



JÖNKÖPING INTERNATIONAL BUSINESS SCHOOL  
JÖNKÖPING UNIVERSITY

# Student's Website Usage

-Today's students, tomorrows consumer.

Paper within EMM

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# **Bachelor's Thesis within Business Administration**

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## **Executive Summary**

### **Purpose**

The purpose of this thesis is, looking from a consumer's perspective, to investigate the influences of students website selection

### **Background**

Today's students are a new generation of consumers. They have been brought up with digital media and have different attitudes towards marketing than their parents. Most market management theories were created before the digital revolution. Students are tomorrow's high income consumers. It is valuable for companies to understand how these consumers orientate themselves on the internet and how to best reach them.

### **Method**

An exploratory/explanatory deductive study to map what websites students use, how the websites are found and why they are used was conducted. The empirical findings were collected through group interviews.

### **Conclusion**

Students have a very habitual behavior on the internet. They use some of the internet's largest brands. Each website offers a niche and specialized service, presented in a simple and interactive manner. Students choose one website for each specific service. As the internet is large with a lot of information they have a cluster of chore websites visited on a regular basis. From that base, students use friends and search engines to navigate themselves to the destinations of their choice. Advertisement offer more trust than enticement to actually visit the sites.

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# 1 Introduction

*The topics and issues discussed in the thesis are presented as to accommodate and ease the reader into the subject. Certain terminology and general knowledge of the topic is presented.*

## 1.1 Background

There is an immense sea of information and seemingly endless uses for the internet. Anyone and everyone can access, imprint and leave a mark on the World Wide Web. It has become one of the main communication tools for doing business, keeping contact with friends and much more. This is an opportunity that entrepreneurs and large corporations alike have tried to seize.

Through the internet information, people and commercial enterprises are at anyone's fingertips. As long as a person has an internet connection they can access information about any topic or company. Not only can that person view the company's official website, databases, news channels, public forums and much more about the company are just as easily accessed. Also the internet is used for leisure and entertainment purposes. Friends from around the world can connect and communicate together, upload and share pictures, music and video files.

As long as a person has an internet connection they can be made aware of a company or service that is on the other side of the world. It is possible to run more bank errands, invest in stocks, communicate with friends, purchase everything from food to cars, and access a sea of diverse information. The many faceted uses of the internet develop and expand business into new horizons. Individuals' interest in being able to perform necessary obligations as well as entertain themselves and communicating via their home computer is growing larger and larger over time.

The commercial possibilities of the internet are still in their emerging states. Today companies can do business in a way never thought possible before. The marketplace has moved into the internet, and put into perspective of how long people have been trading in a physical market place, the internet is a novelty. Earlier a website was considered a competitive advantage, now the website has to compete with other websites, and everyone takes for granted that each company has its own website. The internet is not necessarily a competitive advantage in itself. It is the uses of the internet that creates economic value. (Porter, 2001).

The consumer generations of today and tomorrow are brought up with more media influences than their parents and could have different attitude towards marketing and advertisement. Also their influences, values and culture are affected by other factors than their parents. This generation is often referred to as the Net generation. That is those who were born between 1980 and 1994, the Net generation have already been defined and characterized as being intelligent, yet impatient, expecting immediate results (Leung, 2004). This generation is more at ease and comfortable with computers and technology than their parents, and the likeliness of becoming online consumers are high. Leung (2004) also states that the Net generation understands the electronic economy, are internet savvy, media conscious and aware of the constant informational flow in their environment. They are the first generations. The students at universities today have been raised with the internet as a natural part of their everyday life and embrace it.

What before was only made possible through physical interaction, are today possible to conduct over the internet. Koufari (2002) states that there has been a transformation of the physical store into becoming a virtual store through information technology. Today as we move online there are two sides of a consumer; on the one hand he/she is a consumer and on the other hand interacting with a system (Koufari 2002). This is important for companies to have in mind when targeting their consumers online. It is important to have in mind that each time a person views a website; they become a consumer of it. The actual purchase of a service or product can become secondary as the information gathered by the owner of the website or advertisements can be sold to other companies whom wish to be seen or need information about certain groups' habits.

Don Tapscott is the founder and chairman of The Innovation Network. He has in an interview commented the impacts the Net generation will have on marketing, since those born between 1977-1997 and raised surrounded by digital medias and technology are now coming of age. With them also come their purchasing power, political power, media knowledge and demographics. They are used to the media and can select and filter through advertisements by consciously blocking the messages and fast-forwarding through the messages. Since the generation as a whole has media smarts they can collect and send information about products and companies through their selected channels. "Today's young consumers are the largest and most influential generation ever and have huge power" (Tapscott, 2008 p.74-75).

## **1.2 Problem**

The competition for consumers is tough and companies must find creative and innovative ways of reaching the young computer savvy consumers. With a lack of physical directories, such as a high street or market, websites have to place themselves in the periphery of the consumers by other means. Not only should potential first time consumers be attracted to the website and actually influence them to use it, but also build a long term relationship to it. The relationship grants the website and company behind it a perceived added value of the product or service as well as economic benefits. The more people that are aware of the website and its values, the more people the organisation behind the brand has to exploit its purpose to, regardless of economic or philosophical reasons. The influences behind reoccurring usage would be valuable for a marketer to know.

The value of a strong website lies in how the company can affect someone's behavior in life with their offered service or products. It will also give people the belief that they are getting, if not the best offering on internet, then at least what most other people get.

A tool for measuring the strength of the relationship is customer loyalty and that can be monitored or measured in reoccurring usage of one website over the other. The reoccurring visits and usage of a website is important for companies as it is linked to brand equity and also sales. According to Kania (2001) customers perceive that a product backed by a valued brand is worth more than competing product. Brand equity is the "set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers" (Aaker 1996 p. 7-8). Consumer perception is an important part of branding and satisfied users will tell other people about their experiences from that website, thus raising others people perception of the website, even before they have visited it themselves.

From a business perspective understanding the consumers' orientation is valuable. What is the reason to spend money on a website if it isn't seen and actually reaching out to the pub-

lic? Strategies to design and create websites need to reach the consumers. A well made attractive website can build a stronger relationship with consumers and also gain competitive advantage. To best place and design a website that is enticing, interesting and contemporary enough to engage consumers to revisit the website is a goal for all websites.

The actual behavior of the consumer on the internet should be studied so companies can best create and position the websites to reach consumers. As both consumers and businesses has been transformed into information technology, the research in conducting consumer behaviour online has been difficult (Koufari, 2002). By studying which websites are most often visited we can find common denominators that make them attractive. The service and product they offer might be similar or strongly deviating. The problem doesn't end there. The best made website will be completely incognito unless it is seen and marketed.

To understand what drives the consumers and the underlying reasons for the reoccurring visits to certain websites is important if a website wishes to make a statement and leave their mark on the world wide web. The Net generation are maturing and bringing their optimism, opinions and wallets with them. Internet and media outlets have formed their childhoods and youths and they can navigate and use the full potential of the internet's resources.

As students are tomorrows high income consumers, to invest in targeting them today can give returns in the future. They are internet savvy and have been brought up with multiple media influencing. This problem has lead us to the following research questions

What websites do students use, and what attributes do the websites have?

How students find these websites?

Why do students use these websites?

The answers will bring knowledge and understanding to companies for them to be able to better designate their marketing tools as to be seen and acknowledged on the internet and gain competitive advantage online. Our purpose is important as companies need to make themselves seen and acknowledged on the internet by the Net generation.

### **1.3 Purpose**

The purpose of this thesis is, looking from a consumer's perspective, to investigate students website selection.

### **1.4 Delimitations**

This thesis aims to be an aid to small businesses when targeting the net generation and more specifically Swedish students in the future. Large global and multinational firms will not find this helpful since the study has been conducted only on Swedish students and on a small local sample. The assumption is that today's students are the futures big spenders, therefore this will help them in the future when the students have got a steady income and can spend more money compared to what they are able to spend today. We are not seeking to find patterns on what these students assume about the future as we believe their habits on the internet will change and emerge over time, but as we understand how they select websites today, companies can better understand their future behavior.

## 2 Frame of reference

*Contemporary theories as well as previous studies on the subject matter are discussed and reviewed. The reader gains deeper knowledge of the subject and what the research is focused on.*

As we are explaining what websites students use the most, therefore it is the reoccurring usage we are looking at and the undermining reasons. How the website is found examines the externalities involved, and the reasons of why it is used the internalities that the website offers.

Reoccurring customers are proof of a successful marketing strategy, marketing mix and that the service or product offered is well aligned with customer expectations. This thesis focuses on how websites are found and why they are used. By understanding the reasons behind reoccurring usage the reader can better grasp the problem articulated in the thesis. Understanding the theories behind reoccurring usage shed lights on some contemporary marketing strategies.

The majority of the companies have as a goal to gain profits. The product they sell has to be attractive to consumers and consumer should be willing to give up a part of their income for that product or service. Marketers promote and inform consumers about the product to attract them to purchase their product and not from a competitor. This is costly and time consuming. The consumers should be so satisfied that they make reoccurring purchases from the same company several times. The benefits of this are that marketers can focus on finding new customers and focus their resources on beneficial activities. According to Pine et al. (1995) and Reichheld and Sasser (1990) one of all companies most prioritized goal is to retain customers (Koufari 2002). The importance for a website to have an appropriate interface, navigational structure, and other interaction tools becomes even more clear as we understand the duality of today's online customers, as both customers and computer users, these elements may outshine the importance of good customer service and low price when it comes to retaining customers online (Koufari, 2002).

When companies understand what consumers find attractive in their most common websites, they can easier pinpoint what their website might be lacking. Then by comprehending users habits in finding the websites companies can better understand where to market themselves as to be found.

### 2.1 Online and offline marketing

Simpson (2008) is saying that "most of the time, when it comes to internet marketing, online advertising is the process in which a particular banner, flash animation, article, or video catches the attention of the potential consumer". When clicking on the attention seeking commercial the user usually ends up on the landing page where the company behind it hopes he/she will stay. Examples of commercial are blog marketing, video blogging, social networking websites, online classifieds advertisement, article marketing, email, and rich media. Similarities between online and offline the goal are much the same, both online and offline advertising wants to attract business (Simpson, 2008).

We are affected by offline marketing daily in our life. Commercial on television, talking on the radio or the posters hanged up in the bus stops wanting people to use their service or buy their product for example. There seems to be no end of this and it works, or else companies wouldn't continue with this time after time.

King (2009) wrote an article about the difference in online and offline marketing, we have summarized it into a lucid model in table 1. This is a generalized version of the existing marketing theory and does not describe every offline or online function way to market but it will give a good insight of the how the majority can market themselves. It is not always as "either or" as this table might give the feel as.

### Difference between offline and online marketing

| Offline Marketing  | Online Marketing  |
|--|---|
| <p><b>Limited radius of impact</b></p> <p>The radius of offline marketing is limited by physical and time barriers.</p>  | <p><b>Unlimited radius of impact</b></p> <p>This kind of marketing can reach the whole world</p>  |
| <p><b>Push effect</b></p> <p>Offline marketing is more on the push effect, meaning more towards you have to tell the customer they need what we offer.</p>                                   | <p><b>Pull effect</b></p> <p>When it comes to the internet it is more common that people know what they are searching for and that is when you need to be seen without too much of searching.</p>   |
| <p><b>Long complex process for a sale</b></p> <p>This take time and personnel might need to explain their offering for each customer and describe it whether he/she will want it or not.</p> | <p><b>Instant conversation</b></p> <p>The written and describing text on the internet does not need to be written a once more every time there is a new person surfing on the page.</p> <p>Only a few click and the person can buy the product or use the service</p> |
| <p><b>Fixed Hours</b></p> <p>Almost every physical store has fixed hours and is closed and opened limited hours per day</p>  | <p><b>24/7 offering</b></p> <p>When an company is having it's business online the user can buy products or consume the offered service anytime</p>  |
| <p><b>Big cost in advertising</b></p> <p>The cost for having advertising in print, TV and radio is often very expensive.</p>   | <p><b>Low cost in advertising</b></p> <p>Having advertising online is most often much cheaper when you compare having content, audio and video clips online then offline</p>  |

|  |  |
|--|--|
| <p><b>Limited time slots and space</b></p> <p>Due to high cost offline advertisement is often very regulated when it comes to time and same commercial won't often last very long.</p>                     | <p><b>Unlimited time and space</b></p> <p>Cheaper commercial where time limit can be stretched and exist for much longer time</p>  |
| <p><b>High cost per customer</b></p> <p>The high cost for personnel and marketing will result in higher cost per customer</p>  | <p><b>Low cost per customer</b></p> <p>With low marketing cost the efforts divided on each customer will result in low spending on each customer</p>                         |
| <p><b>Target approach</b></p> <p>The cost for broaden the coverage in this segment is high and that leads to cautiously selection and targeting. This is where many potential customers can be missed.</p> | <p><b>Blanket approach</b></p> <p>There is an bigger coverage of the market online, this since the cost is low when gradually raising and reaching new customers</p>         |
| <p><b>Offline segmentation</b></p> <p>Segmentation is harder than online, and as said earlier in target approach, cost will be higher.</p>   | <p><b>Easier segmentation</b></p> <p>Preferences are easier to track online, meaning segmentation online is more simple.</p>   |
| <p><b>Customer contact</b></p> <p>Having customer contact offline is more time consuming for personnel which in the end will cost more.</p>  | <p><b>Customer contact</b></p> <p>Access to customer information is automatic since web marketing is made very efficient. Database and mailing list are instant created.</p> |
| <p><b>Snail mail</b></p> <p>Using snail mail is slow, generally more expensive and losing some of its efficacy with the influx of TV and Internet.</p>   | <p><b>Email</b></p> <p>By using email there is an low cost, efficient, instant and effective when generating customers.</p>  |

Table 1, Comparison of online and offline marketing

Hansen (2005, p.74) wrote “there are numbers showing that 80-90% of all traffic to a website comes from search engines. That is why knowledge of what makes a site ranking different pages higher or lower important. We are being told that if the site does not have anything interesting there will not be any interest to visit the site. Content is the magic word and the most vital aspect.

Getting linked from other site is another important part, this is also something that will put you higher up on search engines as this is a way for example Google to measure popularity. This can be easily be done by linking back to the other page (Hansen, 2005).

Hansen (2005) also suggests clear parameters to fulfill before marketing for reaching higher potential:

- Correct spelling mistake, this can decrease the impression and will irritate the reader.
- Correct fact mistake, things like wrong price, color, weight, delivering time etc.
- Correct programming mistake, don't let the user come to a sight where it will say "internal server errors", pictures not showing or links not working. User might not come back a second time then.
- Correcting layout mistake, this can give a sloppy feeling.

## 2.2 Branding

To capture the consumers and attached them to the company another angle to marketing is branding. The American Marketing Association defines marketing as "an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders" (American marketing association website). Branding differs from this by taking the promotion further. The name, sign or symbol that constitutes the brand is what is promoted and the product range becomes an extension of the brand and its offerings (Aaker, 1996). The brand in itself hold equity as the brand grants the products certain value attributes and can induce customer loyalty. This is linked to reoccurring usage a strong customer base argued for previously in the thesis.

Kotler (2002) defines a brand as 'A brand is a name, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller or a group of sellers and to differentiate them for those of the of the competitors'. The differentiation is a part of a brand's promise to the consumer. Coca Cola conveys that they have the best loved pop beverage in the world, while Pepsi promises they taste better than Coca Cola. These messages are an important part in a brander's job. What makes this company so much more attractive than another? Chan and Huang (1997) states that branding's foremost goal is to promote products and services to that potential customers will be attracted by the service or products and ultimately make a purchase decision (Angus & Oppenheim, 2004).

A website can be seen as a brand if it is a clear distinct symbol or name, often its domain name. Youtube is an example of an in internet brand. According to Youtube's website, Youtube was sold to Google Inc in 1996 but the brand image had been unchanged. Google Inc. owns Youtube, but uses it as the brand that provides the customers with those particular services. If Google instead chose to purchase Youtube to eliminate it and promote their own video website, the brand equity of Youtube would be wasted. Google would face building a new website and also the brand behind it.

Brand portfolios are common, Google can include Gmail, Google Scholar and the different types of searches as components of its brand. Google Scholar is not an independent brand. It is the name, sign or symbol of the website that consumers are aware of, and not always the organization behind it. Google grants their academic search trustworthiness by reusing the brand name Google into the service name. Microsoft, Google, and eBay are considered some of the world's largest internet brands (according to statistics from Nielsen NetRatings) regardless of the physical size of the corporation (here including sales, number of employees and alike). An interesting feature is that the websites actually does not sell a product to the consumer, but are actually parent companies with a large online presence. Microsoft does not only sell hard and software for computers, but have consumer services

such as hotmail and instant messenger services that are free to download. Google is a search engine that earns its profits from advertisements. eBay is an auction site that pairs buyers and sellers together. The greatness of their brands is measured by unique audience, reach and time spent online.

What is then the difference between online branding and traditional branding? Previously the physical existence of a store was also equivalent to their brand. The segmentation of consumers and how the company was portrayed physically was just as important as their reputation. The geographical position of the store or office, interior design, pricing and appearance of employees portrayed the company to the consumer. Whereas a company online is often seen as a brand and success is measured in brand equity. The consumer cannot be affected by the appearance of the other consumers in the shop or office, or the reputation of the street. The consumer is influenced by other factors, such as advertising, friends and/or results in a web search engine. As websites have other means of making profits than pure sales to end consumers, new markets have arisen. Facebook sells both advertisements and consumer behavior to companies, and their brand equity is strongly measured in members and unique visitors. The value of the brand is measured in usage and number of visitors.

Branding can be applied to this research as the underlying reasons for returning to certain websites can be related to aligning consumer expectations with the brand promise. Branding includes the visual packaging of a website and its offerings. Firstly a website has to attract users to visit it and also be attracted to the products and services it has to offer. Some aspects have to be taken into account when designing a website from a brander's perspective. The website as a brand and product has to be attractive. Some tools for branders are:

### **2.2.1 Identity**

The product needs to be more than just identifiable. The brand and website must also be seen as superior there must be certain benefits to the product or service offered. This is referred to as the value proposition "a statement of the functional, emotional, and self-expressive benefits delivered by the brand that provide value to the customer. An effective value proposition should lead to a brand-customer relationship and drive purchase decisions" (Aaker, 1996, p. 95). The competition should regardless of their identity be seen as inferior or less valued. The consumer should gain more benefits than the service or product itself. Functional and emotional benefits for customers can be created by the attributes related to the use of a product or to the purchase of a product. By offering something extra or better (product-related attribute) you create a value proposition, e.g. 7-Eleven offers more convenience than a grocery store or Virgin Airlines that offers free limousine service to their business class travelers.

When applying this to the online world the benefits and value proposition differ from the offline world as the internet is abstract. As the link between companies and the consumer is a computer, interactivity is important. Drew (2002) highlights one common mistake within web design is when internet is not understood as an design medium. There are applications and software that can maximize the design and interactivity between the user and the product or service. It should give users the chance to interact with brands on a personal level, this is seldom used to its fullest.

Elegant design and innovative experience will not do it all if the essence of the brand is not understood. Getting a hold of values, appeal and position in the marketplace is important

in online ventures. If the brand exists in the offline world it is very important to follow that design. The customer experience is the brand, and you need to not just have a nice “front-door”, but also have good content and navigational structure through the whole website. Also having everything that goes into the sights production should be keeping with the brand. The design can be also seen as a benefit, but without a comprehensive visual appeal there lacks a link between the brand and the consumer. That is they cannot identify with a brand they do not understand. If a website is not well done, the blame won't end up on the design company or the brand manager, the people will blame the brand (Drew, 2002).

Drew (2002) explains the importance of a consistent message to the public. The higher number of people that gets contact with a brand the more its meaning will get consolidated. Therefore the message and values of the brand must be delivered the same across all sites and media. Even minor details must be the same. Without a standard message the audience will be confused.

### **2.2.2 Position**

Positioning the brand towards a very specific type of users can imply a value proposition and a brand personality. This creates a strong personal relationship between the user and the brand, e.g. Harley Davidson that has such strong personal relationships with its users that many decide to get the Harley Davidson logo tattooed in their body. (Aaker, 1996)

There is a need for understanding who the audience is and what their culture is about. Finding out what the audience is looking for, what they need and how the organization gives them that using the internet. Depending on the who the audience is, the branding will also vary from strong and weak role since some part require more specific treatment.

Visuals design and type of interaction medium varies strongly between users. Older less experienced internet user might be intimidated by a complex website with many applications. A younger user who has grown up in the digital age might demand advanced applications and possibilities to interact with the website for it to be engaging and interesting.

Aaker (1996) explain in one of his guidelines the *Brand position*. Having a clear brand position and communicating this to the target audience is needed when implementing the brand. It is also important to remember that the brand position is part of the brand identity and value proposition.

Trust, this is the core of a brands identity and will affect the desired and feasible associations that are wanted. The company needs to be sure of what product or service the brand is associated with. If you even have a dominant brand, your brand will be the only brand mentioned. But, achieving this is not the goal when wanting to link the brand to a product class; the goal is to have people mention your brand when it is needed.

The law of either or states that a company can use the internet as either a medium or as purely business. Companies started as bricks-and-mortar use internet as a medium while pure web based companies uses the website as there only communicational tool to do their business (Ries & Ries, 2000).

### **2.2.3 Reaching the audience**

Having timely and relevant content is the Meyers and Gerstman (2001) sixth principle for branding online. Having news is good but not enough. The news need to be updated and quickly delivered with deep insight for giving customers more satisfaction. Consistently

adding service and not just keeping the basic one without updating. This will influence the consumers' choice of returning to a website, and also the frequency of their visits (Meyers & Gerstman, 2001).

A service does not have to be sold to the visitors of a website for the company to gain profits. The sales can be to advertisers, who value the amount of visits and want to exploit the opportunity to be seen online. Meyers and Gerstman (2001) state 'We are already starting to see the grains of that, where brands are competing, not based on what they do, but rather on the content of what they do. The online trading marketplace is no longer about real-time online transactions; it's about advice and guidance, analysis and insight'. It is the content that is relevant to the consumer and with fresh interesting changes being made a consumer might visit a website on several occasions daily.

Fostering dialogue and inter actability is concluded in the actual engagement. To excel online the website should be engaging, rich in content and be interesting (Meyers & Gerstman, 2001). The consumer needs to participate online, have something to do. The medium can give the consumer opportunities to be seen and heard. This can also be seen as a benefit, but the actual service or offering can go beyond purchases and information.

Since companies nowadays face global competition at a high level, and communication and marketing possibilities has developed rapidly, Meyers and Gerstman (2001) is telling us further about how engagement is important since internet is a complex place to navigate on. Since brands are the bottom that gives durable competitive advantage we need the users experience products, price, place and promotion. This is giving users real value and is the difference between different brands. The online world is very sensitive and uses touch, voice, video, graphics and text in one environment, which must compete with other multi-media environments like video games, television and the real world. That is why brands need to be engaging and interesting to their users. Since the branding online could be the only point of contact, there need to be a consciousness there is an equity levers to pull and a relationship to build. Were told by Meyers and Gerstman (2001) that strong brands begin with a strong center and are proceeding from there. Branding is an active discipline which needs alertness and consistence (Meyers & Gerstman, 2001).

### **2.3 Customer relationship management (CRM)**

Previously the only interaction a consumer had with an organization was directly with the personnel. Today the internet removes the sales representative and places a website as the link and medium between consumer and organization. This offers new and also different ways for consumers to gather information, be influenced and create a perception of a brand. This can also create a gap between the consumers and organization as websites are still not refined enough to meet all the information or consumer questions. To fill this gap, many websites today (especially e-retailers) offer consumers services with a physical person. To foster relationship to the consumer, website try to design and structure websites in a way that all the information, service or offering is comprehended to the fullest by the consumer. To close the gap electronically the internet and website as a medium is being developed. The website can communicate and interact with the consumer. This replaces the

physical interaction of two people. To make a website not only interesting but memorable there are certain things to take into consideration.

Ries and Ries (2000) believe that without interactivity a website and the brand will go nowhere. In the long run, interactivity will show what is effective and what is not. The main key is to present the brand so the customer and the range of possibilities can interact with the message. Having interactivity is for example The ability to type in my command and having the webpage fetching the requested information I am seeking. Interactivity is also the extra information based on my earlier typing. Just like after choosing a book at Amazon.com I will receive information about several books previous buyers bought as well together with the first one. More examples of interactivity are the functions were I could add own thoughts and experience to the webpage. Rating the product and give short reviews is a few possibilities. Another example is when I am looking for airline tickets. I will be able to chosen date, condition flight etc and can purchase it on the spot. I will easily see which one is the cheapest flight if that is what I am looking for (Ries & Ries 2002).

### **2.3.1 Fostering dialogue with users**

Meyers and Gerstman (2001) explain the dialogue as their third principle, or rule of engagement. They argue is about developing a dialogue with users, customers and suppliers. Giving users the opportunity to participate directly in a company's actions is a possibility that is recommended to use. If the opportunity is not given there will still be ways created on the internet for customers to speak out. It is about creating true dialogue, not marketing dialogue, with customers and users. For now it seems that those more successful brands is asking users for input, consideration their customers' opinions and will act their advices (Meyers & Gerstman 2001).

## **2.4 Consumer behavior**

The world is full of information being sent, received and also in the end processed. The internet is no exception. When disseminating and selecting information some impressions are stored in the perceiver's memory and others are not. The process and selection of what is remembered and what is not falls under the subject of consumer behavior studies. Marketers study this topic as to create and send information in a way that reaches across to the consumer and makes him/her aware of the marketer's message. For our study this is relevant as it explains consumers selection of what they acknowledge and why. When selecting websites, users process information and stimuli in the same way as if it were a physical product. Engel et al (1994) explains that this subject can also be applied to different areas of communication, branding and design packaging just to mention a few of his examples.

The following section on information processes is cited from Engel et al (1994) chapter 14. They have elaborately explained the entire information process and we the authors of this thesis find the information very relevant to our work.

### **2.4.1 Information processes**

Information processing refers to the process by which a stimulus is received, interpreted, stored in memory and later retrieved (Engel et al. 1994 p 472).

McGuire (1976) developed a model for information processes that occurs when a person is exposed to stimuli:

1. Exposure.
2. Attention.
3. Comprehension.
4. Acceptance.
5. Retention.
6. Memory

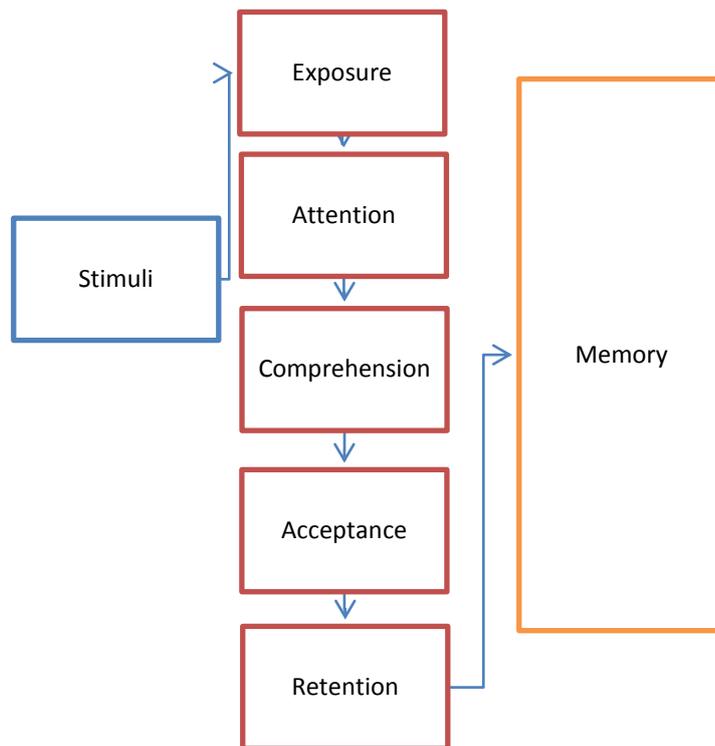


Table 2, Memory

Exposure occurs after a stimuli that which activates at least one of the 5 senses. The following text is an elaboration of Engel et al (1994) who describes McGuire's model for information processes:

A stimuli must occur before actual exposure is evident to actually start processing the information once the receiver's attention is caught. The receiver is a person who is exposed to the actual stimuli. Then the receiver will start relating meaning to the stimuli in the comprehension stage. Acceptance is an important stage when investigating persuasive communication. Although the consumer might actually receive and understand the stimuli, they may or may not actually believe it to be true or not. The last stage of retention is transfer and storage of information in the long-term memory. Memory is also important in previous stages of the process as a consumer interested in a certain sport will be more attentive for information relating to that sport, or upcoming holiday will make consumers look for gifts related to that holiday. Interpretation is effected by the receiver's previous experiences and education.

An important note is that the stimulus must actually be processed through each stage to reach the memory. Therefore marketers need to purvey their message in a way that the consumers see, understand, believe and remember.

### 2.4.2 Attention

Even though people are stimulated by their surroundings constantly not all stimuli moves past a prescreening of information into the second stage of the model, attention. To actually get the consumer to pay attention to advertisements or messages that companies send out is difficult. In the context of the internet, a webpage needs to grasp a consumer's attention to visit and spend enough time on the site to actually continue the information process. There are personal determinants of information, that is the different influences that promote the receiver to pay attention. Needs/motivations, attitudes and adaptation level and their span of attention are some of these influences. Needs and motivation are part of physiological and psychological factors that humans need to survive. Someone that is thirsty searches for a way to quench that thirst. If a marketer can expose a consumer to stimuli in the decision making moment, they can influence the consumers' action. This time span is very short and difficult to pinpoint, but it is advantageous to advertise with stimuli that captures the consumer's attention.

Attitude is part of cognitive consistency theory, which states that people try to uphold a set of consistent beliefs and attitudes. To have inconsistent beliefs induce psychological tension. People are believed to accept information that promotes or is aligned with their current beliefs and avoid that which is adverse to it. Attitudes can both be barriers and facilitators to consumer perception of a product depending upon its alignment with their current set of beliefs.

Adaptation level regards the action scanning of information people receive from a certain stimulus. Consider a person from the country side moving into a busy metropolitan city, the commotion and noise would first bother him/her but then he/she would get used to it. The same is applicable for marketing communications. Since the youth has grown up with many media mediums influencing them, advertisement is no novelty and to catch their attention is a difficult task.

People and humans have a short span of attention. The constant stimulus and messages aimed at them and others influence humans to pick and choose between what they should actually select to pay attention to.

### 2.4.3 Stimulus Determinants of Attention

Another set of attention influencing factors, called stimulus determinants, are actually the stimulus itself. People react differently to different stimulus and companies study the "controllable" factors that can be changed and affected to catch potential consumers' attention. **Size** is an important part of stimulus. Generally the larger, the better as the likelihood of a person seeing and acknowledging an advertisement is determined on self space and the size of the advertisement. Some **colors** are more attention getting than others. They appeal to the eye and set themselves out from the rest of the environment. Intensity is also influential. Sounds and bright colors attract attention. People have the tendency to pay more attention to things that **contrast** from their surroundings. The location **position** is also important. Depending upon where an item or advertisement is placed, it attracts attention. The eye tends to follow signs and stimulus with **directionality**. Stimulus that has **movement** attracts greater attention than that which is stationary. At the same time presenting

only a select few stimuli attract attention, also known as **isolation**. **Novelty** is also a key factor, people react more to what is not expected. (Engel et al, 1994, p477-478)

#### **2.4.4 Comprehension**

The third stage of information processing concerns itself with the interpretation of the given stimulus. That is, the actual categorization, and elaboration in regards to the receiver's current knowledge. Engel et al (1994) describes the comprehension stages complexity as follows.

#### **2.4.5 Stimulus Categorization**

This involves the usage of concepts stored in memory and interpreting information in terms of previous knowledge. Engel et al. (1994 p478) explains that stimulus is evaluated depending upon how it is categorized. The receiver of the stimulus will transfer feelings and attitudes onto the new stimulus when it is categorized. Companies try to influence consumers' categorization, Fanta is the fun and youthful beverage, Coke light is sugar free and healthier alternative. By doing so the companies hope to position themselves in the consumers' mind ahead of its competitors. The same is applicable for websites. Once a website is found it is evaluated according to the consumer's previous knowledge and experiences.

#### **2.4.6 Stimulus elaboration**

An important aspect of the stimulus process is the elaboration that occurs in the recipient's mind. The elaboration process is the combination of new information with old knowledge that the recipient already has stored in their memory. The recipient actually adds and incorporates their own experiences and perceptions to the information or stimuli. One way of examining consumer's elaboration is to ask them what they associate to a certain brand or subject. If they have good associations to the brand they will have positive superlatives to explain their valuation of the brand.

#### **2.4.7 Stimulus organization**

Gestalt psychology focuses on how people organize stimulus in their mind and what governs that process. **Simplicity** is the first process of stimulus organization. People tend to organize their thoughts into simple generalizations. **Figure and ground**, the second process, is a bit more complex. The mind organizes perceptions into two concepts, figure and background. What is perceived firstly and strongest becomes the figure while the other less meaningful areas become the ground. An example of this is a commercial that has an interesting message. If the message is remembered but not the company sending it, the message becomes the figure and the brand becomes the ground. Gestalt psychology also has an important third aspect, **closure**. The mind tends to fill in the gaps that might occur in perception; the mind completes the picture so to speak (Engel et al, 1994 p489).

#### **2.4.8 Personal Determinants of Comprehension**

Just like attention, comprehension is affected by several stimuli and personal factors.

Motivation is a personal/internal factor affects both the elaboration process and comprehension. Hungry people will often have more food associated elaborations than those whom have just recently eaten. Stimuli that affects on a personal level and is relevant to the person's needs will have a more elaborate process. That stimuli will be categorized, elaborated and stored in memory in a deeper manner than stimuli seeming irrelevant to the person.

Knowledge is another personal factor of comprehension that plays an important role. The person's knowledge determines their ability to understand the message and also how the information is elaborated.

The last personal factor is expectations or perceptual sets. How stimuli is comprehended relies a lot upon the recipients expectations of what is likely to happen. People evaluate tastes depending upon whether it is a "blind" test with hidden labels or visible labels. Some things are expected to be a certain way, whether or not it actually is the case when tested.

The stimulus determinants of comprehension are the physical properties that influence the interpretations (Engel et al., 1994 p 493). Size, color, packaging and brand name, linguistics, order affects and context are some important properties that can influence the perception either positively or negatively.

#### **2.4.9 Acceptance**

The fourth stage of information processing examines the persuasiveness of stimulus. The actual persuasiveness is shown in the knowledge, attitudes or behavior after the stimuli. Just because an advertisement is seen and understood doesn't mean that it can persuade a person to purchase the item. They might not sympathize with the message sent. For marketers it is interesting to know how much, if any, acceptance happens during the acceptance stage of information processing. The phenomenon is known as cognitive responses.

#### **2.4.10 Cognitive responses**

When consumers are presented with stimuli, for example an advertisement of a product anticipated to be purchased in the near future, we can assume this person is highly educated and motivated in finding a suitable purchase. The advertisement poses certain claims that the consumer must process and consider whether or not he/she will accept these claims or not. When processing and considering the claims, the person uses support arguments when in favor or the advertisement and counterarguments when opposing them.

The cognitive responses are a complement for attitude measure. Attitude measures tell whether or not consumers do or do not favor an advertisement but not the actual cognitive process.

#### **2.4.11 Affect Responses**

Affective responses are the measure of how an advertisement affects the consumers' feelings and emotions. If an advertisement evokes a certain favorable emotions, then it can also evoke favorable affective responses. Positive emotions and reactions will also imprint the information process and acceptance. The positive feelings reflect back upon the advertisement's message, creating a positive image of the brand.

#### **2.4.12 Retention**

The final stage in the information process is the transfer of the stimuli's interpretation into the long-term memory. Information is stored in three different systems, long-term memory, short-term memory as well as sensory memory. Sensory memory is the first stage of memory and regards the physical aspects of information such as touch and texture. Short-term memory is the next stage of memory as once the information has passed the sensory memory. Here long-term memories and sensory memories work together to interpret and categorize the information. Its limitations include the ability to hold small amounts of information at a time, and how long the memory can last without activation efforts. Long-term memory is the warehouse of information storage. This is the most important memory stage as it can hold limitless amounts of information permanently. If marketers can get people to store their message, in a positive light, in long term memory their job is nearly done.

#### **2.4.13 Summary of consumer behaviour**

Consumer behaviour and learning processes are important for this research as it sheds light on the process of selection, memory and memory retention. When selecting websites it is important to understand the thought processes. The theories Engel et al. present are taken from a marketing perspective with emphasis on advertisements. This is still relevant to this thesis as a website can be marketed just as any other product or service. To choice of website is based on more than marketing mixes or segmentation. After segmentations and marketing strategies, the actual perception of the website is what either brings or does not bring the consumer to use the site or not.

### **2.5 The net generation**

Every generation is has its own characteristics, parents and their children grow up under different circumstances and social climate. Parment (2008) defines the millennials, generation y or net generation, that is the youths born in the 1980's. We will refer to them as the net generation.

The information on the net generation in this chapter is taken entirely based on Parment (2008).

#### **2.5.1 Choice and individualism**

Being raised surrounded with media and information easily accessible they have developed different skills and attributes from previous generations. All choices create individualism, individualism creates more choices and entrepreneurship as the individuals own incentives become free and accepted (Parment 2008 p24.)

The net generation has special strategies of choice. The information overload is not seen as negative in their opinion, instead it is advantageous. They choose what they need to, when they need to. To do this they also have strategies of information. The strategy of information means that they are critical to the information they come across and are good at scanning through the information buzz for what is interesting and not. This generation is avid users of the internet and sees it as a tool to search for information rather than use the traditional methods such as libraries or physical journals. With critical eyes and judgment

they use known websites. Their parents use the newspapers to update themselves, the youth use newspapers online. The flexibility in the information demands the critical eyes they use and they are constantly training.

For this generation the world is close and transparent. Even if it is for their parents, they have a different attitude towards it. With reality TV where anyone from any walk of life can be seen and acknowledged, whether it is a competition for a music contract or a job for Donald Trump, there are more channels than the traditional ones to reach their goals. They have a strong need and desire to form their own situation and not just be a part of given circumstances (Parment 2008 p30).

### **2.5.2 Large social networks**

Their social network has taken a different form than their parents'. They are large and they themselves do not see this as a problem. Their relations are valued as meaningful, long-term and deep (Parment 2008 p36). These large networks are able for large amounts of information to spread and be shared. The demographics and cultural values in these networks are varied, and it is difficult to indoctrinate this generation as they have input from different aspects of the subject (Parment 2008 p38).

### **2.5.3 Hopes and expectations**

This generation is optimistic, individualistic and open about their feelings. They are not as adverse to discussing their lives and feelings with their network as their parent (Parment 2008 p68). The will to do "everything" can seem over ambitious by older generations. To them it is not impossible to travel, have a career, be a parent, multiple educations, or fulfill their dreams. The workplace is a place of self-fulfillment to them, not just a labor. Working and making a career is part of being able to "have it all". They are demanding more from employers and organizations to be able to help them in fulfilling their goals.

### **2.5.4 Summary of the Net Generation**

The net generation is hungry and hopeful for the future. They can examine and evaluate information just as fast as they can find it. Understanding their behaviors and attitudes, in the way that they differ from their parents will help analyze why they use the websites available.

## 3 Method

*The means of collecting data and the underlying reasoning behind it is presented as so the research can be analysed and reproduced by other researchers in the future.*

### 3.1 Approach

When conducting research one first has to decide what approach to have. There are two different approaches to use, the inductive and the deductive approach. The inductive approach is used to develop theory as a result of the collected empirical data (Saunders, Lewis & Thornhill, 2007). The deductive approach works the other way around, to develop theory and/or hypothesis and use a research strategy exclusively designed for the purpose of its testing (Saunders et al., 2007). These two approaches can also be combined within the same research (Saunders et al., 2007). For this study we used the deductive approach since the purpose of this thesis is, looking from a consumer's perspective, to investigate the influences of students website selection. We will seek to find patterns in our empirical findings that match existing theories.

### 3.2 Purpose of research

When deciding the purpose of research there is three different categories descriptive, explanatory, or exploratory. According to Saunders et al. (2007) when conducting descriptive research the objective is to describe a correct picture persons, events, and situations (Robson, 2002:59). In explanatory research, researchers use different variables and create relationships between them (Saunders et al., 2007). This type of research has a focus on examining a situation or a problem to be able to explain a relationship between the included variables (Saunders et al., 2007). The last alternative is to conduct an exploratory research. According to Saunders et al. (2007) this is used when researchers seek to see the phenomena in a new light through describing what is happening, ask questions, and seek new insights (Robson, 2002:59). When an exploratory research is used there are three main ways to collect data; search or literature, interviewing experts in the subject, and conducting focus group interviews (Saunders et al., 2007). The great advantage of the exploratory research is its flexibility; researchers who conduct an exploratory research must be open to change during the process as new insights appear (Saunders et al., 2007). As an extension of exploratory or explanatory research, one can also use Descriptive research (Saunders et al., 2007). We decided to do an explanatory deductive research since were investigating patterns on people's internet usage.

### 3.3 Qualitative or quantitative research

Decision on if to use qualitative or quantitative data also needs to be made. Qualitative data is based on meanings expressed through words and results in data that are non-standardized. Quantitative data is the opposite, this is standardized data derived from numbers (Saunders et al., 2007). We made the choice to conduct a qualitative study because of our purpose. When examining what factors that influence people to return to certain brands online it is hard to find answers from quantitative data. We went more in depth to find the most accurate answers. We do not only want to know *what* brands people visit but *why*. This is also possible with quantitative research but using qualitative will provide a deeper understanding.

In order to answer this we conducted group interviews. This gave a variety of points of views and group interviews will also enable the participants to respond to each other's

views which are not possible in a one-to-one interview (Saunders et al., 2007). It will also give a larger number of ideas and the possibility to evaluate these ideas within the group (Saunders et. al., 2007) another advantage is the opportunity for the participants to challenge one another's ideas but also consider other participants ideas (Saunders et al., 2007). As many people can be interviewed at the same time, it is also time saving.

### **3.4 Data collection**

To answer the purpose and research questions, data was collected through four group interviews, consisting of four to six students in each group. Each interview were held for approximately sixty minutes and regarded their website selections. The main focus was to examine how they have first acquainted themselves with the internet sites they use, their thoughts on competition and outside influences. As the internet is a natural part of the Net generations every day life, it cannot be assumed that they have actually analyzed their own behaviors. Prior to the interviews the participants were asked to reflect about what internet sites they use, how they heard of them and what influences which websites they visit.

When conducting group interviews, one important aspect to consider is to make everyone participate as equally as possible. In groups, it is common that only one or two people lead and talk the most, this will not give us the correct information. The group interviews were held by one of the researchers as moderator and one of the researchers as observer. The moderator asked all the questions and made sure that every participant engaged equally. The observer took notes of what the participants answered and made sure that each question was asked. The interviews were also audio recorded to absolutely make sure no information was missed. In order to avoid unequal participation among the respondents, the interviews were held around round tables to make sure no difference could be made upon where people were seated. When asking questions they answered one after one all the way around the table, if someone had something to add they could do so after everyone had given their answer. If someone still spoke much less than the others we asked this person specifically if he/she had something else to add. This way proved to work out very well, we felt everyone participated and gave us honest and well thought through answers.

Only students were used during the interviews since our purpose is to investigate students website selection. Students were chosen because they represent the Net generation, meaning that they use the internet on a regular basis and for several different activities. They are a part of the Net generation and will be the future consumers. They are avid users of the internet and have strong skills.

Students were also easy for us to access since we are students ourselves. This is also an advantage when the participants answer our questions, we believe they feel comfortable among other fellow students. Students also represent a suitable age group for our study, that is within the Net generation. The participants in the group interviews had a range of age between 20-28 years old.

The first group interview took place at Skövde University with six students from Skövde University as participants. The following three interviews were held at Jönköping International Business School (JIBS) with Jönköping University students as participants. The first and second group interviews in Jönköping consisted of 4 students, and the third consisted of 5 students. We chose to hold the interviews at the Universities because it is a natural gathering point for all students and because this is a familiar surrounding where they feel comfortable.

When creating groups we had different times available for participants to choose from so it would fit their schedule. This would make sure no one was in a hurry and leave in the middle of the meeting, it would as well give them comfort enough to answer the asked questions thoroughly.

Gender distribution is also an important aspect to consider. The groups consisted of an almost equal distribution between genders with ten participants being men and nine participants being women.

The questions we used in the group interviews were mostly open questions to get as much and deep information as possible. Most of the questions were prepared before the interview took place, but as the interview developed some new questions also arose depending on the answers and reasoning we got from the participants. The frame of reference was used as a base from where the questions were developed. This made the questions accurate and within the topic area.

The main concern in formulating the questions is to avoid participant bias. As the internet can fill many purposes: entertainment, informational, practical and professional we assume that most users are not aware of the underlying reasons to their internet behavior and preference of website brands. Therefore we are investigating key questions:

- 1) What websites they use the most
- 2) How they find them
- 3) Trustworthiness online
- 4) Why they use them

The answers to these questions will answer our research questions and contribute to fulfilling our purpose.

## 4 Findings and data analysis

*The empirical data collected is summarized and presented in accordance to the purpose and research questions.*

The interviews proved to hold a relaxed and comfortable tone. The groups' discussions held slightly different natures. The first group were at first a little reluctant and needed a bit of time to warm up. They needed more explanations and tended to deviate from the themes. Group 2 had the best interactions between them, while group 3 had a fairly diverse interests with 3 Female 2 very interested in shopping. The reoccurring themes extracted from the interviews were homogeneity, habits, functions and orientation.

### 4.1 What websites are visited on a regular basis?

When discussing the most commonly used sites, the students shed light on the homogeneity of their internet habits/consumption. When asked to name the website they most commonly used, the participants named some of the biggest websites on the internet. They all mentioned internationally known sites such as Facebook, Wikipedia and Google. Then they added in websites that are used to aid them in school or work such as translation aids, school portals and online dictionaries or information service provides of Swedish and international background. Only three persons mentioned sites associated to their hobbies. The biggest brands are mentioned regardless of background and interests. This was not surprising, but the reasoning behind it was. Each website fell under a unique category and provided a different service to the others mentioned in the interviews. One community, one search engine with not one mentioning direct competitors in these categories. An interesting note is the category of online newspapers. There a few competitors were mentioned. In this case the websites can be seen as complements to each other rather than substitutions. The participants clearly exemplified that they chose one provider of a service and also continued that usage.

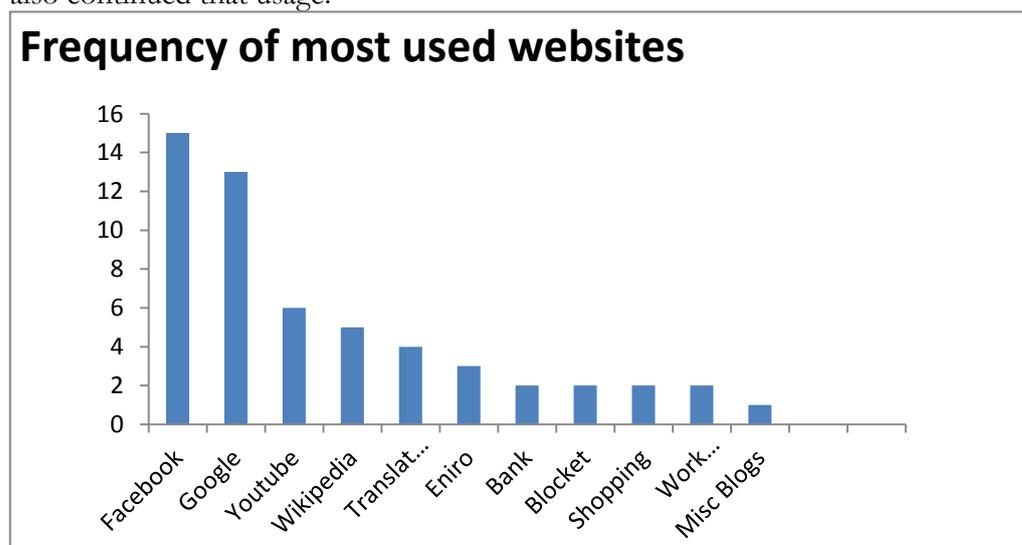


Figure 1, Most used websites, numerical values.

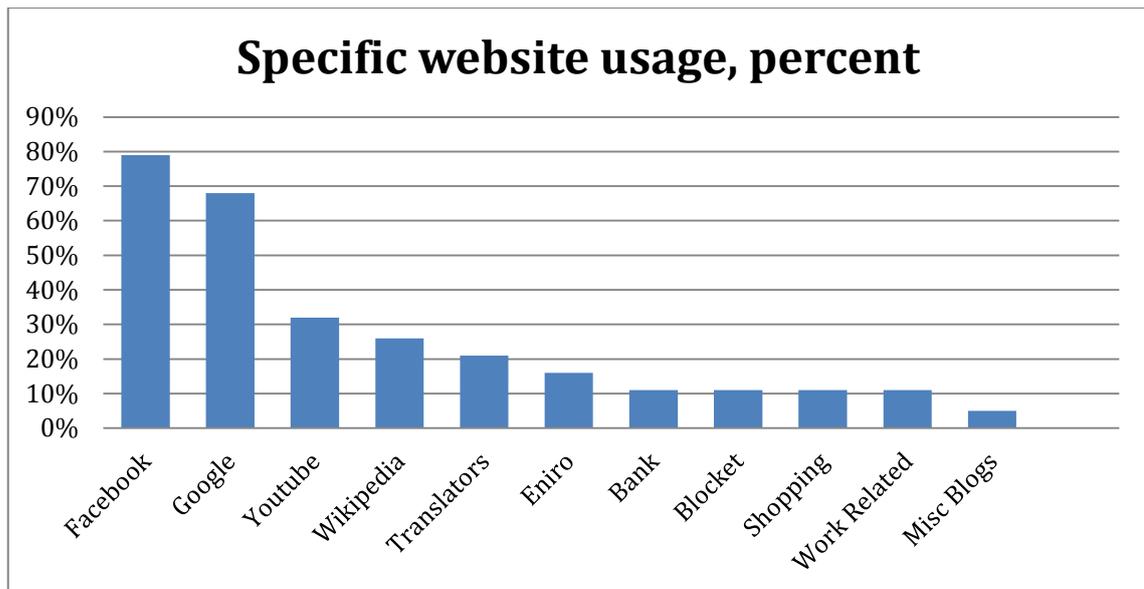


Figure 2, Specific website usage, percent.

To further develop this, an example of Google whom almost participants used, was presented. They all agreed that Google was considered the best search engine, but not one had recently tested that statement. Google was considered superior to other search engines. Several could recollect how they actually found it. “It was better than Yahoo, as Yahoo was cluttered and complicated. Google was just a search field”. 1Male4 (personal communication, 2009-04-04) this shortening stands for ”group - sex--(m= male, f=female-) - number of the person-) said. “My boyfriend used it and made it our start site on the computer “ 4Female 3, (personal communication, 2009-04-07) said. “It was the best when it came” 1Female 1 said. “A teacher told me about it in high school” 2Female (1 personal communication, 2009-04-06) said. They proved to be aware of when they started using Google, and why, although not of the competitors, or current alternatives.

It was confirmed they perceived Google to be the best search engine available, although they had not tested that claim. When presented with alternatives such as Alta Vista, Yahoo, Msn they had almost completely forgotten about them. That Google was superior reach consensus without much discussion. “My fingers automatically type Google” 1Female 1 (personal communication, 2009-04-04) said. Since Google’s emergence into their conscience and its establishment of being perceived as superior the consumers continued to visit and utilize their services. The usage of search engines is further explained when discussing the orientation of finding a websites.

The websites domain name is often the brands name and the effort of branding is that the website want to be the brand that comes in peoples mind when being mentioned. The brand must be superior to others for being considered by the user. It is also important for the company to position themselves as trustworthy and give the user a clear message of what this brand offering. When reaching out to the audience they must make sure that the audience knows that they are updated frequently, as well as letting the consumer being active and/or entertained.

That search engines are such a central role in the actual internet orientation is not surprising, but the influences on internet behavior as such is. As the consumers use search engines to find their destinations

When asked the participants mentioned similar brand usage. Almost every fifth participant claimed Facebook to be one of their most visited sites. The second most popular was Google followed by Youtube. All three are considered some of the biggest brands online. The other answers are wide spread.

As figure 3 is showing there is a total of 7 different "news sites" uses. This is a mixture of daily happenings in economics, daily happenings, and local newspaper for example. This means news sites online is often niched and no site will have it all of what people want. on the other hand the category "search engine" only includes google which do not need to be complemented since it can fulfill the purpose people have when it comes to search engines.

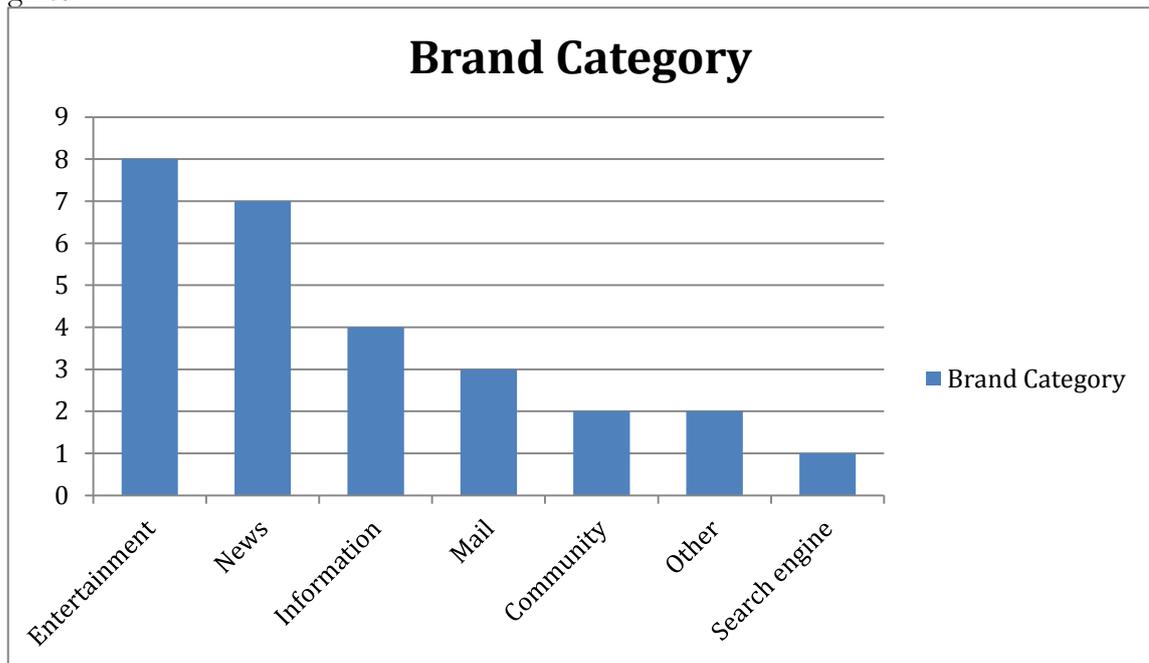


Figure 3, Brand category, number of websites represented per category

## 4.2 How they are found

The actual process of becoming aware and creating a relationship to a website presented the actual influences of externalities. To find websites friends and search engines were most influential. The sites most commonly used where found through friends, advertisements on TV, magazines, and advertisements on the internet. The most common source was friends. The relationship between persons' per say gave the website trustworthiness, validity and also a reason to actually look at it. Group interaction around a site is common. For example Youtube can be accessed by anyone, and provides entertainment value that can be shared and discussed by others. Facebook was "not a good site in itself, but all my friends have it and it is the best way for me to keep contact with my friends as everyone as it" 1Male 4 (personal communication, 2009-04-04) said. When asked how they got a Facebook account, it was peer pressure and not the actual service itself that was the initial catalyst. "After 10 invitations from my friends I gave in and got an account to see what it was all about" 3Male2 (personal communication, 2009-04-09) said. The interaction provides a common platform for peers and since the services were free of charge all whom have a computer and internet access can participate. Websites that are constantly changing and updated are interesting and worth to click onto again and again.

The websites offer an interesting range of services. A search engine gives new results for search words, retailers have new products and forums need activities. The fact that a website constantly updates its content found to be important for the participants as the websites they choose do so. The service provided by the website itself was either useful, entertaining or interesting.

Not only friends are influential but search engines and product pricing engines were preferred to investigating sites visited previously. The same search engine was reoccurring used since years past. When choosing what link to follow only the first page was considered. "Of a search returning a million hits, only the first 5 are relevant to the topic" 1Male 3 (personal communication, 2009-04-04). There is a lot of information on the internet but as there is lack of physical roads to orientate around the participants need to create own vantage points and understandings of what is available and what is attractive to them. When excavations a special subject, search engines provide several destinations. The consumer can pick and choose between what is more attractive to them. A road to the website is clear and plain. Then when later finding a second subject the same search engine. The same behavior is consequent for product pricing engines.

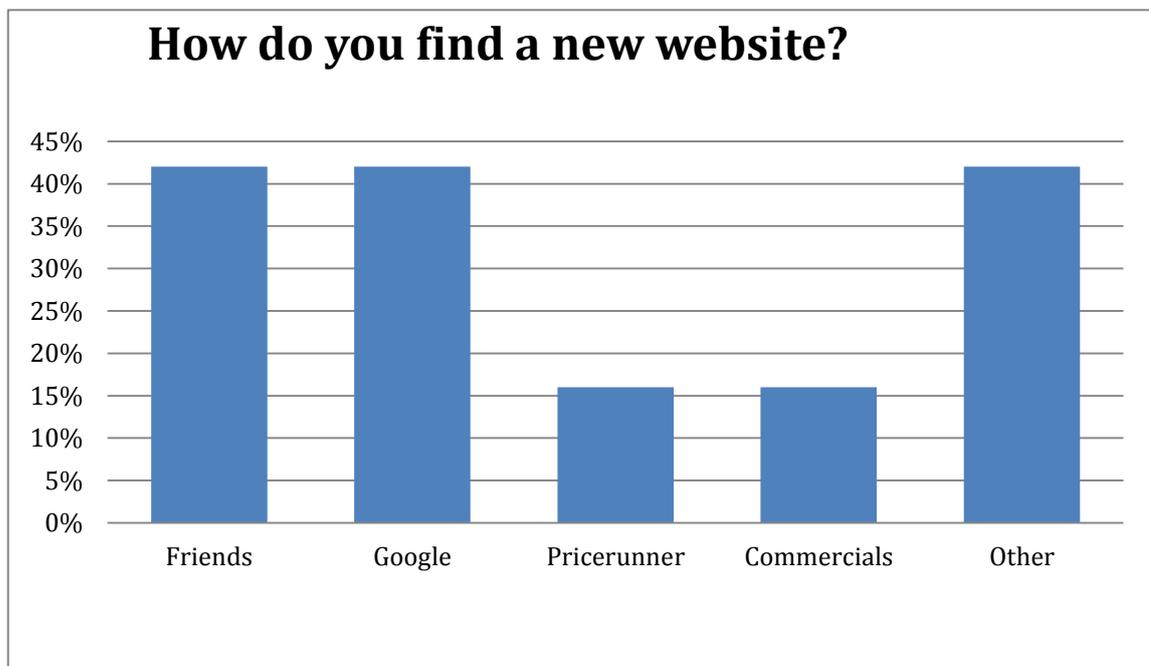


Figure 4, How do you find a new website, percentage.

The personal network and the search engine Google is the most commonly used methods of finding websites. Friends can be assumed to share common interests and peer pressure influences a lot. This proves the importance of position in theory. Google as a search engine shows its perceived superiority.

### 4.3 Why are they used?

With the large amount of information available and what to decide to use and continues using the subject of trust was discussed. The design and layout of a website is important. Some relate it to the window of a store. The sincerity of the site and attraction to navigate the site needs to be conveyed almost immediately to the person clicking in onto the site if they should actually view and use the site. “If the creators of the site won’t put time into creating a professional website I won’t take my time to shop there either” 1Male 3 (personal communication, 2009-04-04) said. The likeness of websites and brick and mortar stores are very similar in how they can attract a consumer. When asked about their opinions regarding how web shops and e-tailing. The appearance transcends the not only the trustworthiness of a webshop, but also the appeal to customer. If a site lacks a professional appearance and good policies the consumers need more reasons other than the website being cheap and convenient to give up a “real” shopping experience for ordering it online. Some factors that grant a website trust and could prove the website’s sincerity is that it is easy to navigate, lacks pop ups, is stylish and simple is the first step to gaining the consumers’ trust.

Skepticism was a commonly reoccurring subject closely linked to trust. It was almost unspoken that the internet is not always trustworthy. To shield oneself from fraudulence the participants used known sites that advertise and states clearly who is behind them. “A website that advertises on TV won’t try to scam me as they have invested so much money on getting known” one stated. “A professional website is more trustworthy as there is time and effort put into it” participant 1Male 3 (personal communication, 2009-04-04) explained in the same case recommendations from those acquainted to the user. A female internet shopper had a well thought out answer “I am not skeptical, but instead careful. Honest websites have put a lot of thought into their policies and have a certain layout. I can always easily contact them” 1 Male 2 (personal communication, 2009-04-04). Bigger brands are also trusted.

Secondly friends and commercials add trust as other people’s experiences can confirm if a site is good or not. The site must be considered large and of common knowledge. When making purchases online the reputation of a website was paramount. Some guarded themselves from fraud by searching for information about that particular store to see if people had posted warnings about the site in forums. Others used a product pricing engine that provides reviews of the site and its services. Other consumer can then rate the store. “It is not the only way for me to evaluate a store, as the biggest stores like El-Giganten can have unhappy customers and that won’t influence my choice to purchase their or not, but a small store I’ve never heard of with bad reviews will.

### 4.4 Reoccurring visits

The general consensus conferred that they had a well established internet habits. They returned to the same websites on a regular basis only to deviate occasionally. The reasons for returning to the websites was that the service provided by the website was superior to the competitors, or so they are perceived to be. An interesting example is that of Aftonbladet and Expressen. Both are competing Swedish tabloids, yet some participants used both websites. The function of “favorites” was often used as a map of what the person would believe was good sites. The websites had been used for a period of time that the partici-

pants could not directly specify. They were perceived as commonly known brands, either within their particular niche or in general. As they were perceived as such they were also seen as trustworthy and superior. An interesting note is that the participants, in most cases, could not even name or discuss competitors to the brands they used.

#### **4.5 Misc findings**

When asked about cultural status that materialistic things can omit to the owner, all participants could agree that certain brands of clothes, cell phones and other things could grant social status. When asked where or not this could be applied to websites or services on the internet the participants were confounded. The general opinion was no, with certain reservations. The number of friends on Facebook, or pictures others had uploaded upon oneself, membership in exclusive forums are some examples that are mentioned. Although it was not of any greater importance or something that was really even considered.

### **5 Results and Analysis**

*The findings are analyzed with respect to the theoretical framework. The data has been refined to stronger statements and compared to theory.*

#### **5.1 What websites do students use, and what attributes do these websites have.**

Our research shows that people use a surprisingly low number of websites on a regular basis. Most of the respondents answered that they visit 7-12 websites per day, which is not much compared to how many are available. Students have named some of the internet's largest brands. This is not surprising, but the participants mentioned similar websites. Students use almost the same websites. They share the common factors of simple design, purveys a clear message and purpose, interactivity, commonly known and websites that are used by their peers. Aaker's (1996) thoughts on value proposition is justified from this investigation. Students choose the website that has the highest value proposition that is also most practical and useful to their lifestyle. It is the actual service that websites offer that is important. In this study the interaction and services are free and give instant gratification. Actual purchases on the internet is not as common.

The factor of loyalty is a key ingredient if wanting to succeed online. Website users enter websites that at the time they were found were considered superior to their competitors. When the consumer has found a superior site he/she will return to it and not consider its competitors before doing so. In the case of Aftonbladet and Expressen there are other tabloids, Swedish and international, so phenomenon can imply that in some cases of engagement and interaction the want of new information drives the consumers to find alternatives that meet their need for novelty. Two websites that may be seen as competitors actually become complements to each other, in the eyes of the consumer.

Despite the differences within the interview participants, they mostly use the same type of websites. This despite background, age, gender, etc. everyone used google.com, facebook.com, or wikipedia.com. The only obvious difference found was if one person had a specific interest no one else shared (e.g. horseback riding). As the same websites were repeatedly mentioned, some questions arose. How are they able to target such a broad segment? Can an online brand have “everyone that use the internet” as their target? This also strengthens the notion that there is a difference when branding online compared to offline, online you have (basically) no geographical restrictions. The services provided by the website mentioned were universal, comprehensible, have simple design, easy to navigate and actually do not sell a product or service to the visitors of the website. The brands have built a reputation based on the consumers’ interest and fulfill a specified need and service. They receive many visitors, whom each time they visit the site, indirectly generate revenues to the website without spending any money. Their message is clear, the visuals are easy to navigate and understand, the competencies of the brand is reflected in their specified service and the consumer quickly gets a holistic understanding of the brand. The message is purveyed immediately to those who find it. Simplicity is the key.

The brand position Aaker (1996) that these websites have is generic. As the design and visuals are easily analysed and understood by the reader, the brand message is easily comprehended. The position is towards a wider audience and demographic. The websites students mentioned are just as easily understood and used by an older generation as well as their own.

Also the interaction plays an important role. Meyers and Gerstman (2001) point the important of engagement. The websites have two way communication. The users actually use a service the website offers. An interesting fact is that the service is continuously changing. Search engines have results that actually grow with the internet and the particular topic being searched. Communities are organic in their development, the contents are affected by the members and members can interact with each other. Wikipedia is also organic as the content is user defined and grows or retracts with current findings. Interactability is key, the users can continuously change and develop the content enriching the experience for themselves and also others.

The factor of loyalty is a key ingredient if wanting to succeed online. Website users enter websites that at the time they were found were considered superior to their competitors. When the consumer has found a superior site he/she will return to it and not consider its competitors before doing so. In the case of Aftonbladet and Expressen there are other tabloids, Swedish and international, so phenomenon can imply that in some cases of engagement and interaction the want of new information drives the consumers to find alternatives that meet their need for novelty. Two websites that may be seen as competitors actually become complements to each other, in the eyes of the consumer. Consumers cannot put time into perspective when assessing a website. Once usage is habitual it is very difficult to change their online behavior. An excellent example of this is the girl in one of the interviews who said: ‘My fingers type google.com automatically’ (3F1, personal communication, 2009-04-04). If this is not loyalty, what is?

## 5.2 How do students find these websites

Websites are found and explored mostly on recommendation by friends and search engines. Aaker (1996) had good points in this. Even though friends are an important influence, someone can assumingly have found the website through search engines or other methods and as rings rippling through water spread the message of the brand. The trustworthiness issued by a relationship grants the website the benefit of the doubt. Another person has already examined and scrutinized it, either approving or disapproving it. If a brand can influence those who use the brand to see it so superior that they recommend it to others, the receiver of the recommendation will have already established a perception of the brand even before they have seen it themselves. That perception may easily be changed, but has given the receiver of the recommendation a common value base to initiate the relation to the brand upon. These methods are a means to comprise the intake necessary when finding new websites. If the website is of a nature that a product is purchased, or membership is required, a recommendation by a friend implies that the site is trustworthy and worth visiting.

Findings also show the importance and influence of friends' recommendations and internet usage. Tips and group pressure have a big impact on which websites we choose to use. An example of this is the man who said "After ten invites to Facebook I gave in and joined". (3M1, personal communication, 2009-04-07) It is notable that he "gave in" to start using Facebook instead of finding its services exciting. Yet he still uses Facebook today and is attracted to it now. The online and offline messages Simpson (2008) describe are both influential. Our findings show that they have different affects both linked in a different way.

Commercials and marketing advances were also common. Offline influences had a larger impact. The commercials presented the participants with trust and sincerity of the company behind the website, rather than notifying of its existence. The website as a brand was informing the public of its existence, also that they were investing money in marketing. The likeliness that this site would be found through search engines would be relatively high, but the commercial granted the site trustworthiness.

The pull effect King (2009) describes is evident. As the consumer knows what they are seeking for and then the company needs to be seen easily and also easily be accessed. Also his topic of instant conversation is evident. The easier the website make the conversation the more prone the consumer is to purchase or use a service.

The search engines impact is notable. As a compass it leads the consumers through the web. Hansen (2005) has already found the importance and impact of the search engines on internet orientation. He also noted the importance of being linked. The study shows that links were also important. Once a subject is searched or investigated by the consumer the sites they visit will be able to lead and guide the consumer further. Blogs and advertisements recommend different websites. A blog might present a product that the consumer is interested in and that will entice him/her to visit the website that sells the product, thus viewing and finding new

When analysing the Net generation their social network stakes the foundation of their information searches. Their orientation can easily be described as pier-oriented.

### 5.3 Why do students use these websites

Students use simple, manageable and what they perceive as common websites. The services are fast and instantly gratifying. The sites offer free of charge services that are niched and specialized to that specific purpose. The “noise” of dismal brand messages is erased. They revisit their most commonly used website that they are comfortable with and understand. From there they navigate themselves through the net to their chosen destinations.

The internet is large and vast. When surfing the internet the user defines the destination, but designs the map and designs the compass used to find it. If a person wishes to find information about, for example apples, apples becomes the destination but without knowledge of how to gather the information it difficult to find. The consumer then has a central point of orientation that guides them through the internet to that destination. Regardless of where or what the destination is the person must orientate him/herself through the world wide web until a sufficient and satisfying destination is found.

From our investigation, the contents and benefits of the website determines whether it becomes an every day name. If the website can attract the consumers to visit it several times a day they have succeeded. For the consumer to find it interesting enough to visit the website frequently, the content is often updated (Aftonbladet), there is interaction (YouTube) and provides and fills a service (Google and Facebook). The bottom line with these websites are that they are simple, fullfill a continous need, are free of charge and used by peers. The participants in the interviews have not mentioned static and onesided websites.

The empirical findings also show that we use each website for one thing. We use Facebook to communicate with friends, Wikipedia as online encyclopedia, and Google as sole search engine. There are no websites that provide a total solution for everything they want to use. Each website provides them with one value adding object. That value adding object is what attracts the consumer to the website, and how they perceive that brand to be compared to other will determine whether the consumer returns to it or not. A company should focus on its core competencies until they are market dominating, (Ries & Ries, 2000). The customer must clearly see what the website is, represents, and delivers. The core competency is central and also directly associated to the brand. If a brand tries to offer more than this, the message of the identity, core competences become more complex and the consumer as difficulty identifying to the brand.

A common denominator in this investigation is personal habit. Once a brand is percieved as superior, it becomes the consumers choice service or product provider in their specific category. Most could not even recollect when they had first started using certain brands, neither mention when last using a competitor. The behaviour is habitual and consumers preferr to use the same service provider, only deviating when exploring new information from the internet. If they have found a website that offers the information they are looking for, then they might return to it.

The content itself becomes very important as word of mouth is such an important factor. Meyers and Gerstman (2001) state that the news needs to be updated and timely, which the websites students use are.

The customers and consumers were two different categories. The visitors of the website are its consumers, but those purchasing a service from the website are the customers. Of-

ten the revenue comes from selling advertisement space on the website, or gets paid to link other website or sell attractive product placements of other companies, that will be viewed by its consumers. The participants have clearly mentioned websites that are free of charge and offer a service, not a product to the consumer. The websites hold high entertainment value or usefulness in their daily lives. Consumers can “consume” the website several times a day, receiving new and to them interesting information.

Consumption online is only referred to as when you actually purchase something over the Internet. The fact that we consume information all the time when e.g. visiting wikipedia.com is not taken into account. We do not see ourselves as customers to information sites, only that they provide a service for us.

## 6 Conclusions

*The research questions are answered and the solution to the problem and fulfilment of the purpose is presented.*

There is no roadmap to the world wide web. Students only encounter a small fraction of all websites available. When orientating themselves on the internet the behavior is best explained by visualising the internet as a blank map. The consumers are in the center of the page, and might know what destination they wish to reach, a particular subject, product or information. To get there they have to find the paths and draw their own map of the internet themselves through the tools they have available. Those tools are most often friends and search engines. They use those tools as they seem trustworthy. There is neither time nor interest to know and understand the entire contents of the internet as it is too big. The student then creates a central starting point by clustering the favorite and most visited websites close to that point. He/she then walks the paths that they are aware of and trust. To venture out into new territory is welcomed when the destination is trusted and holds value.

A website is not a competitive advantage in itself, it must be created and aligned correctly to the target group to become one. As students are tomorrow's high income consumers, to invest in targeting them today can give returns in the future. They are internet savvy and have been brought up with multiple media influences. If a company wants to be seen and acknowledged they have to position themselves close to the consumers starting points, that is next to some of the internet's biggest brands. The functionality, simplicity and ease of use is what will bring the consumers back. Instant gratification is key.

A common denominator in this investigation is personal habit. Once a brand is perceived as superior, it becomes the consumers choice service or product provider in their specific category. Most could not even recollect when they had first started using certain brands, neither mention when last using a competitor. The behaviour is habitual and consumers prefer to use the same service provider, only deviating when exploring new information from the internet. If they have found a website that offers the information they are looking for, then they might return to it. The starting point of the internet journey is often the same. One search engine helps navigate through the subject, and links from other website lead the consumer forwards.

The factors that influence reoccurring visits to websites are the benefits of a simple service that fulfills a need, has a neutral position that several demographics can relate to, and that the identity is clear and conveyed to the consumers. These factors result in website loyalty, and the consumer will use the website continuously for their needs within the website's service or product range. Once a habit is established it is difficult to change it when it comes to website usage.

## 7 Discussion

*Self-reflectory critique of the chosen method of research is discussed and suggestions of future studies that can either improve or add to the topic matter.*

### 7.1 Reliability

The reasoning behind group interviews could be critiques. Instead surveys could be conducted and quantitative data would make the analysis process easier. We would choose to conduct surveys on student's internet habits to put the qualitative data into better perspective. With qualitative data of actual usage and habits on the internet would shed light on the actual extent of website usage.

We as researchers might have been biased as we are students ourselves and part of the Net generation. Belonging to that particular demographic induces certain preconceptions. The attitude to the internet and the digital medias are those of the participants. Objective distance is harder to achieve. Older researchers that have had to adjust to the digital world in another manner than to whom are raised in it might have different insights and attitude

### 7.2 Further studies

We suggest conducting a quantitative research within this field. Using a larger sample of the Net generation would give yet another tool for companies to use when wanting to know how to reach the Net generation more efficiently.

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