2018).

# 2.2.4. Factors which influence the decision of the online customers in the consumer decision journey

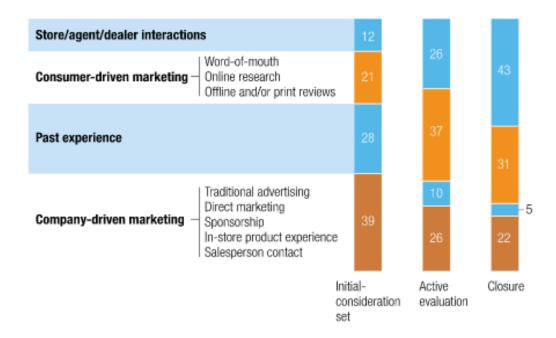


Figure 3 Most Influencial momenta by phases of the consumer decision journey % effectiveness (Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. (2009). The consumer decision journey." Mckinsey Quarterly no. 3: 96-107. Business Source Ultimate, EBSCOhost; Accessed March 29, 2018)

The factors which influence the most each different phase of the consumer decision journey (see Figure 8), are strongly linked to interaction that the consumer has with the external entity which can be: the store/agent/dealer interactions, the consumer himself/herself with the consumer-driven marketing, the past experience with unknown external entity and the company-driven marketing with the company as external player<sup>22</sup>.

As it is illustrated in the graph (see Figure 8), in the Initial Consideration phase, Company-driven marketing represents the most influential factor; in the Active evaluation phase, Consumer-driven marketing is the most influential factor and in the Closure phase, Store/agent/dealer interactions is the most influential factor. To sum up, we can say that the consumer begins his journey being influenced by traditional advertising, direct marketing, sponsorship, in-store product experience and salesperson contact; the consumer evaluates the product or brand while being influenced in his/her decisions by factors as word of mouth, online research and offline and/or print reviews; the consumer

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<sup>&</sup>lt;sup>22</sup> Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. Op.cit.

ends his decision journey with the purchase moment while being influenced by store, agent and dealer interactions<sup>23</sup>.

The goal that Marketing always wanted to achieve is to influence the consumer when they are in the process of decision. The strategy that Marketing follows is to reach the consumers when they are still open and ready to change idea and be influenced by the Marketing strategies implemented and directly targeted to them in their decision moment. The core moments of the purchase journey of the consumer have been described for many years by the Purchase Funnel which was illustrating the steps of the decision process of the consumer in a simple and fast way: by describing the consumer at the beginning of the funnel, when he/she has many brands in his/her mind and then, by proceeding through the funnel, re-directing him/her methodically with marketing strategies and led him/her to only one brand<sup>24</sup>.

The weak points of the Purchase Funnel structure nowadays is that it cannot anymore catch the consumer's momenta in the funnel because of the product choice which has increased rapidly thanks to the digital channel and, at the same time, the increased empowerment of the consumer has produced much knowledge towards the products and brands which even harder for the marketers to influence consumers in their decisions and making the marketing efforts even more productive. These reasons led McKinsey&Company to create a more complicated and less linear funnel: the consumer decision journey<sup>25</sup>.

McKinsey developed this new approach in 2009 by conducting a research in which they analyzed the purchase decisions of 20000 consumers in three continents and for five industries and the goal was to understand how to position the brand in 'pole position' in the phase 'Consideration' of the consumers, in order to have better chance to be chosen by the consumer at the end of the journey. One of the core concept of consumer decision making process that underwent a big transformation is the one-way communication process, Marketers – Consumers, which is now a two-way communication process: Marketers - Consumer - Word of Mouth. The fact that an element has been added to the process has made everything more complicated for the marketers that now have to control not only the customers themselves but also all the other customers who remain for more time in their

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<sup>&</sup>lt;sup>23</sup> Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. *Op.cit*.

 <sup>&</sup>lt;sup>24</sup> Jannach, D., Zanker, M., Felfernig, A., & Friedrich, G. (2010). Online consumer decision making. In *Recommender Systems: An Introduction* (pp. 234-252). Cambridge: Cambridge University Press. doi:10.1017/CBO9780511763113.012
 <sup>25</sup> Vázquez, Silvia, Óscar Muñoz-García, Inés Campanella, Marc Poch, Beatriz Fisas, Nuria Bel, and Gloria Andreu. "A Classification of User-generated Content into Consumer Decision Journey Stages." *Neural Networks*58 (2014): 68-81. doi:10.1016/j.neunet.2014.05.026.

role of customers by leaving their 'footprint' through feedback and reviews and by influencing them in their decision process. The marketers need now to respond to the influence that it is no more analyzed and implemented by themselves but from other entities: the risk for the marketers is very high as they are not in control of the opinions of all the customers, that is the reason why, nowadays, marketers need to control as much as they can the word of mouth to avoid any possible risk. Marketers have now the important and difficult task of understanding the momentum and reach the consumers in the right moments. When it comes to e-commerce website, the categorization of products clearly revolutionized the consumer evaluation phase of consumer decision making process as it divides and compartmentalizes the set of decision of the consumer who, at the end, chooses one category in the active evaluation phase<sup>26</sup>.

While consumer decision journey continues its expansion, marketers need to continuously adjust the marketing strategy in order to follow the consumer in the consumer decision journey loop and always find the best marketing strategy that fits the correspondent touch point of the pre-purchase phases. The researchers from McKinsey choose and analyze four activities that may help the marketers:

- 1) Make a priority of spending and objectives: focus more on the initial phases of Consideration and Evaluation rather than directly to last phases of Loyalty. Do not focus much on brand positioning but more on involvement of the consumers, packaging investments or activities in store to target the consumer when he/she is purchasing
- 2) Messaging focused on each weaknesses of the phases: no more on one messaging for the whole process
- 3) Make investments in marketing driven by customers
- 4) Strategy focus on the in-store: interaction with salesmen, product placement and packaging are factors to invest on as the visual elements drive the purchase more than any other factor, it boosts the initial consideration phase.

The consumer decision journey became a core part of Marketing in the new digitalized world and it radically changed the marketing strategies implemented in the consumer's purchase experience<sup>27</sup>.

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<sup>&</sup>lt;sup>26</sup> Silverman, George. 2001. The Secrets of Word-of-mouth Marketing: How to Trigger Exponential Sales Through Runaway Word of Mouth. New York: AMACOM, 2001. *eBook Collection*, EBSCO*host* (accessed May 7, 2018).

<sup>&</sup>lt;sup>27</sup> Court, David, Dave Elzinga, Susan Mulder, and Ole Jørgen Vetvik. *Op.cit*.

The influential factors on the consumer decision making are known to the researchers and professionals, the distinction from phase to phase within the Consumer Decision Journey has also been done, but the sources are very limited. Again, much importance is put by the professionals to the way the journey impacts sales performance, but the topic has not been widely studied with respect to particular stages of the process.

## 2.3. Defining the Online Customer and the Online Purchase Intention

The definition of the 'online customer' which is the main character in the consumer decision journey, described in the recent paper by Ezgi Akar and V. Aslihan Nasir (2015), analyzes how 'online customers' are affected by diversified factors comparing to the traditional customers and they also have different purchase habits comparing to them: these two categories of customers are a unique result of the new digital era which has re-shaped and re-defined the studies on consumer behavior and marketing. The online customer when is in the process of doing shopping online, in order to feel more confident and comfortable with his/her decision online, he/she builds a relationship of trust towards the website, vendor or e-commerce from which he/she is purchasing. Several researches have shown that lack of trust from the customer's side represents a big minus for the online purchase intention. Consumer's online are, most of the time, very unpredictable and behaviors often vary depending on the context and the information to which the person has most access to, for example, if the online customer is aware of a lack of security in a certain website, even if it is not his/her most chosen e-retailer, he/she will face a weighty decrease on his/her online purchases as a consequence of lack of trust towards his/her privacy or security issues in buying online<sup>28</sup>.

On the other side, it has been proven by the research of Boyle and Ruppel (2006) that, if the online customer has a personality which has as a core of it, a high percentage of innovativeness, in this case the purchases online will happen more often because the customer is open to new customers experiences online and does not have a high perception of the possible risks that online shopping can bring<sup>29</sup>.

<sup>&</sup>lt;sup>28</sup> Akar, Ezgi, and V. Aslihan Nasir. "A Review of Literature on Consumers Online Purchase Intentions." *Journal of Customer Behaviour* 14, no. 3 (2015): 215-33.

<sup>&</sup>lt;sup>29</sup> Boyle, R., & Ruppel, C. (2006). The Effects of Personal Innovativeness, Perceived Risk, and Computer Self-Efficacy on Online Purchasing Intent. *Journal of International Technology and Information Management*, 15(2), 61-73

Another crucial element which defines the online customer and has a strong consequence on the online purchase intentions are several demographic variables, among them the most significant are the followings:

- Gender
- Age
- Culture
- Education
- Income
- Level of internet usage<sup>30</sup>.

Education is an interesting variable when it is analyzed as a core variable which has strong impact on the purchase intensions of the online customer: Girard and Silverblatt (2003) provide evidence that more educated people are the one that purchase more online<sup>31</sup>.

To describe the online customer profile, the research and analysis has to be focus also on the shopping intentions which characterize the profile of the customer in the context of his/her purchase intentions. Ling et al. (2010) work suggested that online customers employ two different criteria for the purchase online: quality and brand orientation. When the customer browse the e-commerce website he/she is aware of the brand he/she is looking for, and the quality he/she wants to have from the product; both the factors 'quality' and 'brand' are considered as two linked elements from the customer who has developed a high level of brand awareness and brand consideration and it with quality connects the brand the of the product, especially popular e-commerce website where quality brands are sponsored and highlighted comparing to the others. Other studies have shown several and diversified results, among them, the following have been considered as the most valuable for this research:

- Consumers who purchase more online are the one that are more sensitive to the price
- Consumer who have a strong loyalty and preference to website purchase more online
- Consumer who spend more time on the Internet are in the habit of spending more<sup>32</sup>.

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<sup>&</sup>lt;sup>30</sup> Akar and Nasir (2015), op. cit.

<sup>&</sup>lt;sup>31</sup> Girard, T., & Silverblatt, R. (2003). Relationship of Type of Product, Shopping Orientations, and Demographics with Preference for Shopping on the Internet. *Journal of Business and Psychology*, 18(1), 101-120.

<sup>&</sup>lt;sup>32</sup> Ling, K., Chai, L., & Piew, T. (2010). The Effects of Shopping Orientations, Online Trust and Prior Online Purchase Experience toward Customers' Online Purchase Intention. *International Business Research*, *3*(3), 63-76.

The online purchase intention needs to be seen as a map in order to understand the variables that influence and affect it (see Figure 1).

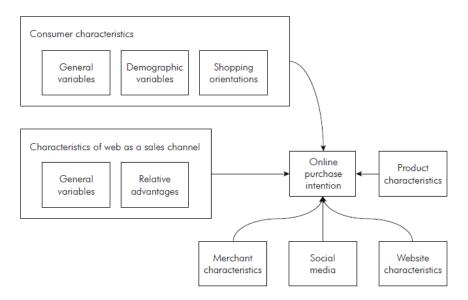


Figure 4: The Online Purchase Intention Map (Chang, M., Cheung, W., & Lai, V. (2005). Literature derived reference models for the adoption of online shopping. Information and Management, 42(2005), 543-559.)

The process as it is shown in Figure 1, starts from the 'Online purchase intention' which is the starting point for all the other levels which rely completely to the 'Online purchase intention'. The set 'Consumer characteristics' refers to the 'Online purchase intention' and it includes three different subsets:

- 1) General variables: emotions, involvement, behavioral control, risk, price and other factors
- 2) Demographic variables: age, gender, culture, education, level of internet usage, income
- 3) Shopping orientations: brand, quality, impulsiveness, recreational shopping, convenience, entertaining orientation and variety seeking.

The subsets listed above, represent the consumer characteristics as a whole and, in this specific context, they represent the online consumer characteristics<sup>33</sup>. No connection in Figure 1 has been made by author between 'Consumer characteristics' and 'Characteristics of web as a sales channel' but it is clear that the connection between the two is very important in order to assess the consumer behavior online in his/her environment. Even if the two elements 'Consumer characteristics' and 'Characteristics of web as a sales channel' are not directly connected in the scheme, they are both

<sup>&</sup>lt;sup>33</sup> Kim, Donghyun, and Anthony P. Ammeter. 2018. "Shifts in Online Consumer Behavior: A Preliminary Investigation of the Net Generation." *Journal Of Theoretical & Applied Electronic Commerce Research* 13, no. 1: 1-25. *Business Source Ultimate*, EBSCOhost (accessed May 7, 2018).

strictly linked and dependent on the 'Online purchase intention' which plays a major role at the beginning of the experience of the customer in the sales channel 'Web' and particularly in the chosen e-commerce platform. The second set 'Characteristics of Web as a sales channel' comprehends two subsets:

- 1) General variables: value of service and quality of service, online advertisements (as they have a strong effect on the purchase intentions), online word of mouth, delivery and payment issues, online reviews.
- 2) Relative advantages: wide choice of products and less difficult and faster to find them, more convenient also in terms of price as there are discounts or flash sales more often compared to the physical stores<sup>34</sup>.

The other three sets that contribute to influence and shape the 'Online purchase intention' are: 'Merchant characteristics', 'Social media' and 'Website characteristics'. Social media will not be taken into consideration in this specific research, the element of analysis and interest in this research is the Web platform with particular interest into the Website as e-commerce platform. As for the 'Merchant characteristics', brand reputation is considered to be the most significant of the merchant or vendor characteristics but also reputation covers an important role in the merchant characteristics that trigger the online purchase intention. In the core of the 'Website characteristics' there are: the atmosphere of the website, layout, information quality, easy interface, functionalities and dimensions<sup>35</sup>.

The final set which links to the 'Online purchase intention' is 'Product characteristics' which have been studied to be: price, variety, guarantee, product tangibility, product assortment and product type. Understanding what needs to be distinguished in the area of product characteristics and its impact on online purchase intention is crucial in the product design process, so that it responds to the customers' expectations in the best way possible<sup>36</sup>.

The 'Online purchase intention' defines the online customer in its entirety as it combines several factors that describe its role online and each one of his/her action while he/she is browsing

<sup>&</sup>lt;sup>34</sup> Adnan, H. (2014). "An Analysis of the Factors Affecting Online Purchasing Behavior of Pakistani Consumers." *International Journal of Marketing Studies*, 6(5), 133-148. doi: 10.5539/ijms.v6n5p13

<sup>&</sup>lt;sup>35</sup> Wu, Wann-Yih, Chia-Ling Lee, Chen-Su Fu, and Hong-Chun Wang. "How Can Online Store Layout Design and Atmosphere Influence Consumer Shopping Intention on a Website?" *International Journal of Retail & Distribution Management* 42, no. 1 (2013): 4-24. doi:10.1108/ijrdm-01-2013-0035.

<sup>&</sup>lt;sup>36</sup> Koo, D., Kim, J., & Lee, H. (2008). Personal values as underlying motives of shopping online. *Asia Pacific Journal of Marketing*, 20(2), 156-173. doi: 10.1108/13555850810864533

and purchasing online: a comprehensive framework. The understanding of the different profiles of the online customers depending on several named factors will be crucial from the perspective of this paper helping design a proper study approach.

#### 2.4. The "new" consumer decision journey

The traditional consumer decision journey elaborated by McKinsey in 2009, has been reworked by McKinsey itself in 2015, when they released a new consumer decision model adapted to the new more advanced digitalized world. The core principle of the new consumer decision journey is to accelerate the winning of the Loyalty element of the consumer decision journey. In the new consumer decision journey model, the immediate result that wants to be obtained is to gain the loyalty of the consumers as fastest as possible, and the suggestion to do this is to compress or eliminate the two parameters 'Initial consideration' and 'Active evaluation' in order to have the competitive advantage (see Figure 5)<sup>37</sup>.

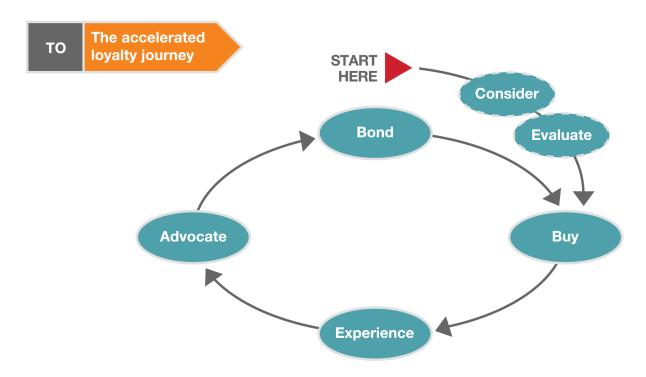


Figure 5 The new consumer decision journey (Edelman, David, and Marc Singer. "The New Consumer Decision Journey." McKinsey & Company. Accessed April 20, 2018. https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-new-consumer-decision-journey.)

<sup>&</sup>lt;sup>37</sup> Edelman, David, and Marc Singer. "The New Consumer Decision Journey." McKinsey & Company. Accessed April 20, 2018. https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-new-consumer-decision-journey.

Basing on the theory of the new consumer decision journey mode, by compressing the initial consideration and active evaluation phases, the brand obtains quicker the consumer loyalty and, as a consequence, the consumer's re-purchase. Other recent studies from 2015 to 2017, have criticized the new consumer decision journey because it emphasizes, in the opinion of the authors, the factor of the customer's loyalty which is no more the core goal of the new digitalized marketing strategies<sup>38</sup>.

Loyalty does not have the same effect anymore as in the past because of one main reason: the consumers are always under a constant bombarding of information and advertisements coming from the brands, they see many products and brands advertised every day and they believe they almost feel themselves obliged to try different brands and products. The loyalty factor is now slowly replaced by Brand Advocacy and Brand Bonding: both two factors are a significant symbol of the critics to the new consumer decision journey which is criticized because it does not fully represent the emotional connection that the consumer build with the brands rather than a rational connection which happens left often with the nowadays world of the reviews online<sup>39</sup>.

The emergence of the, so called, new consumer journey added new point to the discussion on the way consumers take purchasing decision and what leads to it. It is a very simplified picture putting the initial consideration and evaluation into background stating that generating loyalty is crucial in the process. Due to the oversimplification the new theory did not gain much popularity among the researchers of the field. From the perspective of the paper it is worth pointing out that the theory, which underemphasizes the two first stages of the classical Consumer Decision Journey has not gained attention so far, what may mean that the initial consideration and evaluation are still considered as very important parts of the journey and require a further investigation.

# 2.5. Summary

# 2.5.1. Research gaps

The literature review was not only done to introduce the theory of Consumer Decision Journey, but also to define the potential for a research in the paper. First the online shopping as a relatively new area of sales was introduced. The Internet and digital technologies have revolutionized the way

<sup>&</sup>lt;sup>38</sup> "Ten Years on the Consumer Decision Journey: Where Are We Today?" McKinsey & Company. November 17, 2017. Accessed April 20, 2018. https://www.mckinsey.com/about-us/new-at-mckinsey-blog/ten-years-on-the-consumer-decision-journey-where-are-we-today.

<sup>&</sup>lt;sup>39</sup> Gupta, Prachi, Seema Laddha, and Shagun Singh. 2017. "Brand Advocacy and Brand Bonding: New Parameters in Consumer Purchase Decision Journey in the Digital World." *SIES Journal Of Management* 13, no. 1: 89-100. *Business Source Ultimate*, EBSCO*host* (accessed April 20, 2018).

customers purchase goods and services. Now they can save their time and energy and buy almost anything they want online without going out of home. It created not only new opportunities for the companies to reach out to more clients, but also challenges the organizations need to face to stay successful on the market. The perception of online shopping varies among countries and cultures. Adding various other factors like gender, age, etc. the organizations need to come up with new consumer profiles they want to reach out to and new ways how to respond to their expectations in the best way possible. Such a broad scope of factors influencing the consumer profile of online buyers is relevant to understand for the following parts of this paper.

The model of Purchase Funnel was presented to introduce the underlying theory for the Consumer Decision Journey. It was stated, that the older model, which is linear in nature is not applicable anymore in the era of digital technologies and online shopping. This is why the model of Consumer Decision Journey was developed by the consultancy McKinsey in order to visualize the customer's way to the purchase as a circular process.

The Consumer Decision Journey consists of four phases: initial consideration, active evaluation, purchase and post-purchase experience. Thanks to the model the organizations have a tool to design the touchpoints for the customers to improve their shopping experience and perception of brand. The influential factors on each stage of the journey were studied, although there is a very limited number of sources describing it. What is more, it has been observed, that the consumer decision journey is treated in the available studies in a holistic way. The distinction of the stages in a journey was either not investigated at all or only the beginning and the end of the journey (orientation and purchase) were studied with regard to their impact on the customer purchasing decisions.

From the perspective of this paper, the profile of online customer was also defined. It varies among several factors like gender, age, culture, education, income and level of Internet usage. The consumers also differ in terms of brand loyalty, sensitivity to price and readiness to spend different amount of time online on shopping. All these factors (variables) impact the way customers react to the touchpoints designed by the companies at each stage of the journey, although the particular impacts in each phase have not been studied yet. Different customer profiles were investigated with regard to the purchasing decisions, but not regarding the stages of initial consideration and active evaluation.

What was observed through the literature review is that there are limited number of studies on the Consumer Decision Journey. Although it needs to me mentioned, that the available studies around the journey are mostly oriented around the purchasing decision itself without the emphasis on the initial consideration and active evaluation, despite the fact, that they are still integral parts of the model. Based on such conclusions the following research gaps for the paper have been defined:

- 1) The influence of the initial consideration on the Consumer Decision Journey
- 2) The influence of the active evaluation on the Consumer Decision Journey
- 3) Ways to optimize the customer experience in the stages of initial consideration and active evaluation

A study responding to the defined research gaps would contribute not only to the research itself but it would also provide the organizations with unique findings on optimizing the customer experience through the two phases of initial consideration and active evaluation. Such study on the two phases may reveal a hidden potential, which has not been widely investigated yet and contribute to the way organizations design the touchpoints for the customers, what follows to another customer experience.

#### 2.5.2. Research problem and questions

There is a need to investigate more deeply the role of the two phases of the consumer decision journey 'Initial Consideration' and 'Active Evaluation 'within the consumer decision cycle in the landscape of online shopping in order to optimize the experience of the shopping online for the consumers and, at the same time, to provide the marketers insights to know what to improve in the online shopping experience. Not analyzing deeply, the two phases 'Initial Consideration' and 'Active Evaluation, may led to serious complications that may occur to the other phases of the consumer decision journey which could affect the purchase decision, loyalty or re-purchase of the customer.

RQ1: What is the influence of the two phases 'initial consideration' and 'active evaluation' on the consumer decision journey?

RQ2: How to optimize the consumer decision journey through the improvement of the two phases 'initial consideration' and 'active evaluation'?

# 2.5.3. Managerial Relevance of the topic

The study will provide the organizations with insights on the two phases of the consumer decision journey that are worth to analyze in order to increase their performance with regard to a better customer experience. Initial consideration and active evaluation are the phases, which potential for

improving the experience of buyers has not been widely studied yet. The results of this paper will help the organizations design the consumer journeys in the online shopping.

The research will help all the Marketing Managers and Marketing Experts to get insights from these two stages of the Consumer Decision Journey and through these they will be able to properly adjust their marketing and sales strategies to better shape the customer experience. What is more, the study will create the awareness of the managers about the existence of potential, which is hidden in the initial consideration and active evaluation, thanks to the uniqueness of the study, since it does not correspond to any study available.

Additionally, the study in a company-specific context may also create a benchmark for managers of other organizations in terms of the strategy design. It can be used as a very good reference points regarding planning of the future activities. The organizations will be able to use this paper as a set of recommendations, when creating a roadmap for online marketing and sales.

#### 3. Methodology

# 3.1. Qualitative and Exploratory Research Design

Exploratory qualitative research has been selected as the approach to follow for one main reason: to explore possible gaps of the two phases 'initial consideration' and 'active evaluation' of the consumer decision journey. The literature review will be supported by an exploratory research strategy with the focus on consumer profiles. The consumer profiles will be moved in the reality of the consumer decision journey on the Amazon Italy ecommerce with the focus on two specific parameters of the consumer decision journey process which are initial consideration and active evaluation<sup>40</sup>. The choice of Italy is dictated by the fact that Italy is one of the fastest growing ecommerce market in Europe<sup>41</sup>. The choice of the case study of Amazon Italy is dictated by the fact that Amazon is the most used ecommerce in Italy<sup>42</sup>.

The aim of the research is to follow the consumer decision journey online of six customers of Amazon Italy on the platform to be able to answer to a specific question: what are the steps of the customers in the phases 'initial consideration' and 'active evaluation' on Amazon Italy and what can be optimized in these two phases to offer a better experience to the customers of the platform and also to bring results for the company? It is important to highlight that, in order to have better results for the research, although the two parameters 'initial consideration' and 'active evaluation' will be deeply analyzed, the other parameters of the consumer decision journey will also be studied in order to complete the process and achieve the goals of the research. I decided to focus on the parameters 'Consider and 'Evaluate' because these two phases interest the consumers the most, as supported by the literature review: I specifically wanted this research to be consumer-centric and not to consider just the benefits for the company. The consumer decision journey is typically implied by the companies to obtain customer loyalty but before this parameter it is crucial to analyze what the consumer consider and evaluate before making a purchase and entering the flow of purchase, repurchase and loyalty.

Walle, Alf H. 2015. *Qualitative Research in Business: A Practical Overview*. Newcastle upon Tyne, United Kingdom: Cambridge Scholars Publishing, 2015: 26-49. *eBook Collection (EBSCOhost)*, EBSCOhost (accessed February 28, 2018).
 "The fastest-growing ecommerce markets in Europe." *Ecommerce News Europe*. November 2, 2017. https://ecommercenews.eu/fastest-growing-ecommerce-markets-europe/

<sup>&</sup>lt;sup>42</sup> "E-commerce Ranking 2017: La Classifica Dei Big Dello Shopping Online." *NEXTRE Engineering*. Accessed April 18, 2018. https://www.nextre.it/e-commerce-ranking-2017/.

Qualitative approach has been selected as the best one to understand and try to answer to certain issues that are not directly linked to numbers or correlation, which describes the nature of this topic. Through qualitative research, I will have the possibility to look at the problem from the perspective of the customers and to look for culturally significant information about behaviors, beliefs, social context, emotions and opinions of my sample. The reason why I did not choose quantitative research is because I did not want to analyze the hypothesis over a phenomenon, instead I wanted to analyze the phenomenon itself.

The qualitative method of research allows more flexibility in terms of interaction with the customers who will be through interview with the support of open questions where the subject interviewed can discuss the answer with more flexibility and can avoid a closed answer as 'yes' or 'no'. Moreover, the customers profiles interaction with the researcher creates interesting insights that a static interview often does not create. On the other hand, from the researcher's point of view, the interaction will be more flexible, as previously mentioned, and they will be more explanatory and sincere and sometimes not expected by the researcher<sup>43</sup>.

The exploratory research method has been selected in order to fulfill the requirements of the research topic because the main goal of this research is to go deeper into the issue, in this case exploring the possible gaps of the two parameters 'Consider' and 'Evaluate' of the consumer decision journey cycle, and not statistically quantifying a massive number of data. The exploratory studies allow to focus on a limited number of customer profiles creation to provide more detailed information on the topic and customers through open discussion and to avoid sticking to data which can result misleading and not effective when applied to consumer behavior<sup>44</sup>.

<sup>43</sup> Pugsley, Lesley. "Book Review:The Researcher Experience in Qualitative Research." *Qualitative Research*1, no. 1 (2001): 120-22. doi:10.1177/146879410100100110.

<sup>&</sup>lt;sup>44</sup> Walle, Alf H. 2015. *Qualitative Research in Business: A Practical Overview*. Newcastle upon Tyne, United Kingdom: Cambridge Scholars Publishing, 2015: 26-49. *eBook Collection (EBSCOhost)*, EBSCO*host* (accessed February 28, 2018).

#### 3.2. Research Method

#### 3.2.1. Data Collection

The method of data collection chosen for this research is exploratory qualitative research strategy with the focus on consumer profiles achieved through interviews to six Amazon Italy customers. The interviews' questions are based on the analysis of the secondary literature review.

## 3.2.2. Persona-based approach through interviews

The approach that is followed is persona-based approach through which each single respondent of the six that are interviewed is analyzed in his/her specific characteristics that differentiate him/her from the other respondents and creates a detailed image of him/her. In-depth open interviews have been selected as the best data collection method in order to build the persona of the respondent. The number of in-depth interviews conducted is six and each lasted between 1 hour and 2 hours and were conducted by video call on Skype or on WhatsApp and the reasons why this research method has been selected for the purpose of the research are the followings:

- To gather more detailed information about selected participants, about their perceptions and feelings
- The opinions of the participants will be analyzed deeper thanks to the small number of the
  participants and there will be the time for more detailed questions which allows to have a high
  response rate
- Interviews avoid ambiguity in the answers of the respondents and the answers can be more elaborated.

Between the disadvantages of the data collection method persona-based approach through interviews, the followings have been selected as the more relevant ones that could affect this research:

- It is the most relevant in terms of time-consuming: the process of the preparation of the discussion structure followed by the discussion itself, transcribing, start the analysis of the data processed and create a feedback to finally report
- The small number of respondents could, if the topic is not well focused and centric, create a spread generalization which brings to unclear results reported by the researcher. That is why

the topics discussed in the talks with the customers are fully focused and created based on the focus of the topic<sup>45</sup>.

To prepare for the analysis of the customers profiles it is crucial to design in detail each steps of the process that will help to create specific points of discussion that are focused on the topic of the research. The steps considered more relevant to create the best customer profiles for this research have been the followings:

- The first step is to establish the goals which means to clearly identify the purpose of the research and the information needed
- The second step be sure to have the right knowledge that is needed to ask the specific questions and, in case, to develop further an answer to have a bigger range of shades of the answer
- The third step, and the most crucial one for the outcome of the creation of customer profiles through interview, is to prepare the questions which will be either structured or open-ended, and to be sure to give the priority to the questions most relevant to the topic
- The fourth step is to prioritize the questions within the discussion and to ask first the most relevant and focused questions not to risk that the customer lose the attention or start feeling tired: a strategy to avoid this possibility is to keep the interest of the customer high and to do it is important to keep the most sensitive questions at the end of the discussion but, at the same time, to keep the discussion personal and to give space to the customer to express himself/herself<sup>46</sup>.

#### 3.2.3. Semi-structured interview

The type of interview which was found to apply the best for the research is the semi-structured interview. In the semi-structured interview, the interviewer does not give complete freedom to the answer of the respondent because the interviewer still wants to gather certain specific information from the respondent. Even if the questions need to be specific and designed to have an answer to the issue presented, the style of the interview has to remain conversational. The flow of the interview has to be always controlled by the interviewer to be sure to gather the information needed: in this particular

<sup>&</sup>lt;sup>45</sup> Lochrie, Sean, Ross Curran, and Kevin Ogorman. "Qualitative Data Gathering Techniques." *Research Methods for Business and Management*, 2015. doi:10.23912/978-1-910158-51-7-2776.

<sup>&</sup>lt;sup>46</sup> Williamson, Kirsty. "Questionnaires, Individual Interviews and Focus Group Interviews." *Research Methods*, 2018, 379-403. doi:10.1016/b978-0-08-102220-7.00016-9.

step, having a more specific agenda can help. To support the agenda, it is useful to guide the respondent to the desired topic and to a focused answer not to give too much freedom which can bring to a more unstructured interview that needs more expertise and experience in the field<sup>47</sup>.

# **3.3.** Sample Selection

The sample selected for the six interviews are Amazon Italy customers with at least one feature difference between each other, to follow the persona-based approach previously discussed in the chapter. Each characteristic that classify the customer as marketing persona, has been generated through a small discussion that was conducted before the interview in order to identify the type of respondent I was speaking to and to classify his/her persona. After having had identified him/her, I proceeded with the interview and I modified, when needed, the questions based on the characteristic of the respondent. The six respondents, after the small discussion that preceded the interview, have been divided theoretically in three couples: 2/2/2. The first couple is composed by two customers with this characteristic: frequent user/ non-frequent user of Amazon Italia, gender male, target group 50-60 years old. The second couple is: frequent user/ non-frequent user of Amazon Italia, female gender target group 50-60 years old. The third and last couple is: frequent user/non-frequent user of Amazon Italia, female gender, target group 20-30 years old.

The gender, the age and the profession are given in the interview and they are a basilar step to identify the behaviors of the respondents in the phases 'initial consideration' and 'active evaluation' studied. The six respondents have been interviewed as they all use Amazon Italy as online shopping platform and they chose it as their favorite online platform for online shopping in the Web (preference that was both confirmed in the pre-discussion before the interview and in the interview itself). Another data that will be analyzed is what it is actually purchased as a link to level of involvement of the consumer on the platform and during the online shopping experience. The persona-respondent will be put in the Amazon Italy context to have his/her insights about the experience on the Amazon platform, especially during the phases of Initial Consideration and Active Evaluation.

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<sup>&</sup>lt;sup>47</sup> Walle, Alf H. 2015. Qualitative Research in Business: A Practical Overview. Newcastle upon Tyne, United Kingdom: *Cambridge Scholars Publishing*, 2015: 49-79. *eBook Collection (EBSCOhost)*, EBSCOhost (accessed February 28, 2018).

# 4. Empirical research

# **4.1.** Research context: the case of online consumer behavior in the Italian market

Tiziana Guzzo, Fernando Ferri and Patrizia Grifoni (2016) provide an extensive research on the Italian consumers' perceptions and behaviors towards e-commerce adoption. The work suggests that the Italian customers are influenced by Social Influence (SI) which is the rapid change of behavior of a person after he/she has undergone the influence of another person and he/she changed his/her mind about something: the Italian researchers in this case, hypothesized that the SI affects the frequency of use of the e-commerce of the customer.

Through a questionnaire of 33 questions published on Facebook, the researchers have targeted all the age groups, genders and different level of education, the results of the data gathered from the sample are shown below (see Figure 2).

Measure	Variable	Percentage
Gender	Male	38
	Female	62
Age	18-28	12
	29-39	43
	40-49	30
	50-59	10
	60–69	5
	Over 70	0
Geographical location	North	23
	Central	60
	South	17
Education	Primary school	0
	Junior high school	7
	High school graduate	40
	Bachelor's degree	10
	Specialist degree	32
	Ph.D.	11
Profession	Student	5
	Housewife	3
	Public employee	22
	Private employee	42
	Freelancer	10
	Unemployed	5
	Retired	3
	Other	10

Figure 6: Characteristics of the sample analyzed in the research (Guzzo, Tiziana, Fernando Ferri, and Patrizia Grifoni. "A Model of E-commerce Adoption (MOCA): Consumers Perceptions and Behaviours." Behaviour & Information Technology 35, no. 3 (2016): 196-209. doi:10.1080/0144929x.2015.1132770.)

The topics which have been covered in the survey were related to:

- Use of e-commerce and internet
- Influence from other people derived from social interaction
- Features of web interaction (usefulness and usability of e-commerce website)
- Trust, security and risk in the usage of e-commerce website<sup>48</sup>.

The results are very useful for the background of data of this thesis as it creates a clearer idea on which is the perception of online shopping and e-commerce website in Italy and gives reliable information and data. The survey of Tiziana Guzzo, Fernando Ferri and Patrizia Grifoni (2016) highlighted that majority of Italian customers before starting their online shopping, they want to have an opinion about the product they want to purchase: in order to receive advices, they look for reviews on several platforms which can be blogs, reviews on the e-commerce in the product page and forums. Among the several factors and insights revealed by the questionnaire of Tiziana Guzzo, Fernando Ferri and Patrizia Grifoni (2016), the data that have been considered as the most relevant for this research are the followings:

# Most used devices for online shopping

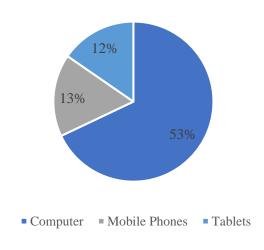


Figure 7: Most used devices for online shopping (Guzzo, Ferri and Grifoni (2016), op.cit.)

<sup>&</sup>lt;sup>48</sup> Guzzo, Tiziana, Fernando Ferri, and Patrizia Grifoni. "A Model of E-commerce Adoption (MOCA): Consumers Perceptions and Behaviours." *Behaviour & Information Technology 35, no. 3* (2016): 196-209. doi:10.1080/0144929x.2015.1132770.

#### **Most Purchased Products**

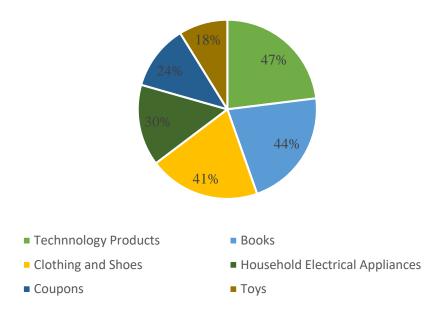
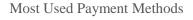


Figure 8: Most purchased products (Guzzo, Ferri and Grifoni (2016), op.cit.)



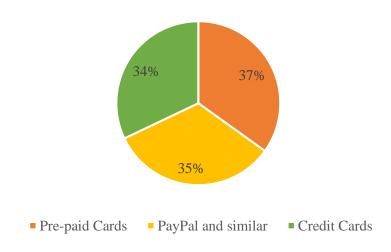


Figure 9: Most used payment methods (Guzzo, Ferri and Grifoni (2016), op.cit.)

The conclusions and results derived from the survey are several but the most important are:

- Social Influence (SI) has a core role in costumers' behaviors
- Social Influence (SI) affects frequency of use of e-commerce
- Social Influence (SI) affects the intention of use of e-commerce

- Social interaction results in influencing perception and opinion about usefulness and usability
- Usability is a concept which proves and describes that people are keener to shop online if the e-commerce website is user friendly in terms of layout, characteristics and interface
- Frequency of use of e-commerce is biased by usability and usefulness
- Trust and risk are two major elements which have influence on usability and usefulness.

The results of the research (Guzzo, Ferri and Grifoni, 2016) do not highlight SI as a negative factor that impact the consumer journey online but it generates inputs to work on: SI is operates also as tool to incite the use of Internet, and in particular to involve also the age groups which are most excluded from this digital world, as the old people for example.

To sum up, we can say that the Italian online customer gets easily influenced by social opinions and positions. The Italian online customer is also very active in terms of online shopping, but he/she still perceives the risks of shopping online for several reasons (privacy, credit card details safety etc etc) and he/she develops more trust for the product if advised and reassured before the purchase on its quality. Usefulness and usability are the two main features that the e-commerce websites must have in order to be chosen by the average Italian online customer<sup>49</sup>.

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<sup>&</sup>lt;sup>49</sup> Guzzo, Tiziana, Fernando Ferri, and Patrizia Grifoni. "A Model of E-commerce Adoption (MOCA): Consumers Perceptions and Behaviours." *Behaviour & Information Technology 35, no. 3* (2016): 196-209. doi:10.1080/0144929x.2015.1132770.

## 4.2. Overview of the company: Amazon

# 4.2.1. Introduction of the company



Figure 10 Amazon platform landing page

Amazon.com, Inc. is an American e-commerce company based in Seattle (Washington): it is the largest Internet company worldwide. It started by being one of the first big companies that was selling goods on the Web. It faced a certain skepticism about the business model it had in the nineties, but in 2003 it had the first major profit for the first time. Amazon also owns Twitch.tv, A9.com, Internet Movie Database (IMDb) and Alexa Internet.

It was first founded by Jeff Bezos in 1994 with the name Cadabra.com and it was launched in 1995, with the new name Amazon.com. The platform began as an online bookstore, but soon started selling a wider range of products as music CDs, DVDs, video games, software, clothing, electronic products, food, furniture, toys and more.

Amazon created other web sites in Japan, United Kingdom, France, Australia, Germany, Italy, China, Spain, Mexico, Brazil, the Netherlands, Canada and India and ships worldwide its products<sup>50</sup>.

<sup>&</sup>lt;sup>50</sup> "Amazon - Statistics & Facts." Statista. Accessed April 18, 2018. https://www.statista.com/topics/846/amazon/.

Amazon sells in Italy through the www.amazon.it site and it is placed among the most used and appreciated ecommerce platform in Italy<sup>51</sup>.

#### 4.2.2. The Amazon's business model

Amazon began his path to the success as an online bookstore; its main strength was offering the widest variety of titles of books compared to the bookstore choice which was much more restricted. The name of the company 'Amazon', was chosen in order to change the first name which was found difficult to spell and remember by the public, and the name 'Amazon' was inspired by the Amazon Forest. The Amazon Forest was symbolizing the connection between the trees from which paper is made and the main product for which Amazon became famous: books. In 1994 the company was registered in the state of Washington and in July 1995 began its operations, sometime later Amazon registered in Delaware. Amazon started its adventure in the stock market in 1997, on the NASDAQ with the name 'AMZN' and it had an initial price of \$18.00 per share. The Amazon's business model was a traditional one for a company which is fresh on the market, they anticipated an expected fact which is that the company would not have made any profit for the first four or five years in entering the market, so all the strategies were well set as a well forecasted event. Amazon did not experience a very fast growth, it has been, on the contrary, a very slow but calibrated one, comparing to other companies on the Web that inevitably faced the 'meteor effect' of having a very first big success and then a worse escalation which lead to the failure. The reaction of the shareholders to the slow growth was negative and it started a wave of complain, but while many companies, as previously stated, were failing, Amazon was resisting, and, in the fourth quarter of 2002, it had its first profit the fourth quarter of 2002: 5 million dollars. It had remained strong since 2002 and it faced a great escalation from 2003, with net profits of 35 million dollars, to 2005 with net profits of 359 million dollars<sup>52</sup>.

The Amazon's strategy for a continue grow was simple but not that common online at that time: Amazon's strategy was offering a wide variety of products and the presence in the international market. This strategy leads Amazon to a big result and growth in terms of revenue, which went from

<sup>&</sup>lt;sup>51</sup> "E-commerce Ranking 2017: La Classifica Dei Big Dello Shopping Online." *NEXTRE Engineering*. Accessed April 18, 2018. https://www.nextre.it/e-commerce-ranking-2017/.

<sup>&</sup>lt;sup>52</sup> "Internet and Direct Marketing Retail, Company Overview of Amazon.com, Inc." *Bloomberg*. Accessed April 18, 2018. https://www.bloomberg.com/research/stocks/private/people.asp?privcapId=18749.

3.9 billion of dollars in 2002 to 8.5 billion of dollars in 2005. Bezos made the electronic commerce a real success and marked the beginning of a new online shopping era<sup>53</sup>.

#### 4.2.3. Main features of Amazon

#### **CUSTOMER SERVICE**

Among the most crucial strengths of Amazon, in the first place there is the Amazon's customer service which is well appreciated and renown among the customers of the platform and outside. Amazon's customer service has a fast pace of answering and solving of the problems faced by the customer: the service is active 24 hours and every day of the week in order to be always ready to solve or clarify the customer's issues on the products. The existence of a well-developed customer service, is an insurance for the customers who can fully rely on the effective customer service provided by the company. The element of the Amazon's customer service is very important, and it will be highlighted by the personas analyzed in the study as a crucial strength of the company and element of trust from the customers.

#### **DELIVERY**

Amazon has another strength which: the delivery. The Amazon's delivery has two main characteristics: the quality and the speed. Both the two elements are identified and appreciated by the customers of the platform. The elements that Amazon want to keep high in the delivery service are the conditions of the packaging and the product that need to be in good or even excellent conditions and the time of the delivery which is constantly tracked on the account of the customer who purchased the product and that can follow the steps of his/her purchase from the warehouse to his/her home. All these elements that are constantly kept high in the standards are crucial for the success of Amazon and are analyzed and maintained with fastidiousness by the employees of Amazon. The warehouses of Amazon are the places where all the products are delivered and packaged to be delivered to the client. In Italy, the warehouses are two and are located one in the North and in the South of the country, in order to be able to cover all the country efficiently and with the high standards set by the company.

<sup>&</sup>lt;sup>53</sup> Spector, Robert. Amazon.com: Get Big Fast; inside the Revolutionary Business Model That Changed the World. London: *Random House Business*, 2000: 20-60.

#### PRODUCT VARIETY

The product variety of Amazon is one of the core elements on the platform, the customer has the opportunity of having the best brands on the market, often for the best price, and everything on his/her display, without having to look for a product or brand in several physical stores. The product categories sold by Amazon are:

- Books & Audibles
- Movies, Music & Games
- Electronics, Computers & Office
- Home, Garden, Pets & Tools
- Food & Grocery
- Beauty & Health
- Toys, Kids & Baby
- Clothing, Shoes & Jewelry
- Handmade
- Sports & Outdoors
- Automotive & Industrial.

For each product category sold on Amazon, there are many brands available among which the customers can choose. Each product has its own page on Amazon and the page contains the characteristics of the product, size, reviews of the customers who purchased it, the pictures of the product and the time of the delivery.

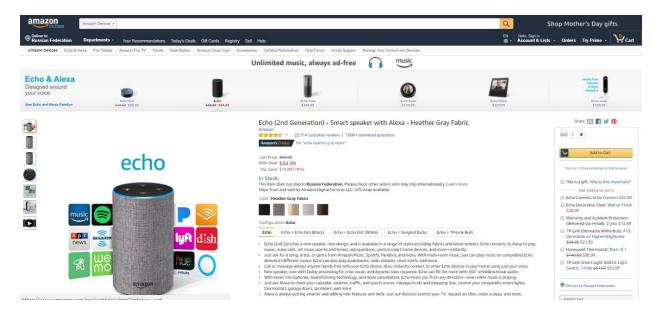


Figure 11 Example of product page on Amazon

#### **PRICE**

Amazon's price is one of the main strengths of the ecommerce. The price on Amazon is often lower comparing to the physical stores, this happens thanks to a n algorithm mechanism which allows Amazon to look for all the price for one product on the Web and adjust the price to the lower one on the market or even low, in order to have the most competitive price on the market. Of course, the price is also adjusted to the quality of the service and the brand awareness: even if Amazon set the same low price of another online store or ecommerce, the consumer will always prefer the effective and safe Amazon platform comparing to the other unknown online store which, anyway, has the same low price. All the strengths of Amazon represent the competitive advantage of Amazon on the market<sup>54</sup>.

#### PRODUCTS' REVIEWS

The product reviews are often crucial for the customer, especially in the phase of active evaluation of the consumer decision journey. Product reviews on Amazon are place both in the page where all the products from different brands are shown with star-rating method:

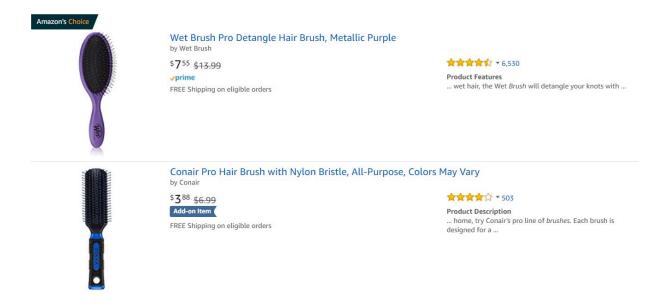


Figure 12 Products' star-rating method on Amazon

When the consumer enters in the page of the product, and scroll down at the bottom of the page of the product, he/she can find the written reviews of the specific product and the pictures posted

<sup>54</sup> Jacqueline Renfrow. "Walmart Fluctuates Pricing to Compete with Amazon." *Fierce Retail*. December 11, 2015. Accessed April 20, 2018. https://www.fierceretail.com/operations/walmart-fluctuates-pricing-to-compete-amazon.

by the customers who previously purchased the item, there is also a Frequently Asked Questions section where the consumers can find already the answers to the product specifics:

#### Customer questions & answers

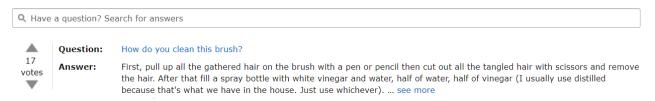


Figure 13 FAQ section on the product page on Amazon

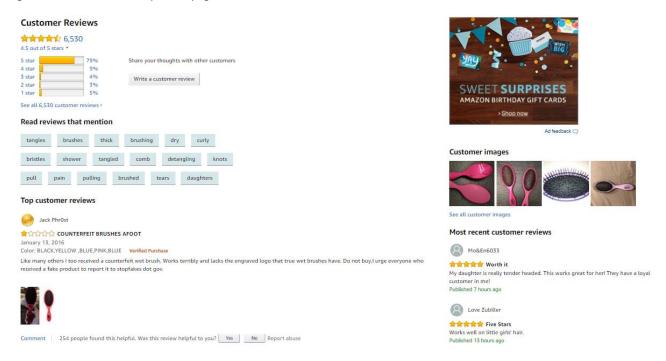


Figure 14 Customer reviews at the bottom of the product page on Amazon

After the consumer has consulted the reviews of the product, he/she starts narrowing the products range that he has in his/her mind to slowly go to the final purchase.

## 4.3. The initial consideration and active evaluation phases in Amazon Italy

In this chapter, the two phases 'Initial consideration' and 'Active evaluation' of the consumer decision journey in Amazon Italy will be investigated from the perspective of the consumer who is shopping on the ecommerce. The focus is on the two phases but, in order to complete the consumer decision journey's loop, also the other phases have been taken into consideration. It has been possible to follow the two phases on the platform Amazon Italy thanks to the interviews done with the personabased approach in the paper: the personas have, along the interview, given some insights regarding their initial consideration and active evaluation steps that they follow while they are shopping on Amazon Italy platform which also bring them to the final phases of the journey.

Before starting, it is crucial to highlight that the consumer decision journey, in this case study of Amazon Italy, has been analyzed as a process which starts from the initial consideration phase inside the platform: just the trigger phase starts, in this case, from outside the platform. In the traditional consumer decision journey from McKinsey (2009), the phase 'initial consideration' starts outside the platform, when the consumer starts to hear about different products from the outside and then starts with the 'active evaluation' phase inside the online store: in this case the initial consideration phase of the consumer decision journey will be analyzed as it started from inside the platform. I chose this approach as I followed a feature from the new consumer decision journey model by McKinsey<sup>55</sup>, as previously described in the literature review, which 'plays' with the initial consideration and active evaluation by compressing them or eliminate them: in this case I wanted to make the initial consideration phase starting from inside the Amazon platform. Moreover, another reason why I chose this approach is because of the practical relevance I encountered in the personas I interviewed for the empirical research of this study: in fact, the consumers do not have a static approach towards the initial consideration and active evaluation phase. The consumer decision journey is very mutable in the reality of the consumers. The Amazon Italy platform is considered, in this case study, as the web search engine where all the products are displayed and where the initial consideration phase of the consumers begins.

The consumer decision journey on Amazon starts outside the platform, from the trigger that the consumers receive from the outside after having heard and seen many brands and products: the

<sup>&</sup>lt;sup>55</sup> Edelman, David, and Marc Singer. "The New Consumer Decision Journey." McKinsey & Company. Accessed April 20, 2018. https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-new-consumer-decision-journey.

consumer enters the platform and has, in this case, already a product in his/her mind because he/she just concluded the trigger phase in which he/she is influenced by outside factors in the products' choice and has a narrow selection of brands or products in his/her mind: this is when he/she enters Amazon and types the name of the product in the white search bar which is located in the welcome page of Amazon:

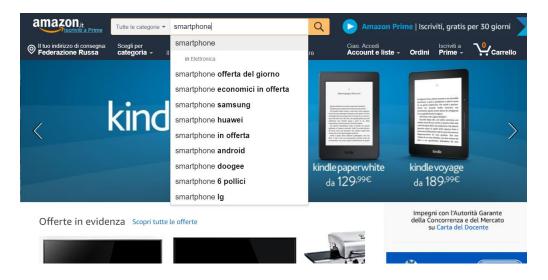


Figure 15 Initial consideration phase: looking for a product

After having clicked in the white bar the name product that he/she needs, Amazon brings the consumer on the product page which contains a list of several brands that offers this specific product: the consumer is still in the initial consideration phase of the consumer decision journey on Amazon. It is important to highlight how the platform extend the initial consideration phase in order to bring the consumer a wide variety of products and so, consequently, a higher possibility that the consumer purchase more than one product from different brands.

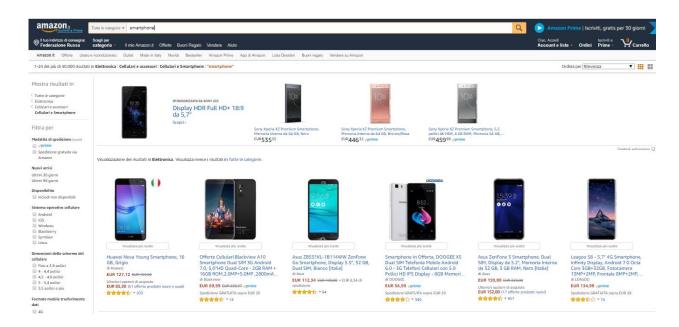


Figure 16 Page with different products and brand

In front of such a wide variety of products and brands, the consumer is confused, and he/she does not know what to choose: Amazon filters all the product by 'Relevance' by default but the consumer can change the filter of product order placement in the page and also he/she can set more filters depending on the price, brand, color and many other details he/she is seeking for in the product.

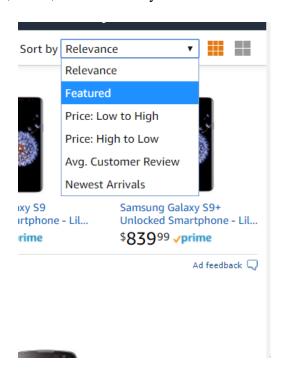


Figure 17 Filters for product order placement in the page

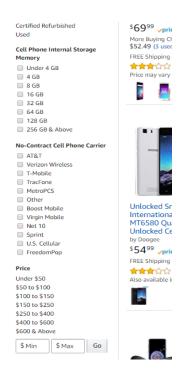


Figure 18 Some of the filters for the products on Amazon

After having filtered by products' characteristics or after having browsed on the products page, the consumer clicks on the product which interests him/her the most, probably attracted by, either the position of the product on the page that, if it is not filtered, it is used by Amazon to highlight the sponsored brands or other brands who gained a higher position on the page, or the consumer can be also attracted by the stars ratings of the product or also the number of reviews written by the customers and of course, another factor is the price which attracts them the most. The consumer is now in his/her active evaluation phase, because from narrow set of brands he/she is expanding his/her knowledge and he/she is adding many brands and products in his set, in order to evaluate each one.

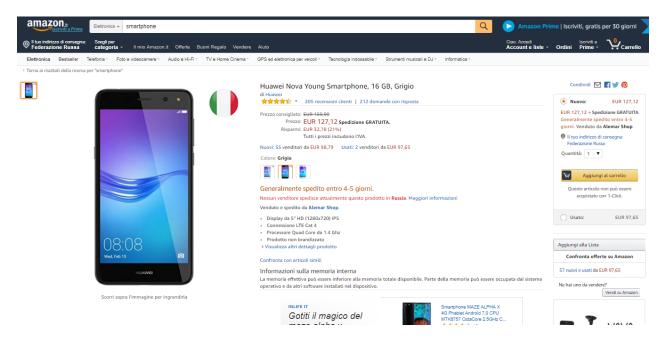


Figure 19 Product page

The consumer has a wide selection of information and details on the product and Amazon gives this selection to him/her from different point of view: the consumers' point of view through the reviews and real pictures taken from the customer (see Figure 14); the company's side with the details and picture from the advertisements and description of the products; the technical characteristics of the products well listed and detailed on the page. Other two factors that are taken in consideration by the consumers in the product page are both the price of the item and the time of the delivery.

The consumer, after having evaluated many brands and products, starts narrowing his/her set and he/she is helped by Amazon in this specific moment, because the ecommerce gives them the possibility of putting the product that they chose as a possible purchase in the cart by clicking the yellow button which is in the main product page.



Figure 20 Yellow button to put the product in the cart

After having clicked the yellow button to put each product in the cart, the consumer is evaluating the product in the cart: the price is one the main element that push the consumer to the purchase decision and the delivery too.

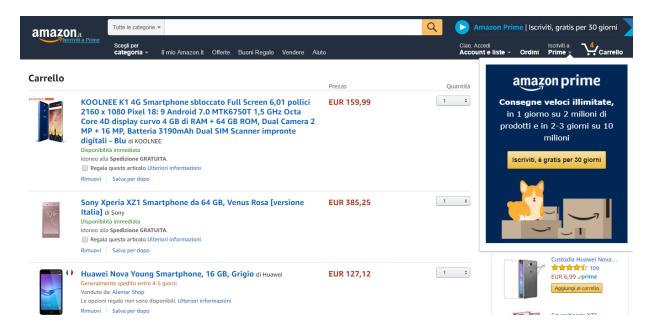


Figure 21 Cart page

When the consumer deletes or 'save for later' the other products in the cart and select one product to purchase he/she enters in the following phase of the consumer decision journey which is the moment of purchase.

#### Delete Save for later

Figure 22 Delete or Save for Later button in the product cart

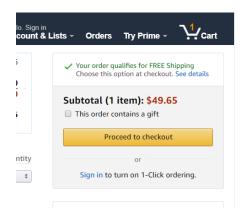


Figure 23 Proceed to the Checkout button

In the moment of purchase the consumer proceed to the checkout of the selected item and he/she buys this by choosing the delivery address and paying the item.

For the consumer decision journey to be over, there is a phase that is still missing: the Post-purchase experience. In the post-purchase experience of the traditional consumer decision journey, the customer build expectations on the product or brand in order to create a solid ground for the next consumer decision journey and to create a loop which is ruled by the 'Loyalty' factor. The loyalty factor is being critiqued, by the latest studies as it not anymore feasible for the new advanced technologies and innovations online because it does not represent the emotional part of the purchase experience of the consumer who is not anymore ruled by rational purchase after having been exposed to continuous stimuli by the brands.

# **4.4.** The phases initial consideration and active evaluation through the lenses of the Italian customers of Amazon Italy

### <u>R.A.</u>

Gender: Male

Age: 55

Nationality: Italian

Frequent user of Amazon Italy

#### Life

R.A. is an Italian man of 55 years old and he is a Regional Sales Director in a company in Italy. He loves rugby, travelling, food, wine and dogs. He is a very busy man because he has much work to do in his company and he is often travelling for business trips. He is very passionate about his job and he is punctilious on the working place because he wants all the tasks and goals to be accomplished:

I believe in achieving goals and delivering a success story

On other side, R.A. is also a person who likes innovations and technologies and always wants to experiment new innovations and ideas on the market:

I love experimenting new technologies and innovations. I am not afraid of trying a new product, I want to discover new features that can make my life easier and improve my time management at work. When the company gives me the opportunity of having a new device for working, I never choose the same brand, because I believe it is boring: experimenting is cool!

The job of R.A. does not allow him to spend much leisure time online, but he likes being updated with the latest news about technologies and innovations:

I navigate on the Web for at least 4 hours a day I would say. I usually go on social media like

LinkedIn to follow the news on innovations and technologies and being updated also to integrate

new ideas on the workplace.

#### **Online Shopping on Amazon Italy**

("What's your favorite ecommerce to do online shopping...EBay, ePrice, Amazon?") I always do online shopping on Amazon.

As R.A. seems very sure about his answer he must see in Amazon many strengths point that make him choose it as his favorite ecommerce:

I really do not want to struggle while I do shopping online. For me the important elements are: price, time delivery, purchase process, wide range of products, returning the product in an easy way if it is not good and the customer service quality is also very important for me. I would not be able to put these elements in order of importance because for me each one is equally crucial for my online shopping experience on Amazon.

R.A. sees shopping as a necessity more than a funny activity to relax. He continuously checks which product he has and which he misses and goes online accordingly and to do this he devotes 2 hours a week to shop online on Amazon. When asked whether he checks a product in the physical store or if he goes directly online, he says:

I consider myself a consumer that does a 'hybrid' purchase which means that I prefer going in the physical store to check the product before and then I go on the ecommerce. ("Why so?") Because I am 100% sure that online I find a better price comparing to the physical store plus, I need, especially for clothes for the work, to have the exact size and in the physical store I can try the clothes on. ("And when you prefer the physical store?") I prefer the physical stores when I want to have a moment for myself, to take care of me. I believe that the physical store creates a shopping experience that you will never have online. Anyway, it also depends on my mood. I must say that I also check the same product on websites which compares the price of the items on different online stores.

About the product categories he usually purchases online, he tells:

The product categories that I purchase the most on Amazon are electronic products and clothes. This is why, when I was previously talking about the importance of the hybrid purchase for me, I was telling that it is better for me to check the products in the physical store. For products as electronics' and clothes it is crucial to be sure that the product that you order is what you were looking for in order to avoid returning it.

About his habits as a consumer on Amazon R.A. describes himself as a consumer who buys a new item to replace a product that he had but it got broken or old:

I really feel the need of replacing my clothes or electronical items often and I like to choose Amazon for this purpose because it gives me such a wide variety of products that it is impossible not to find the perfect item to replace my product or even the same.

R.A. replaces often the products that he once purchased, and this highlights even more that he is very strict in his initial consideration phase and active evaluation phase as he has already some brands in his mind and he does not need to add but just to subtract the brands in order to arrive to the moment of purchase phase. By replacing the products he buys, he does a long programmed shopping on Amazon, and it happens often, especially to programmed purchase's consumers, that they perceive high risks in the online shopping:

Yes, I do perceive the risks when I do online shopping. My fear is that the product is not in line with what I ordered because the pictures on the ecommerce can often not represent the actual product. Other fears that I have while I online shop on Amazon is that the product arrives broken somehow, even if it never happened to me on Amazon, or that if it is the wrong product is difficult to send it back.

#### **Initial consideration phase on Amazon**

After having discussed the habits of R.A. with the online shopping on Amazon, it is the moment to introduce him in the consumer decision journey: he imagines to be in the ecommerce because he planned to buy a product in order to replace the one he had: which is the shopping experience that happens to him more often. He imagines to be in the welcome page of Amazon Italy and to start looking for the products:

("When you enter Amazon, do you have already some brands that may be interesting for you in your mind?") Yes, of course I do, both with electronics and with clothes: I have few brands that I like but, as I love experimenting, I prefer to look for the products' name. ("So, in you type generic name of the product on the white bar on Amazon?") Yes, I do but I also like to create a shortlist, so I always filter the products by price and delivery time to have even a narrower set of brands in my mind.

R.A. tends to narrow the number of brands he has in his mind, because, by adding them he just creates confusion and does not optimize the time he has to online shop on Amazon.

**Active evaluation phase on Amazon** 

The active evaluation phase for R.A. starts when he analyzes product page by product page

and drops the few products he thinks can be nearer the moment of purchase as possible:

I help myself choosing the products by selecting them one by one and putting them in the cart: this

helps me narrowing them till I decide which one I want to buy. The final decision is influenced by

mainly the price and time of delivery.

While still in the active evaluation, R.A. gives small space for further shopping by stopping

his active evaluation phase and creating a base for a future possible moment of purchase phase:

("Does it happen that you do not buy a product from the cart but you 'save it for later' in the cart

itself to go on this another time?") It happens often, when I make the decision on one product is that

one but if, on the way I saw a product that I do not need immediately but it interests me it happens

that I 'save it for later' in the cart and I buy it later on.

While still in the active evaluation, R.A. tries to achieve the moment of purchase as fastest as

he can to optimize his time, even if he spends two hours a week to shop online on Amazon Italy,

because he is busy at work and he does see the shopping on Amazon as a moment of need when he

has to achieve the goal of replacing the item.

**R.B**.

Gender: Male

Age: 56

Nationality: Italian

Non-frequent user of Amazon Italy

Life

R.B. is an Italian man of 56 years old. He is a doctor and his main interests are boating, drawing

and engraving. He prefers bricolage comparing to navigate online during the day, that is the reason

why he tells me that he spends online 1-hour a day:

I do not like to navigate on the Web for much time, I have many bricolage activities at home that

wait for me when I finish working I do not want to spend my free time online.

R.B. is very creative and has always new ideas that he implements in his creations, he loves

the ocean and he once built a boat.

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#### **Online shopping on Amazon Italy**

R.B. uses shopping online as a source of fun and supply for his bricolage activities:

No, I do not do much shopping online and, anyway, just for fun. Sometimes I buy something for my bricolage activity, but actually it is not that easy to find the tools I need online so it happens more often that I buy this in the physical store. Plus, I believe that as for the products that I am looking for, it is better to have the opinion of the expert employees of the physical store but, on the other hand, online shopping is better for the price and delivery.

The purchase of such a specific product as the ones implied for the activities that R.B. does are accessible online through special websites or ecommerce with a wide product variety:

("R.B. I understand you are not a fan of online shopping, but still, the few times you do it which is your favorite ecommerce for the online shopping? ...eBay, ePrice, Amazon?") The few times I do online shopping, I go on Amazon because of the great customer service and the speed of the delivery. ("And how much time you devote to the online shopping on Amazon") I go on the ecommerce Amazon to online shopping for 1 hour a month.

It is clear that R.B. prefers to have a good connection with the people that work in Amazon as he is not a frequent Web user in general, so he prefers to link the online shopping experience to Amazon to the great employees that work for the company: he wants to have a nice shopping experience. The speed of the delivery is important for him because he wants to finalize his DIY activities and he needs the tools as soon as possible:

For me, delivery time is very important, and also the option of tracking the product is important so that I can control where my product is. In fact, one of the things for which I am scared the most when I do online shopping is that the either lose my package on the way or the item arrives, but it is not the one I ordered: that is why my favorite feature of Amazon Italy is the customer service.

#### **Initial consideration phase on Amazon**

R.B. is a customer who prefers recreational shopping online, so in his initial consideration phase, he spends longer time on the products' page of Amazon before clicking on the specific product page as he needs to check several elements before moving to the next phase of his consumer decision journey on Amazon Italy:

("When you enter Amazon, do you have already some brands that may be interesting for you in your

mind?") I have some specifics product that I previously searched on Google for their

characteristics. ("So, what you type on the white bar of the Amazon welcome page?") I type the

name of the product. ("After you have typed the name of the product you are looking for and you

are in front of the page with the list of the products, on which bases you click on the product") I

click on the product based on the price and review.

**Active evaluation phase on Amazon** 

R.B. is biased by the price and the review while he is in his active evaluation phase these are

the steps he does:

If I like a product I put it in the cart. It happens often that I have many products that I selected in the

cart and, after the very first step of putting them in the cart, I go in the cart and I choose the one that

I buy. ("Does it happen that you do not buy a product from the cart but you 'save it for later' in the

cart itself to go on this another time?") Yes, in fact, I was telling that the other product I was

interested to, they finish in the cart in the section 'saved for later' and I buy them in another time: it

is the result of a research, so it is worth to keep it.

R.B likes recreational shopping, but he does not like to online shop on Amazon often. By

keeping the products in the cart, he leaves space for another consumer decision journey which is

optimized. The active evaluation phase of the next consumer decision journey of R.B. is ready to be

transformed in the moment of purchase phase.

Veronica

Gender: Female

Age: 53

Nationality: Italian

Frequent user of Amazon Italy

Life

Veronica is an Italian woman of 53 years old. She is a municipal employee and her main

interests and hobbies are: books, dogs, going to the esthetician for beauty treatments, travel and

interior design. Veronica loves shopping both in physical store and online:

Shopping is my passion, I love spending time online but also in physical stores in my neighborhood

to check, especially, clothes and interior design items, I love fashion!

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Veronica is very curious and loves to check on specialized magazines and online what are the new trends, she loves being updated with the latest trends in fashion and interior design and she cannot wait to have the product at home.

#### **Online shopping on Amazon Italy**

Veronica has a passion for the online shopping and, to be always updated with the latest trend, she devotes much time for the shopping online:

Yes, I spend much time online during the day for one reason or another I spend at least 4 hours a day on Internet. ("What is your favorite ecommerce for the online shopping? ...eBay, ePrice, Amazon?") Amazon ("And how much time you devote to the online shopping on Amazon") Between 1 and 2 hours a day.

Veronica is a frequent consumer of the Amazon ecommerce, she loves online shopping on Amazon because of the variety of brands that Amazon sells:

Being passionate of online shopping of clothes and things for the house on Amazon, I like looking at brands more than the product itself. ("Why you prefer Amazon?") I love Amazon for the fast delivery of the products ordered, the optimal conditions of the product when it arrives at home and the easy return of the product.

Veronica goes on Amazon after having seen advertisements of the brand or after having seen the brand on one of the magazines she reads. She has an impulsive behavior in continuously checking and buying new products. It is difficult to think of one negative element or risk that Veronica might think to encounter while shopping online on Amazon:

I do not feel many risks while shopping on Amazon but one fear that I sometimes have is that I see the product and it does not satisfy me because of the pictures online that may be different from the product in the reality.

#### **Initial consideration phase on Amazon Italy**

Veronica knows many brands and products, she constantly follows all the updates, so she must have already some brands in her mind while entering the Amazon platform:

("When you enter Amazon, do you have already some products or brands that may be interesting for you in your mind?") Yes, I have some brands in my mind when it comes to clothes, when it comes to

interior design, it happens more often that I have some products that I want to look for and,

accordingly to what Amazon shows me and to the reviews I click on the product.

**Active evaluation phase on Amazon Italy** 

Veronica is influenced by the reviews of the product if she is looking for interior design items,

on the other hand if she is looking for clothes she is just influenced by the price:

In general, I do not follow some specific criteria, I just browse because for me it is also interesting

to see what is new on the market. But, because I love browsing, after that I often have many

products on the cart and I do not know which one to choose! ("So, at this stage what makes you take

your final purchase decision?") Price and review.

Veronica leaves much space for her future consumer decision journey by leaving many

products in the cart:

The products that are 'saved for later' are the ones that I will buy the next time I will go on Amazon,

I just buy immediately the product that inspire me the most. A product can also stay for a month

long in the cart while I think whether to buy it or not.

She is an impulsive buyer with a passion for recreational shopping, a factor confirmed by the

frequency she is online.

Lucia

Gender: Female

Age: 56

Nationality: Italian

Ollanty. Italian

Non-frequent buyer of Amazon Italy

Life

Lucia is an Italian woman of 56 years old. She is a housewife and her main interests and hobbies are:

books, embroidery, knitting and crocheting, cinema and cats. She likes spending time online but just

for few things:

I like reading magazines and newspapers online, I spend online 2 hours a day.

**Online shopping on Amazon Italy** 

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Lucia does not have a great passion for shopping, but she does online shopping mainly for her three cats and for the house supply:

("Lucia, what is your favorite online ecommerce to shop…eBay, ePrice, Amazon?") Amazon ("And how much time you devote to the online shopping on Amazon") 2 hours a month. ("Which products you usually buy on Amazon?") So, I am often at home, even if I have other activities outside home, but staying at home influence the products that I buy on Amazon, so I must say that I purchase house supply and books (Kindle) on Amazon.

Lucia prefer planning her purchase on Amazon and she chooses it for three reasons:

I like Amazon because of the price, that for me is the most important factor, the variety of products for the house and the variety of titles of books and for the delivery which is super-fast.

Being at home, for her means also to have the possibility of going in the physical stores to buy the products and in fact she often goes but there is one thing that she does not like about going in the physical stores:

The problem is that I have the habit, since Amazon has a wide variety of products, of double checking the product's price that I see in the physical store with the one of Amazon: Amazon always wins the fight, and I prefer buying for a cheaper price.

Lucia buys on Amazon only the things that she needs for the house, she does not like browsing on Amazon because she gets bored and does not have a passion for shopping:

I do not like shopping at all, it is not a relaxing moment for me, for me relax means reading a book on the sofa.

#### **Initial consideration phase on Amazon Italy**

Being a consumer, who plans the purchase of the product for the reason that she needs it, means also having specific brands in your mind:

Of course, I have some brands in my mind when I enter Amazon but if there is a product, for example a dishwasher which has better reviews than the one that I had in mind when I entered the platform, I try that one, but it needs to have a good price. ("Ok, and what you type in the white search bar of the welcome page of Amazon when you need to look for an item?") I type the product to be redirected to the products page and have the possibility to see if there is another dishwasher,

for example, which is within my criteria and has an optimal price. But I do not want to spend time on the products page so, either I see an interesting product immediately or I just scroll the page to

look for the product I wanted.

Active evaluation phase on Amazon Italy

The initial consideration phase of the consumer decision journey of Lucia in Amazon Italy is

rather short as she does not want to do the work of adding and subtracting products before choosing,

she just goes straight to the product she wants, and she puts it in the cart because that product is

anyway the one that she is ready to buy in that specific moment:

I immediately buy the product I want because is the one I was looking for at that moment, this does

not exclude the fact that if I see an interesting product I put in the cart. The products that I put in the

cart on the way while I purchase the product I wanted from the beginning, these are all products

that I do not analyze while I am doing shopping, but I just save them for later. I do not want to

spend time analyzing the products, but I want to have them saved as I will probably need them in the

future. Imagine that I have now 182 Kindle books to buy saved in the cart, the products in my cart

can stay there also for months.

Lucia is a thinker, she needs to think much about the products before buying them, but she

wants to do it outside Amazon because she does not want to feel involved in a shopping activity which

gives her a feeling of anxiety and of being pushed to the purchase: thing that she hates.

Francesca

Gender: Female

Age: 24

Nationality: Italian

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Frequent user of Amazon Italy

the frequent user of Amazon Italy

Life

Francesca is an Italian woman of 24 years old. She is a student and she just finished her

master's degree in Philosophy. Her main interests and hobbies are: travelling, shopping and art.

Francesca likes browsing online and she likes doing online shopping. She spends 3 hours a day online.

She likes to be updated with the trends and she is always inspired by art and philosophy.

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#### **Online shopping on Amazon Italy**

Francesca is selective customer who does an accurate selection on the products to buy:

I believe in quality when I do online shopping, I do not purchase quantity, I prefer having one object but greatly done, comparing to 6 objects of bad quality. That is why for me price is important but not that much, because I put as a top priority the quality. If the product is of great quality, it will also last longer and I will not have to buy another one.

Francesca is a conscious consumer and she select accurately the products she wants to purchase. Her active evaluation phase is very elaborated as she takes into consideration many details and characteristics of the product or brand before taking the final decision and reach the moment of purchase.

("So, Francesca, what is your favorite ecommerce for the shopping online? ...eBay, ePrice, Amazon?") Amazon ("Why so?") I like everything about Amazon, from the customer service, to the delivery, the price, the variety etc. etc. ("What you buy the most on Amazon?") I buy mostly shoes, electronics and accessories.

For a consumer like Francesca, who always look for the quality, the physical stores should also be a valid alternative to the ecommerce:

It is not an alternative at all for me, since there is Amazon, I do not understand why I should go in the shop to wait in big queues, taking public transports with bags full of items to arrive home tired after the whole day out.

#### **Initial consideration phase on Amazon Italy**

Francesca is a consumer that knows what wants to purchase, that is why she already has a list of brands in her mind when she enters on the Amazon ecommerce first page:

I already have some brands in my mind to look for, it happens rarely that I choose other brands that I did not know, mine it is a conscious and planned purchase. ("What do you type on the white search bar in the Amazon welcome page to look for the item?") I always type both product and brand.

By typing both brand and product, Francesca is directed to a specific product page with the

product and brand already filtered so, her initial consideration phase does not last for a long time on

Amazon: she immediately passes to the active evaluation phase.

**Active evaluation phase on Amazon Italy** 

Her further steps towards the purchase:

So, after I have the page with all the products already filtered with the brand and product that I am

looking for, I just click on the product and I land on the page of the specific product. Here there is

just one thing that influence my decision which is the price.

For a consumer as Francesca, the active evaluation does not last for a long time, but she keeps

in stand-by certain products in order to buy them later:

("Has it ever happened to you to 'save for later' a product in the cart and to buy this later?") Yes, it

happened, I leave it in the cart to further think about it to buy it later. It can stay in the Amazon's

cart for weeks before I choose to buy it

For Francesca, the active evaluation phase is short but very effective, this does not stop her

from keeping a space open for a new consumer decision journey to start on Amazon Italy.

<u>Jane</u>

Gender: Female

Age: 21

Nationality: Italian

Non-frequent user of Amazon Italy

Life

Jane is an Italian woman of 21 years old. She is a student of Italian Literature and her main

interests and hobbies are: reading, writing, figure skating, history and cooking. She likes navigating

online for about 3 hours a day to read magazines and to watch movies to find the inspiration for the

stories that she writes. She is a dreamer and a very hard-working student, responsible and ready to

help those in need.

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#### nline shopping on Amazon Italy

Jane does not like shopping a lot, this is how she feels about shopping and what is the ecommerce that she uses the most to shop online:

I do not like shopping that much, the only thing that I need to buy online are books because they are cheaper than in normal bookstore in the city and I read mainly books in English which are very difficult to find in the bookstores in Italy. ("Jane, what is your favorite ecommerce for the shopping online? ...eBay, ePrice, Amazon?") Amazon ("Why so?") First, because it has many discounts on the books, it has even 30% discount on the books, so the price is the first reason why I choose Amazon, the second reason is because they have 'combo' offers where I can buy two books for the price of one. The third reason is because of the time of the delivery which is very fast. ("For how much time you do online shopping on Amazon Italy?") For about 1 hour a month.

Jane is a young student, so she needs to be aware always also of the price element which influences always her purchase and choice: that is why she makes planned purchases depending on the offers currently available on the Amazon Italy platform. She has some fears regarding the shopping online on Amazon Italy, especially when she buys second hand books:

I am always afraid that the books arrive not in good conditions, this is a risk, but I perceive it less on Amazon because I know that if the product is bad I can call Amazon and the great customer service will exchange it for me immediately.

#### **Initial consideration phase on Amazon Italy**

("Jane, what are your first steps when you enter Amazon ecommerce?") So, first of all, I browse on Amazon to see if there are news in terms of books or offers. ("What do you type in the white bar on the Amazon welcome page?") I always write the name of the product because I know that the first one that appears in the product page is always the best in terms of quality and price.

The initial consideration phase of Jane is quite short as the main criteria that rules the phase is the convenience of the products that she searches and, if she sees the other criteria which is the quality she can immediately go to the other phase of the consumer decision journey in Amazon Italy.

## Active evaluation phase on Amazon Italy

The active evaluation phase starts, for Jane, when she decides to click on the cart button to immediately take advantage of the combo offer:

I am very fast in putting the offer in the cart because I am always afraid it either expires or for another reason I lose the moment.

When she is in the cart, she immediately passes to the moment of purchase phase in order not to lose the offer but, in the cart, there are always other books saved as she tells:

My 'save for later' section in the cart of Amazon contains a whole bookstore, there are many titles of books that I keep there to buy them later if I have the possibility in terms of money. I put the books that I cannot purchase immediately in the cart so that I can remember them all: they are many!

Sometimes Amazon reminds me that the books are there, but the price does not allow me to buy them.

Jane keeps the books for months in the cart, because she can buy them just when the price allows her to do it: her new consumer decision journey will not start immediately, she will need to wait till she will be able to buy new items.

# 5. Conclusions from the empirical research

In order to analyze the two phases of the consumer decision journey 'initial consideration' and 'active evaluation' and to reach the optimization of these phases in the context of the Amazon Italy platform, the personas have been interviewed and they gave insights on the two phases from their perspective. Each persona analyzed in the empirical part of the research has a different feature that distinguish him/her in the consumer decision journey in Amazon Italy. These differences have a strong influence on the consumer decision journey and, especially, in the phases 'initial consideration' and 'active evaluation' analyzed in the research. The personas analyzed have a different shopping experience on Amazon, this depends on their interest, hobbies, age, life and behavior.

R.A. and R.B. were the first couple of personas analyzed in the empirical part, they are two different type of consumers: R.A. shops often on Amazon, he is very aware of the items he likes and that he possess and when something, as a business suite, is missing from his wardrobe, he immediately goes on Amazon to buy the item that he misses; on the other hand R.B. has an extremely artistic and creative behavior, he prefers drawing and doing bricolage activities. The few times he does online shopping is when he needs something for his bricolage activities. While R.A. is a consumer who goes on Amazon for the necessity of a purchase, R.B. prefers categories his shopping as 'recreational' as he does not need with urgency the product, he wants it for his hobbies. R.A., comparing to R.B., has a very fast initial consideration phase as he already has the brands he wants in his mind so, the browsing on the list of products in Amazon lasts for a short period of time. The active evaluation phase of R.A. is also fast because for him the price is not that important, and he knows already the majority of products that he purchase but he is always open to new brands if they are well reviewed. R.B., on the other hand, browses on the page with the list of the products on Amazon to see if he discovers new tools to buy: his initial consideration phase is longer comparing to the one of R.A. The active evaluation phase of R.B. is long as he adds and subtracts many brand and he continue the process in the cart of Amazon while he is still selecting the items he purchases.

Veronica and Lucia are the opposites: Veronica loves fashion and interior design and she loves online shopping, Lucia hates shopping and she does it only for the sake of having what she needs for the home. In their initial consideration phase on Amazon, they both have brands and products to buy in their minds, but the difference is that Veronica would buy everything that is trendy, and Lucia would buy just the things that she needs. Lucia is also open to new brands and products, if in line with the price she can spend and if it is well reviewed, Veronica buys regardless the price to have a trendy

item and, because she is constantly updated of the latest trends, she has a wider number of brands in her mind at the beginning of her consumer decision journey on Amazon. Lucia prefers physical stores to online stores as she is a bit puzzled by the variety of items that Amazon offers but, on the same hand, she loves that variety and the price which she founds to be lower than in the physical stores. In the active evaluation phase Veronica is less afraid to buy immediately a product that she likes, Lucia has to think about her possible purchase before taking the decision. Both Lucia and Veronica keeps the products in the cart to view them later but for two different reasons: Lucia keeps them because she wants to think whether she want or need them, Veronica does it because the product does not 'inspire' her enough for a quick purchase.

Francesca is the frequent user of Amazon Italy, she looks for quality when she does online shopping. She is very passionate of art and fashion and she program each purchase accurately. For Francesca, the price does not mind if there is high quality. Jane purchases just books on Amazon, she loves looking for offers and deals on Amazon and, if she sees a deal, she just buys it. For Jane, the price is a crucial element because she cannot spend much, being a young student does not allow her to spend much money for the online shopping, that is why she is not a frequent user of Amazon Italy.

While Francesca always know what to purchase, Jane browse on the platform to look for offers. In the initial consideration phase, Francesca types the name of the product and brand, Jane does not use the white bar to type but she selects directly the category 'Books' because she knows that in the page with all the books, Amazon often sponsors the offers at the beginning. The active evaluation phase is fast for both Francesca and Jane but for two different reasons: Francesca sees the product she was looking for and she moves it in the cart regardless the price; Jane sees an offer and she does not want to miss it so she immediately moves it in the cart. Jane collects 182 books in the cart, she saves them and wait for the moment when she will be able to purchase it, she waits for some discounts on them from Amazon. Francesca has also some products in the cart, she 'save them for later' waiting for a good time to purchase them.

Even if Amazon is an extremely successful online store, there are many elements where it lacks these elements take them far from being a perfect customer centric organization as it would be if it would improve this element, that has been searched and analyzed in the background of the persona-based approach of the research: customer rewarding.

Amazon is extremely careful in each step of the consumer decision journey of its customers, everything is planned and calculated but what if the customers feel themselves not awarded? The

consumer journey, as analyzed in the 'Literature Review' chapter, has many steps that describe the shopping experience of the customer online:

- 1) Initial Consideration
- 2) Active Evaluation
- 3) Moment of Purchase
- 4) Post-Purchase experience.

Each one of these phases represents an important step in the customer online shopping experience and it has to be continuously improved and optimized to give benefits to both the company and to its customers.

It is clear, after the study on the personas, that the customer loyalty is not a problem for Amazon, the main issue is the lack of customer rewarding in the late active evaluation phase. When they save the product in the cart for a later purchase, the customers give to Amazon the opportunity of rewarding them for giving to the platform the real option that they could buy the product late. This is what some of the personas analyzed think of this matter:

Jane: if they would give me a discount for the products that I kept in the cart, I would be happy.

Sometimes Amazon reminds me that I have a product in the cart but, if the item is still there it means that I did not have the possibility of buying it for many reasons, one is for sure the price.

Veronica: Amazon always reminds me that I have a certain product in the cart but if I moved it there and I did not purchase it there was a reason and this reason is the same one of now. I would buy the product immediately if there would be a discount on it.

Lucia: the main reason why the products are kept in the cart is because of the price first, and then because of the non-immediate necessity of them. Amazon shows me, when I delete the product, that the product decreased by 0.01 cents or 0.04 cents (see Figure 23): it is not a discount, it does not lead me to the purchase, I perceive it as ridiculous.



Figure 24 Message on Amazon Italy of the price decrease of a product in the cart

All the personas were enthusiastic of the idea of having a discount on the products that they keep in the cart as the majority delete the products instead of buying it. They do not feel appreciated as customers because Amazon does not give them anything for a better price. We are not taking about the flash-offers but the possibility of having a discount in the products that the customer has in the cart for much time. The customers would not know the exact time when the discounts may arrive but the excitement which comes from waiting the discount also make them increase the number of products saved in the cart: this increase the purchases and benefits Amazon Italy.

The active evaluation phase can be boosted and empowered by this possibility. The whole consumer decision journey would benefit from this as it would improve the shopping experience of the customer of the platform and it would lead the customer to a faster moment of purchase which benefits Amazon Italy.

#### RECOMMENDATIONS FOR FURTHER STUDIES

After the empirical analysis, the recommendation for further studies on this topic should be formulated. First of all, due to the limited number of cases taken for the analysis, deeper investigation on the topic of improving the consumer decision journey would significantly give further insights on the online shopping experience. Secondly, the study was limited to the Italian market and to an international company operating on the Italian market: this is why there is a need for running a similar study on other markets but analyzing the same company. Thirdly, the practical implementation of the ideas for improvement are required to check if they meet a positive feedback from the customers reflected by the increase of purchasing decisions.

## 6. Managerial implications

The results from the research gives an advice to the Amazon's Italy management to optimize and improve the customer centricity strategy of Amazon by increasing the customer rewarding. The results would lead the customers to, practically, move more products in the cart and save them for later in order to receive a possible discount. By having a significant discount on the product kept in the cart, the customer will be more willing to buy it and he/she will not delete it. By deleting the product, the company lose a purchase and, consequently, additional profit. The cart discount gives also a strong feeling of awarding to the customers, who feel themselves more appreciated by Amazon who sees that they keep the product saved for later which means having a strong interest of re-visiting the platform and make another purchase.

This strategy would lead to an increase of customer centricity of the platform: the question is how to improve customer experience on Amazon and how to give importance to the customers of the platform? By giving them space to feel rewarded for their loyalty to the platform and by break down the barriers of the price. The price stops the active evaluation phase of the consumer decision journey and it needs to be made more affordable to the customer with an operation of rewarding which comes from the fact that the customer did not give up on the product yet, but he/she is still considering it.

This strategy will not only optimize the customer centricity's strategy of Amazon but, it will also increase the number of the item purchased and increase the profits of the company, contributing to the success of the whole organization, setting the best practices for the whole market of e-commerce.

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