Buyer-Seller Relationships on the Internet
A Business-to-Business Perspective

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“By whatever measure used, the Web is big”

- Rosen, D. E & Parinton, E
SAMMANFATTNING

ABSTRACT

The Internet has gone from publishing online brochures to actually presenting the virtual image of the company. Today almost every company has their own Internet website and thereby has a new possibility to reach their customers. The purpose of this thesis was to gain a deeper understanding of how websites are used in developing and maintaining customer relationships. To reach this purpose the study took place at the leading energy company in Sweden, Vattenfall. The researcher had the possibility to spend two months at Vattenfall in Råcksta, Sweden and three months at the subsidiary Bewag in Berlin, Germany. Multiple case studies were conducted where one case described the buyer-seller relationship over the Internet in Sweden and the other case described the buyer-seller relationship over the Internet in Germany. To collect the data interviews, observations and documentation was used. Due to the company’s confidentiality policies the empirical data, analysis, and findings cannot be published.
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Introduction

1. INTRODUCTION

This first chapter will give an orientation of the buyer-seller relationship and the connection to the Internet. It starts with a short history review of the development of customer relationships continuing with an explanation of CRM. Further on the chapter will bring the reader into Internet as a strategic marketing tool where also the problem discussion takes on. This will then lead down to a specific research purpose and three research questions.

1.1 The Development of Customer Relationships

The need for response from customers became more important during the 20th century. This leads Jerome McCarthy at the University of Michigan in 1960 to declare the well-known 4 Ps; Place, Price, Product and Promotion. (Chaffey et al., 2003)

During the late 1980s the rise of the relationship approach to marketing came about. The increasing competition led the marketers to focus on customers' needs instead of trying to sell standardised products. To meet this need the marketers had to be able to hold details about each customers' preferences and produce customised products and services. (Chaffey et al., 2003)

Barnes (2000) means that achieving the highest possible level of customer satisfaction is the goal of marketing. He mentions the importance of satisfying the customers during the purchase and with the product or service in order to make them come back and spread a positive word of mouth. The conclusion is that a satisfied customer leads to additional sales. Building up these types of long-term relationships will secure long-term profitability for the company. (Barnes., 2000)

Industrial firms often establish relationships that are of long-term and close kind between their buyers and sellers (Ford, D., 1980). The reason for building a long-term relationship is because it is generally much less costly to keep an existing customer than to attract a new customer; a long-term customer can provide feedback on existing products and insight into new or reengineered products; and a long-term customer becomes like part of the selling team because they can provide good word-of-mouth and encourage new business. (Cann., 1998)

One strategy on how to handle customer relations from a company's perspective is to use Customer Relationship Management (CRM) (Ford., 1980), which is an attempt to modify customer behaviour over time and strengthen the bond between the customer and the company. (Newell., 2000)

1.1.1 CRM

According to Forte (2004) the academic definition of CRM is: *the automation of horizontally integrated business processes involving front office customer touch points-sales (contact management, product configuration), marketing (campaign management, telemarketing) and customer service (call-centre, field service)–via multiple interconnected delivered channels (telephone, e-mail, Web and direct interaction).*
The linkages between CRM and existing marketing approaches are as demonstrated in Figure 1. Under the scope of the thesis relationship marketing and one-to-one marketing are the most relevant approaches that need to be reviewed.

**Figure 1:** Linkages between customer relationship management and related marketing approaches

**SOURCE:** Chaffey et al., 2003 page 218

*Relationship marketing (RM) theory provides the conceptual foundation of CRM since it has developed into understanding the customers and their needs (Chaffey et al., 2003). One definition of RM that Egan (2001) mentions describes the objectives of RM as to: identify and establish, maintain and enhance and, when necessary, terminate relationships with customers and other stakeholders, at a profit so that the objectives of all parties involved are met; and this is done by mutual exchange and fulfilment of promises. He continues by stating that relationship marketing is:

- Continuous customer contact,
- Focus on customer value,
- High emphasis on customer service,
- High commitment to meeting customer expectations,
- Long time range,
- Orientation to customer retention,
- Quality as the concern of all staff,

*One-to-one marketing* is to give individual attention to individual customer needs. One-to-one marketing implies the development of long-term relationships with each customer in order to better understand that customer’s needs and better deliver ‘service’ that meets that individual’s requirements. For this to be reality there is a need to develop knowledge based systems, to learn more about individual customers. These needed systems are to be found in database marketing that can make it somewhat possible. (Egan., 2001)

1.1.2 CRM on Internet

According to some researchers the Internet is the very encapsulation of “one-to-one marketing” and, as such, gives the companies the ability to establish enduring relationships with individual customers. But other researchers think that the Internet will encourage
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disloyalty when comparability with the competition’s offering is “just a click away”. It is however, the websites that manage to make themselves indispensable to the consumer that will be the ones that suffer least from this phenomenon. (Egan., 2001)

The Internet is at once an advertising medium, a form of sales literature, a distribution channel, a sales channel, a supplier chain, a method of customer service, and a source of operational cost savings (Zimmerman., 2001). Buyers and sellers are using the Internet to go online for a ‘virtual exchange’, which offers the promise of substantial cost savings since part of the distribution chain is reduced. The Internet technology holds out the potential of new types of relationships between buyers and sellers. (Egan., 2001) Inter-organizational relationships have become one of the most frequently used means of entering or expanding into the global marketplace (Speier et al., 1998). The online relationship marketing is effective since it provides an interactive, multimedia environment in which the customer can choose to be in a relationship. But marketers must be aware of the risk of infringing customer privacy since this is damaging the relationship. Providing customers with the option to opt in and opt out of marketing communications is important to maintain trust. (Chaffey et al., 2003)

Gummesson (2001) thinks that the Internet is a relationship builder between companies and consumers, between organisations and inside organisations. Within this electronic network of networks of relationships we can choose to interact. It is global, has no central locus, no boss and no owner. Everyone with a computer, a program and a modem can participate in this relationship. “Any time, any place” is becoming an actual marketing strategy with help from the electronic relationship. (Gummesson., 2001)

A study on the plastics industry in US showed that a buyer’s commitment to a certain supplier increased with an efficient use of Internet with the supplier. Internet has the potential to draw firms “closer together” than “farther apart” due to this increased communication between the firms. A buyer firm who uses Internet tends to communicate more with its suppliers and customers than a non-using firm. Thereby the Internet has the potential to enhance long-term buyer/seller relationships. (Boyle., 2001) The role of technology is to support that relationship. (Marchewka and Towell., 2000)

Newell (2000) sums up the message with Internet and CRM very well in his book by writing: Providing information that has a unique value to customers based on information from them is a centrepiece of CRM, and it works especially well on the Web where customers are starting to expect this sort of follow-through. The secret of CRM is to listen and learn, not to tell and sell. CRM is about empowering and delighting and letting the customers feel as though their interaction with the company is within their own control. Newell (2000) continues by quoting the president of generation.net Garner Bornstein; The building of customer relationships in this new electronic culture will call for a broad shift form database marketing to true CRM, a process of serving the customer in the customer’s terms. That will mean using technology as a customer-facing infrastructure to make it easier for your customer to do business with you and to modify customer behaviour over time by strengthening the bond between the customer and the company. (Newell., 2000, p.104)

1.2 Problem Discussion

The secret of the Internet for Customer Relationship Management is not about opening an online store or trying to use the Web to sell cheaper, better, faster or about finding new ways to give points or discounts. It is about using this technology that has the power to change the
world to build mutually profitable relationships and strengthen the bond between a business and its customers. That will require some fresh thinking. (Newell., 2000)

CRM, second only to e-commerce, has become the fastest-growing area of Internet marketing. With Internet entering the marketing scene new buzzwords came up and the latest one is electronic-CRM (e-CRM). Innovations such as customer self service areas, Internet-based help desks, intelligent search engines, and Call Me buttons on websites and e-mails are e-enabling customer relationships. Yet, for many, CRM is still a promise unfulfilled. (Silverstein., 2002) Several companies use this prefix ‘e’ in front of everyday activities such as e-business, e-commerce to sound modern, daring, and accessible at all time (Egan., 2001). Thereby they convey their strategic priorities and wish to be known that they are competing in this technologically developed marketplace (ibid). Coffee (2001) points out that adding an "e" to CRM means extending the customer relationship, using the full range of network "touch points": websites, e-mail, interactive chat, voice over IP and information appliances (fixed and mobile). Further on Coffee (2001) says that delivering e-CRM means more than being non-responsive by e-mail instead of over the phone. "The proposition of e-CRM should be a better relationship, not a less expensive one: No one should think that the "e" in e-CRM stands for "easy" (ibid).

In many ways, the Internet has become a symbol of the ultimate customer relationship for both business-to-consumer and business-to-business marketers (Silverstein., 2002). Today few companies can ignore the Internet and many have their own Internet website. The first company Internet sites where not more than online brochures. Now they have evolved into an option for the customers to interact with the company. (Bradshaw & Brash., 2001) But even though a lot of companies have learned from earlier mistakes a lot of them are allowing the artists and technicians to design the website and to have control over the website (Janal., 2000). According to Janal (2000) artists know all the tools they can use to enhance the page. They have skills, experience and knowledge and therefore should be used when appropriate. But they don’t have any conception of the customer’s needs. Because marketing is the whole reason the company are online- whether to sell products, provide customer support, or enhance the company’s image. (Janal., 2000)

Therefore it is of importance for the companies to have created objectives and goals for their websites before building it (Janal., 2000). By doing that the website will meet their customers’ needs and not disappoint them (ibid). According to Chaffey, et al (2003) the website objectives are not only to attract visitors and high amount of traffic, it can also be to create awareness of product and/or brand, inform potential/existing customer about a product and/or brand and to encourage tryout of the company’s offering.

The designed website should present the objectives and goals of the website in public. But what is more important, the look of the website should mirror the look of the company. If the website lacks high production qualities, visitors will subconsciously devalue the website and the company. (Janal., 2000)

Not only is the design of importance but also the usage of the website and according to Ranchhod et al (2002) the website can be used as a powerful public relation tool when targeting different segments of users with different interests, needs, and level of knowledge. Companies must keep in mind that maintaining the website will result in increased costs. However long-term expected benefits will be generated as the establishment and reinforcement of a positive corporate image, the increase of the website and brand awareness
in the general public, is taking place. The website can be used as a map of the physical ways of reaching the company, time schedules and name of contacts. It can also be used to provide information to external users, and as a powerful tool for market research (obtain valuable information about the market conditions and competitors). The website is not only a tool for virtual marketing strategy; it is the virtual image of the company. (Ranchhod et al., 2002)

According to Rosen & Parinton (2004) a recent study by Forrester Research found four top factors contributing to repeat visits. These are high-quality content, ease of use, speed and frequency of updating. In many ways, designing effective Web content is very similar to designing a physical landscape. Computer interaction is intensely cognitive involving perceptions and preferences. Interactivity implies not only perceiving the Web landscape, but also entering into it and "experiencing" the space. (Rosen & Parinton., 2004)

Websites not unlike every other marketing tool have to be measured of its effectiveness and success. In the early days of the Internet, counting website hits may have been acceptable when measuring the effectiveness of the website. Today, hits are irrelevant to overall result measurement since it only represents the physical interactions performed by one or several individuals. Hits do not say anything about the level or quality of response, or the leads generated or qualified. To be able to improve the website and make general judgments about marketing effort the information needed is about visitor’s interactions with the website, how long they stay on a certain page or certain item on the page. (Silverstein., 2002)

At the end it is not more information and more technology that will lead to increased values and return on investment in marketing. The only real values are the value the company adds for its customers and the values the customers deliver to the company. Real value is not in the data or the technology. It’s in the customer’s knowledge and the company’s use of that knowledge to manage customer relationships. (Newell., 2000)

1.3 Research Purpose and Research Questions

As discussed in previous chapter companies are facing new ways to build relationships. Gummesson (2001) brings up in his study how the electronic relationship is formed through the new media of the IT- triangle: computers, telecommunications and TV. The role of technology is to support the relationship, for example interactivity and quick access makes distant relationship become closer relationship. With Internet, telecommunication and TV in centre the IT triangle becomes a more integrated system that will represent an increased part of marketing’s infrastructure. This new strategy with websites as a tool when building relationships in business is a good subject to study according to Gummesson (2001). Hence, the purpose of this research is to gain a deeper understanding in how websites are used in developing and maintaining customer relationships.

In order to reach this the following research questions are asked:

RQ1. How can the objectives of websites be described?
RQ2. How can the online environment be described?
RQ3. How can the effectiveness of the website be described?
Introduction

Delimitations
In this thesis I have chosen to only study the buyer-seller relationship within the e-CRM. This will eliminate other types of relationships within e-CRM and gives me as author a reasonable research area to study during the time period that is set for my thesis.

Since the thesis is conducted during twenty weeks it gives me as author delimitation to certain issues regarding the thesis. Certain selections have to be done due to the time spectrum.

This thesis will only look at Business-to-Business buyer-seller relationship due to the fact that it was best applicable for the employer, Vattenfall and their needs (for description see chapter 4 Methodology).
2. LITERATURE REVIEW

In the previous chapter an introduction, background and problem discussion to the studied area of this thesis was presented. The problem discussion led down to a research purpose and three research questions. In this chapter relevant literature to the three research questions will be reviewed starting with research question one; how the website objectives can be described. Then the other two follows in numerical order.

2.1 Website Objectives

According to Chaffey et al (2003) the website objectives are not only to attract visitors and high amount of traffic, it can also be the following aims:

- Create awareness of product and/or brand
- Inform potential/existing customer about a product and/ or brand
- Encourage tryout of the company’s offering
- Persuade customers to purchase
- Encourage to further purchase

Dignum (2002) studied several projects and found out online objectives for seller, buyers and suppliers (logistics). One of the biggest advantages for companies to be present on the Internet and the WWW is the fact that the interactions with (potential) customers can easily be monitored and logged. If these data are used properly they provide a wealth of marketing information. Many functions and services on the Web like forming communities between consumers and sellers might not seem very applicable in business-to-business (B2B) commerce. However, the formation of communities with similar interests also happens very often in industry. In traditional commerce this can be observed in branch organisations, usually paid by all members from the industry, that provide independent information about all kinds of new developments to their members. Although communities can be formed within branches it is also possible to form a community with the existing business customers of a company. This is a perfect way to get into a closer relationship with the customers. (Dignum., 2002)

One other way to use the Internet connection is to get feedback from customer on the product and the transaction. Traditionally, it is difficult to get feedback from users once a transaction has been completed. Usually they have little incentive to give feedback or the costs are perceived as being higher than eventual benefits. The use of the Internet makes it very easy to give feedback on an order. Dignum (2002)’s study also showed that it is possible to reduce transaction costs by automating the purchase procedure. It is well known that labour costs and by reducing that cost a lot of money can be saved for the company. (Dignum., 2002)

However, there are at least two more benefits/objectives of electronic procurement that are worth discussing also for small companies. The first is reduction of errors. The fact that the whole process is automated means that the input can be checked for consistency and on flagrant mistakes. For instance, the name of a supplier can be taken from a fixed database, which also includes the other data for that supplier. Therefore these facts do not have to be typed anymore and errors are prevented in name of the supplier, address, bank account etc. Also the description of the product can be made unique. Often this is done already by giving products unique identifiers. However, retyping these numbers inevitably leads to mistakes.
Using an automated procedure the product data are also input straight away from the electronic catalogue, without human intervention. This also prevents mistakes in indicating quantities, which can occur if the quantity in which the supplier sells the product does not consent with the quantities in which the customer normally thinks about that product. The second benefit that electronic procurement offers is that of a reduced lead-time. In a paper administration an order form has to physically circulate through the company for authorisations, checks on budget, accounting etc. before it is sent to the supplier by fax or mail. Each step can easily take a day and therefore a lead-time of ten days for order processing is very common. Using electronic procurement the time that is needed for the electronic form to be passed through the network can be reduced to around ten minutes. This reduction of the lead-time of procurement can lead to significant changes for the company. Given this short lead-time the company might decide to considerably reduce the stock of office supplies that it had to keep. A final benefit, which can also be stated as being an efficiency benefit, is that electronic procurement facilitates the bundling of the procurement. This leads to a better negotiation position with potential suppliers, because volumes are bundled and therefore discounts based on quantities can often be negotiated. (Dignum., 2002)

Janal (2002) says that without goals, websites tend to become a big cash drain with no visible signs of helping the company. Companies need to define the marketing mission by setting reasonable goals and objectives, which is the first step in any successful venture. Once the goals are set, the company can determine if the plan is working and take steps to improve results. What is of importance when setting goals, are for them to be clear, definable, and obtainable. The objectives need to be realistic. Some general goals that companies usually mentions are: save time, save money, make money, build relationships with reporters and communities, and cut the cost of doing business. But the number-one reason for companies to be online is: The Internet is the world’s least expensive and most efficient marketing tool, and it helps companies of all sizes form all parts of the world disseminate sales and marketing messages, create one-to-one relationships, educate prospects, and support existing customers on a worldwide scale. (Janal., 2002)

Janal (2002) mentions several reasons to be online and that can also be used as goals/objectives with a website. Janal’s (2002) objectives can be divided into the following paragraphs:

**General Benefits:** with the website is that it enables the company to deal with a worldwide audience that has interest in the company. Being online means that the company is completely accessible 24 hours a day, seven days a week, all year around. The audience has pre-selected the company to give it's fully attention. One other objective is that the market itself is affluent and has sought out the company to for example compare products. Unlike television, the Internet is customer driven. Prospects read the Web materials because they need to find out about the product. Other media can’t pinpoint their message and audience. The company can deal with the customers when they are ready to buy. They just visit the site when they begin the buying process, and therefore the company also has the opportunity to create specialized sales scripts appealing to each type of consumer, using their unique buying buzzword. Last but not least there is a possibility to do cost savings since entry fares and rent is low. (Ibid)

**Competitive Advantage:** for the company can be in form of cost savings due to the fact that no physical store is needed, less staff is needed, particularly sales people, and there is no need for warehousing of products. The company will also get access to a large inventory of products. Since online merchants do not have to have products on hand, they can offer a wider range of
products to the public. It is also possible to cut out distributors while intermediary agents are of no use. Online no one knows how big a company is or how long it has been in business and therefore the company will compete on an equal footing against larger companies. One other competitive advantage is that the competitors who are not selling online are automatically beaten. The whole market segment of online customers is free. (Ibid)

*Competitive Research:* means that the company can be updated with competitors. It is easy to access a competitor’s website and find out what new products/services they are offering. The company can also be updated generally with the companies Industry to get breaking news and discern trends. The website can also be used to form alliances with companies since dealers, vendors, and distributors will come across the website. (Ibid)

*Customer Research:* The Company can conduct surveys, do market research and build a better knowledge about what customers like, dislike and understand their buying process over the Internet. (Ibid)

*Prospecting:* enables the company to generate inquiries. People who read the information on a website can indicate that they are interested in learning more. The company can also qualify prospects and list the qualified prospects for an e-mail list and database, and later on invite prospects to seminars and product demonstrations. They can also follow up on leads from ads in other media, make appointments, and answer questions via e-mail or phone. (Ibid)

*Sales:* means sell new products to new markets, sell old products to new markets, or sell old products to new international markets. It can also mean to sell products that have a hard time moving through the distribution channel. On the website it is also possible to give products a more thorough description and educate the customers about the product. On the website it is easy and less expensively to update information about the product and test sales prices and products. Here it is also the perfect place to extend the product selection for those products that did not fit in the store or catalogue. On the website there can be a rotation on featured items, distribution of product information and providing of maps and directions to the local store. The company can also make sales directly on the Internet or drive sales by offering coupons that can be redeemed at the store. Sales means also to sell to targeted audiences with special interests and lifestyle interests. The company can increase business-to-business sales by finding products and suppliers over the Internet. (Ibid)

*Publicity:* The website is the perfect place to build rapport with reporters and to build relationships with stakeholders by responding to their online queries, sending information quickly via e-mail and notifying of new policies. It is also possible to distribute press material, warehouse press material, spur word-of-mouth campaigns and hold press conferences and annual meetings online. (Ibid)

*Collateral:* This category of objectives also contains distribution of targeted materials online. To be able to create targeted material pages can be created on the fly. This way a consumer that is interested in certain products can get clearly targeted information. This is more economically since the printing cost is reduced. (Ibid)

*Customer Relations:* The Web is perfect for establishing one-to-one relationships with consumers and prospects using e-mail. Targeted messages and advertisements can be sent to customers who request them. Building long-term relationships is doable by having frequent contact and exchange of information; answer customers’ frequently asked questions via cost-
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effective response system. This will also prevent disgruntled customers by reaching them and dealing with their concerns. (Ibid)

Advertising: Present ads on the Internet to targeted audiences to increase sales and/or display ads on the Internet to general audiences to increase awareness. The company can also test ads, prices, headlines and offers due to low cost of updating information. The company can measure response to for example determine why prospects didn’t purchase. It is also feasible to deliver more information online to prospects that were initially attracted by ads in other media, integrate ad sales with other media by printing the URL and e-mail address on print ads, and generate income form selling advertising on the company website. (Ibid)

Cut Product Support Costs: Online support techniques can answer most routine questions without human intervention and thereby also reducing the human cost. The customers find solutions to problems without tying up high-priced staff. Having online service centres also attracts savvy customers and the support is 24-hour available. The customers can be educated by receiving additional information about a product that might lead customers to purchase upgrades and new products. (Ibid)

Branding: The Company can build its brand by extending brand image through a new medium. (Ibid)

International Sales: is about reaching an international audience and building and extending the brand identity. (Ibid)

General Business: For the company it is possible to post job notices online, distribute reports to employees quickly, revise price lists via e-mail or update to home pages. The company can also let the customers download new versions of software tools or first drafts of information-based products such as books, newsletters, and reports. (Ibid)

2.2 Website Environment

In the previous chapter the importance of having goals/objectives with the website was brought up. When these goals are set it is time to build the website environment. A great deal of time and effort is spent on every magazine ad or direct mail project. This level of effort is even more critical on the Web. The website message may be read by millions, so special care is required to create a website that will elicit the desired response (reaching the objectives). (Sterne., 1995) Other authors like Kim et al. (2003) contribute to that by saying that a poorly designed website may actually hurt a business rather than help it. Business should carefully evaluate the purpose and targeted market of the website before venturing into e-commerce, as opposed to designing a website quickly to become part of the “pack” (ibid).

There was a time when just putting up a website was cause for celebration in the nation’s press. Now the website must either be the first in the industry, first with new technology, or first with a unique service. Another problem is that if you create the impression of a leading-edge company, you also have to create a website that gives the same impression. (Sterne., 1995)

Here follows a number of Sterne’s (1995) recommendations to what a website can offer.
Public Relations: A well positioned website may harvest ink in the industry trade journals for being technically fashionable. It is also a great place to communicate with the press. A “What’s New” section is one of the standard selections on most corporate websites. This area shows off new products, latest announcements, seminar schedules and news. Since Journalists tend to visit company websites for latest news and background information it is good to provide a description of the company, presentation of the corporate mission, gallery of the senior executives, and electronic links to other websites of interest. (Sterne., 1995)

Investor Relations: A website can easily include an area for stockholders and industry analysts alike. Publicly released financial reports belong on a corporate website together with product progress reports, contract announcements, and corporate sponsorship stories. Another way to give a sign of technical leadership and strength is to provide an up-to-date graph of stock’s price and volume for the investors. (Ibid)

Customer Service: One of the best uses for a new communications medium is customer contact. The customer service department should always be the first to receive new methods of information exchange. Customer service desks and help desks have already seen the benefits of the database. (Ibid)

Prospect Qualification: For a company involved in the sale of a sophisticated product with a long lead-time, the most attractive goal of an Internet website is to shorten the sales cycle. A prospect may require a good deal of education before understanding and appreciating the product and making a reasonable buying decision. If so, the World Wide Web is a wonderful place for promotion. The prospect can electronically retrieve education, understanding, and appreciation. Photographs, technical detail, and the answers to the most frequently asked questions are available at any time of day or night. (Ibid)

Product Sales: The website is idealistic for letting the prospect be able to select colours, styles, configurations, shipping methods, and payment terms. The company computer can then print prick lists, shipping labels, and invoices without human intervention. (Ibid)

Customer Interaction and Feedback: Websites can contain forms to fill out, including long text blocks for lengthy comments. In this way they are like e-mail. A website can also contain areas where visitors can post comments to be read by all. In this way they share attributes with newsgroups. On-line, interactive communication with your customers and prospects allows more direct feedback than ever. Each phase of product development, positioning, and promotion can include the most intelligent, experienced, and expert resource on earth- the customers. They become part of the company team. (Ibid)

Internal Communication: The marketing task is not directly entirely outward. A great deal of time is spent communicating within the corporation. The Web can therefore be helpful with this internal communication, for example keeping the sales force aware of product line changes and pricing updates. (Ibid)

Website Traffic as Its Own Reward: Use the website to communicate the company name and its products. It is also possible to buy space or sponsorship at other sites to reach a wider audience. The more product impression people see the more likely they are to remember, trust, and buy the product. (Ibid)
Using E-Mail for Press Releases: Business Wire and PR Newswire services have become part of the marketing landscape. Electronically sending press releases to thousands at once appeal to those with an interest in the environment, but not all people appreciate these kinds of e-mails. (Ibid)

Huizingh (2002) uses in his study of the performance of the website four categories of antecedents. These are illustrated in Figure 2 below and are being followed by a more thorough explanation. This theory does not only contribute to the second research question regarding online environment but also to the first and third research questions. Due to the theory’s main content applies to the second research question the theory is reviewed here for not confusing the reader.

![Figure 2: The antecedents of the performance of websites](source: Huizingh, 2002 page 1227)

These four antecedents are:

**The characteristics of the company:** Big companies may invest in websites, but successful e-commerce strategies require the redesign of the business processes, which is not as easy as often suggested. Younger companies may be more flexible, more technology minded, less limited by legacy systems, and enjoy more often first mover advantages. Therefore it is generally believed that companies from the “old economy” have to overcome many barriers in order to complete the necessary transformation toward e-commerce. However, on the other hand, large and well established companies will often have a larger customer base, a broader line of products, higher brand recognition, and operate less often in niche markets. For these reasons, it will be easier for these companies to generate more traffic to their websites. (Huizingh., 2002)

E-commerce is expected to be important for both Business-to-Business (B2B) and Business-to-Consumers (B2C) companies, although due to differences in the customer’s purchase processes, different functions are expected to be effective in websites. Compared to B2B markets, there is a greater uncertainty regarding the pace at which consumers will switch to e-shopping. Consumers are concerned with the entertainment value of in-store shopping, Internet access fees, privacy, and security issues. These factors may negatively affect website
satisfaction in consumer markets. On the other hand, in most consumer markets the number of customers is much larger than in business markets, which make it easier to attract larger number of visitors. (Ibid)

The Web initiative includes the reasons to build the site. In the context of e-commerce, many business press articles urge managers to act quickly to exploit the first mover advantage. The first mover advantage can be gained if the decision to start a Web initiative is proactive instead of reactive. In many organizations the adoption of e-commerce is reactive, as companies are fearful of missing an “epochal opportunity”. The negative side of the reactive approach is that reactive firms face more pressure from external sources to adopt electronic data interchange (EDI)1. (Ibid)

Huizingh (2002) brings up studies that found proactive firms to have better integrated their EDI application with other internal systems, have linkages with a larger proportion of customers or a larger proportion of transactions converted to EDI, and have a greater extent of adaptation. Huizingh (2002) continues to state three reasons to start Web initiatives, namely the website is a proactive decision, the website has been built in response to customer demands, the website is a serious commercial effort or mainly undertaken to experiment with the new medium. Huizingh (2002) continues with the initiative of making a short-term financial benefit with the website. He points out the importance of not ignoring non-financial benefits such as accuracy and speed since there is in some cases hard to determine the benefits in terms of cost savings, net present value and yearly returns of a website. (Huizingh., 2002)

The website seen from the perspective of size and function Huizingh (2002) found that larger sites contained not only more content, but also more different content elements, more different forms of entertainment, more often a search function and more often protected content. The function of the site is many times not more than some form of “brochureware”, sites that make the brochures of the company available in electronic form. The next level is often a communication- or interaction feature on the site. The major distinction between information and communication sites is the inclusion of transaction functions, although the need of interaction features is of less importance in some industries. Some sites have developed personalized or customized pages with password-protected pages. Customisation is an example of the shift from marketing being an agent of the seller to being an agent of the buyer. It is also an important feature because it implies that customers have to invest their own time and energy in the site. (Huizingh., 2002)

Web strategy is for example promotion of the site and organizational support. Active promotion of the site is necessary since the “build and they will come” model is insufficient to generate traffic to the site. To promote the site, companies can use many off-line media such as television, radio, print media and billboards, as well as on-line media like banners, electronic newsletters and e-mail signatures to generate traffic. (Huizingh., 2002)

Integration of the e-commerce initiative with existing marketing strategies is essential because there are many opportunities for synergy (Huizingh., 2002). One example that Huizingh (2002) brings up is how companies can analyse Web server statistics to determine what information major customers actually read and use this as feedback for the sales force.

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1 EDI, an early e-commerce application such as interorganizational systems.
Extensive organizational support is needed for both traffic generation and to enhance the alignment of business processes with e-commerce strategies. One aspect of organizational support is internal promotion, which is the process of informing, training and educating those employees that are not directly involved in the website implementation process but who should integrate the website in their ways of dealing with customers. Sometimes this new channel of interacting with customers can be considered threatening from the employees and emerge conflicts between functional units, business units or with external intermediaries. Therefore, a shared understanding of the importance of the site and strong top management involvement are important aspects in organizational support. (Ibid)

**Performance of the website:** In figure 2.1 Huizingh (2002) uses two measures, one objective (the numbers of visitors to a website) and one subjective (administrative satisfaction with the website) when measuring the performance of websites.

The number of visitors to a website reflects how well a company generates interest in the website. A large number of visitors reflect that a company is better able to generate interest in its website. However it is important to valuate the visitors individually. For example visitors only clicking on to the website are of less value than visitors who actually purchase its products. In the same way a first time visitor has less value than a repeat visitor. (Ibid)

Website satisfaction: In the context of website performance, two kinds of satisfaction can be distinguished, user satisfaction and administrative satisfaction. (Ibid)

User satisfaction is the extent to which the website meets or exceeds the expectations of customers. Administrative satisfaction reflects how satisfied the company is with the overall results of the website. User satisfaction can be seen as a surrogate for the quality of the website, and can be a useful measure when websites of competitors or different versions of the same website are being compared. Administrative satisfaction is a surrogate for the value of the website for a company. (Ibid)

Huizingh (2002) showed in his study that administrative satisfaction and the number of visitors do not correlate. Sites that attract a large number of visitors do not have to be more successfully seen by its owners. On the other hand websites that did not attract a lot of visitors were still seen as successful by its owners. This indicated that for administrative satisfaction it is crucial to attract the “right” visitors instead of to attract many visitors. (Ibid)

Much of the Internet offers a “flat” landscape and therefore companies need to design “attractors” into their sites Ranchhod et al (2002). Further on they list the following key that need to be identified and taken into account when designing a website;

**Utility**

The utility of a site depends mainly on the information displayed on the site. The external users need to find any necessary information about the company and its activities. When the information is not directly available to the users, there should be backup facilities or instructions on offer. It is also of importance that the users’ information demands are being permanent monitored accompanied with a good feedback facility. Continuous site improvement and updating, as well as the elimination of outdated information are also expected. (Ranchhod et al (2002)
Accessibility

The random selection of the site through a search engine can be improved by carefully formulating the site definition. Normally this implies some knowledge about the way the search engines work; therefore the site definition should be formulated preferably by, or in close co-operation with, the Internet service provider. The level of priority can be compared with a central location of the organisation in the physical world. In the case of some search engines, the level of priority is given by the number of times the site was previously accessed; in this case, accessibility of the site has a self-enhanced effect. Ranchhod et al (2002)

To help out the accessibility of the website advertising the website address to the target market can be helpful. The website address can be placed in hard copy publications, in the company’s advertising literature, other related Internet sites, or in the professional Internet databases such as Lycos, or Yahoo. Obviously, the accessibility of the website depends also on the reliability of the Internet hardware and software. Since the software compatibility related problems and the crash of a hardware system are unpredictable it is important to organise a well-coordinated crisis solving operation. (Ranchhod et al., 2002)

Interactiveness

For the external user, the interactiveness represents the possibility to identify and access easily and quickly the information needed. The user should also be able to easily orientate oneself within the website. (Ranchhod et al., 2002)

For the internal user, the interactiveness can be expressed as the possibility of understanding easily and quickly the needs and requests of the external user. In all cases the level of interactiveness depends directly on the structure and design of the site. The speed to download information is also vital. Usually, the use of bi-dimensional, tri-dimensional objects and multiple windows can enhance the attractiveness of the website, but if they are not well designed they can reduce radically the website interactiveness. The use of search engines can however improve this dimension, permitting direct access to the information required. (Ibid)

Another aspect of the website interactiveness is the capacity to modify the design of the structure of the website, which can be introduced through the use of specialised software applications and the availability of alternative language translations. In many cases these facilities are not largely available at present but they represent important possibilities to increase the value of the information in the future. This aspect is also related to the website flexibility. (Ibid)

Flexibility

The flexibility of the website is its capacity to evolve over time. The Internet is extremely flexible, because the software applications can be erased, modified or introduced very quickly (Ranchhod et al., 2002). Ranchhod et al (2002) believe that in the future it may be possible to design a site, which will adapt easily to the requirements of every user, offering a personalised interface in the terms of design and structure.

2.3 Website Effectiveness

In the previous chapter the online environment was described. In the following chapter I will present theories on how to see if the online environment is fulfilling the objectives with the website. The theories are about evaluating websites and how to measure a website’s
effectiveness. These theories are related to the third research question according the website’s effectiveness.

Bradshaw & Brash (2001) describe three ways of how customers can interact with companies and in that way influence the effectiveness of the Web. These three ways of interaction were: Web chat, Web call-back, and e-mail. (Bradshaw & Brash., 2001)

*Web chat* allows businesses to offer customers one-to-one contact with a company representative without them having to disconnect from the Web. The representative can often have more than one “conversation” at the same time. This is both effective and efficient since there is no need for a call centre (ibid).

*Web call-back* service allows customers to enter their telephone numbers and be called by a company representative. Businesses can use the call-back form to establish the customer's interests, and ensure that a representative with relevant product knowledge telephones the customer. This contrasts with customers being repeatedly transferred after contacting a conventional call centre until someone who can answer the enquiry is reached (ibid).

*E-mail* is liked by customers since they do not have to wait for an available representative, as is often the case with a call centre. Companies like it because agents can typically turn around more e-mail per hour than they can handle live telephone interactions (ibid).

As mentioned in the previous chapter, while e-commerce expands, the design of websites becomes a critical success factor. First, websites are the main interface between businesses and consumers (Kim et al., 2003). Thus the design of the website becomes as important as a store’s layout and aesthetics (ibid). Second, the website may become one of the main factors in judging a corporation (ibid). From this point of view, website design is important for corporations involved in e-commerce (ibid). In order to check the efficiency and effectiveness of a design, good evaluation criteria are needed (ibid). (Kim et al., 2003) have selected six website evaluation criteria represented below:

- Business function
- Corporation credibility
- Content reliability
- Website attractiveness
- Systematic structure
- Navigation

Lynn *et al* (2002) have in a study measured Web effectiveness by using three variables; customer information gathering, competitor information gathering, and customer order taking. Depending on how well the company fulfils these variables the effectiveness is either high or low (ibid). Further on Lynn *et al* (2002) means that the adoption and effectiveness of the Web can be positively influenced if a company:

- Provides formal training to its marketing organisation
Literature Review

- Encourage an effective relationship between the marketing and IS/MIS\(^2\) organisations
- Demonstrate the usefulness of the Web to the marketing organisation
- Use younger marketing personnel

Further explanation of these influences;

*Training:* Companies must ensure that all of their employees understand the corporate Web strategy and must be aware of the websites and their content. New technology should be implemented in the workplace immediately after training of the new technology has occurred and training should be a continuous process. (Lynn et al., 2002)

*Relationship:* Technological change, due to the Web, is forcing the IS/MIS organisation to reevaluate its method of operations and to redefine its role within the organisation as a result of the new technology change linked to the Web. Historically the relationship between the IS/MIS organisation and the corporation has been more of a conflict. Today however the IS/MIS organisation must build strong relationships between itself and the company’s mainline of business, including the marketing organisation. (Ibid)

*Usefulness of the Web:* Perceived ease of use by the marketing organisation is positively correlated with the websites effectiveness in marketing. Attitudes however have a positive effect on users behaviour, therefore the attitude of the marketing organisation is an important factor in the effectiveness of the website. (Ibid)

*Age:* To be effective in marketing the Web must first be adopted by the marketing department. Age and education of users are the two most important factors for successful IT adoption. (Ibid)

The marketing organisation and IS/IMS department should develop productive relations and the Web must be part of the company’s overall marketing plan and strategy- not simply an afterthought. (Ibid)

According to Chaffey et al (2003) measurement is one of the most important activities that occur once a website is published. Analysing the effectiveness of a site is crucial in assessing the strategy and then improving it to overcome problems. Given this, Chaffey et al (2003) have examined how to measure the effectiveness of the Internet channel in some detail.

Chaffey et al (2003) says that measurement for assessing the effectiveness of Internet marketing can be brought of as answering these questions:

1. Are corporate objectives identified in the Internet marketing strategy being met?
2. Are marketing objectives defined in the Internet marketing strategy and plan achieved?
3. Are marketing communications objectives identified in the Internet marketing plan achieved? How effective are the different promotional techniques used to attract visitors to a site?

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\(^2\) Information Systems / Management of Information Systems
To describe measurement three key elements of an Internet marketing measurement system is examined. These three elements are; the process for the performance measurement system, the measurement framework which specifies groups of relevant internet marketing metrics\(^3\) and an assessment of the suitability of tools and techniques for collecting, analysing, disseminating and actioning results. (Chaffey et al., 2003)

Measurement is often neglected when a website is first created. Measurement will often become an issue once the first version of a site has been ‘up and running’ for a few months, and people start to ask questions about numbers of visitors, benefits of the website and return on the investment. Therefore it is easier and site performance information can be obtained earlier if measurement is built into site management from the start. (Chaffey et al., 2003)

**Stage1: Creating a performance measurement system**

Definition: *The process by which metrics are defined, collected, disseminated and actioned.* The development of a performance system can be divided into three main phases: (1) the design of the performance measures, (2) the implementation of the performance measures and (3) the use of the performance measures. This follows by a coordinated, structured measurement process (see figure 3 below) to avoid repercussions such as: poor linkage of measures with strategic objectives or even absence of objectives; key data not collected; data not disseminated or analysed; or no corrective action. (Chaffey et al., 2003)

![Figure 3: A summary of the performance measurement process](source)

Stage one is a goal-setting stage where the aims of the measurement system are defined, this will usually take the strategic Internet marketing objectives as an input to the measurement system. The aim of the measurement system will be to assess whether these goals are

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\(^3\) Internet marketing metrics = Measures that indicate the effectiveness of Internet marketing activities in meeting customer, business and marketing objectives (Chaffey et al. 2003)
achieved and specify corrective marketing actions to reduce variance between target and actual key performance indicators. (Chaffey et al., 2003)

Stage two, performance measurement, involves collecting data to determine the different metrics that are part of measurement framework as discussed in next section. (Ibid)

Stage three, performance diagnosis, is the analysis of results to understand the reasons for variance from objectives and selection of marketing solutions to reduce variance. (Ibid)

The purpose of stage four, corrective action is to identify competitive position, locate problem areas, assist the firm in updating strategic objectives and making tactical decisions to achieve these objectives and supply feedback after the decisions are implemented. (Chaffey et al., 2003)

In an Internet marketing context, corrective action is the implementation of these solutions as updates to website content, design and associated marketing communications. At this stage the continuous cycle repeats, possibly with modified goals. A ‘measurement culture’ is one that each employee is aware of the need to collect data on how well the company is performing and on how well it is meeting its customer’s needs. (Chaffey et al., 2003)

**Stage 2: Defining the performance metrics framework**

According to Chaffey et al (2003) this defines groupings of specific metrics used to assess Internet marketing performance. They add that suitable measurement frameworks will fulfil these criteria:

- Include both macro-level metrics, which assess whether strategic goals are achieved and indicate to what extent e-marketing contributes to the business (revenue contribution and return on investment).
- Include micro-level metrics, which assess the effectiveness and efficiency of e-marketing tactics and implementation.
- Assess the impact of the e-marketing on the satisfaction, loyalty and contribution of key stakeholders (customers, investors, employees and partners).
- The framework must be flexible enough to be applied by different forms of online presence whether business-to-consumer, business-to-business, not-for-profit or transactional e-tail, CRM-oriented or brand building.
- Enable comparison of performance of different e-channels with other channels.
- The framework can be used to assess e-marketing performance against competitors’ or out-of-sector best practice.

Chaffey et al (2003) continues by stating that when identifying metrics it is common practice to apply the widely used SMART mnemonic. SMART metrics must be:

- Specific;
- Measurable;
- Actionable;
- Relevant;
- Timely;
Chaffey et al (2003) refers to Chaffey’s (2000) measurement framework. This framework was also developed to use readily collectable metrics to enable comparison across channels whether online or offline.

The Weblensight framework includes these key metrics:

1. **Business contribution**: Online revenue contribution (direct and indirect) category penetration, costs and profitability.

2. **Marketing outcomes**: Leads, sales, service contacts, conversion and retention efficiencies.

3. **Customer satisfaction**: Site usability, performance/availability, contact strategies, opinions, attitudes and brand impact.

4. **Customer behaviour (web analytics)**: Profiles, customer orientation (segmentation), usability, clickstreams, and site actions.

5. **Site promotion**: Attraction efficiency, Referer efficiency, cost of acquisition and reach, Search engine visibility and link building, E-marketing, Integration.

**Figure 4**: The five diagnostic categories for e-marketing measurement from the framework presented by Chaffey (2000)

**SOURCE**: Chaffey et al (2003) page 386

Metrics for the categories are generated as objectives from Internet marketing planning which then need to be monitored to assess the success of strategy and its implementation. Objectives can be devised in a top-down fashion, starting with strategic objectives for business contribution and marketing outcomes leading to tactical objectives for customer satisfaction, behaviour and site promotion. An alternative perspective is bottom-up, success in achieving objectives for site promotion, on-site customer behaviour and customer satisfaction leads sequentially to achieving objectives for marketing outcomes and business contribution. (Chaffey et al., 2003)

**Stage 3: Introducing techniques to collect metrics and summarise results**

Techniques to collect metrics include the collection of site-visitor activity data such as that collected from site log-files, the collections of metrics about outcomes such as online sales or e-mail enquiries and traditional marketing research techniques such as questionnaires and focus groups which collect information on the customer’s experience on the website. (Chaffey et al., 2003)

Collecting site-visitor activity data records the visitors on the site and the paths or clickstreams they take through the site as they visit different content. Traditionally this information has been collected using log file analysis. The server-based log file is added to every time a user downloads a piece of information (a Hit) and is analysed using a log file
analyser\(^4\). Hits\(^5\) are not useful measures of website effectiveness since if a page consists of 10 graphics, plus text, this is recorded as 11 hits. Page impressions\(^6\) and site visits are better measures of site activity. Log file analysis package can report information that gives detailed knowledge of customer behaviour, such as: page impressions; entry and exit pages; path or click-streams analysis; user (visitor) sessions; unique users (visitors), the number of unique visitors to a website within a set period; visitor duration or length of time a visitor spends on a site and page duration; country of origin; browser an operating system used; referring URL and domain (where the visitor came from). There are several problems with log file analysis and the worst one is the problem with undercounting and overcounting (Chaffey et al., 2003).

Collecting site outcome data means to collect data about when a customer performs a significant action (Chaffey et al., 2003). This is usually a transaction that is recorded; it involves more than downloading a web page, and is proactive (ibid). Key marketing outcomes according to Chaffey et al (2003) include:

- Registration to site or subscription to an e-mail newsletter;
- Requests for further information such as a brochure;
- Responding to a promotion such as an online competition;
- A sale influenced by a visit to a site;
- A sale on-site;

Chaffey et al (2003) gives an important aspect of measures collected offline is that the marketing outcomes may be recorded in different media according to how the customer has performed mixed-mode buying. For example, a new customer enquiry could arrive by e-mail, fax or phone. Irrespective of how the enquiry was made, the importance is whether or not the website influenced the enquiry or sale and therefore should also the enquiry or sale be analysed. (Chaffey et al., 2003)

Collecting market research data can for e-commerce be divided into primary research data where the company collects its own data and secondary data where the company uses published research. Market research data are intended to reveal profiles of customers and their opinion of the e-commerce experience. There are several different methods of collecting primary data and all of them have their strength and weaknesses. Server-based log-file analysis of site activity has the advantage that it directly records customer behaviour on the site and where they were referred from and it has low cost. The disadvantages are that it is not based around marketing outcomes such as leads, and sales, the report is long, even the summaries may be over 50 pages, doesn’t directly record channel satisfaction and has the problem with overcounting and undercounting. Browser-based site activity data has greater accuracy than servers based analysis and counts all users, but have similar weaknesses to server-based technique apart from accuracy. Panel activity and demographic data provides competitor comparisons, gives a demographic profiling and avoids undercounting and overcounting. The disadvantage is though that it depends on extrapolation from limited sample that may not be representative. Outcome data (e.g. enquiries, customer service e-

\(^4\) A separate program such as WebTrends that is used to summarise the information on customer activity in a log file. (Chaffey et. al. 2003)

\(^5\) Recorded for each graphic or text file requested from a web server. It is not a reliable measure for the number for people viewing a page. (Chaffey et. al. 2003)

\(^6\) A more reliable measure than a hit, denoting one person, viewing one page. (Chaffey et. al. 2003)
mails) records marketing outcomes but has difficulty of integrating data with other methods of
data collection when collected manually or in other information systems. Online
questionnaires (Customers are prompted randomly- every nth customer or after customer
activity or by e-mail) can record customer satisfaction and profiles and is relatively cheap to
create. The weaknesses with this technique are that it has difficulty of recruiting respondents
who complete accurately, and sample bias- tends to be advocates of disgruntled customers
who complete. Online focus groups are relatively cheap to create but are difficult to moderate
and coordinate, and have no visual cues, as from offline focus groups. Mystery shoppers
(customers are recruited to evaluate the site) have the strength that structured tests give
detailed feedback and also tests integration with other channels such as email phone is
possible. The weaknesses are that it is relatively expensive and sample must be representative.
(Chaffey et al., 2003)

Types of data collected

E-commerce site managers collect the following data that are part of the framework showed
in figure 4. Here follows three additional levels of metrics according to Chaffey et al (2003)

Level 1: Business effectiveness measures. This type of measure assesses how the Internet is
affecting the performance of the whole business; in other words, what is the impact of the
Internet on the business. Such measures include channel profitability measures.

Level 2: Marketing effectiveness measures. Marketing effectiveness measures will reflect how
well the e-commerce site is fulfilling marketing objectives. These are mainly the channel
satisfaction and channel outcome measures.

Level 3: Internet marketing effectiveness. The Internet marketing effectiveness measures
involve assessing how well the particular online Internet marketing techniques required for
effective Internet marketing are working. These include channel promotion, channel
behaviour and satisfaction.

The five categories of e-commerce metrics are as follows.

1. Channel promotion consider where the website users originate- online or offline, and what
are the sites or offline media that have prompted their visit. Promotion is successful if traffic
is generated that meets objectives of volume and quality. Quality will be determined by
whether visitors are in the target market and have a propensity for the service offered. Overall
hits or page views are not enough! (Chaffey et al., 2003)

Key measure: Referral 7 mix. For each referral source such as offline or banner ads online it
should be possible to calculate percentage of all referrals (or visitors); cost of acquisition;
contribution to sales or other outcomes. (Ibid)

2. Channel buyer behaviour. Once customers have been attracted to the site it is possible to
monitor content accessed, when they visit and how long they stay, and whether this
interaction with content leads to satisfactory marketing outcomes such as new leads or sales.
It is also important to recognise return visitors for whom cookies or login are used. (Ibid)

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7 Referrer = The site that a visitor previously visited before the following link. (Chaffey, D et al., 2003)
Key ratios are: Home page interest (Home page views/All page views); Stickiness\(^8\) (Page views/Visitor sessions); Repeats (Visitor sessions/Visitors). (Ibid)

3. **Channel satisfaction.** Customer satisfaction with the online experience is vital in achieving the desired channel outcomes, although it is difficult to set specific objectives. Online methods such as online questionnaires, focus groups and interviews can be used to assess customers’ opinion of the website content and customer service and how it has affected overall perception of brand. (Ibid)

Key measure: Chaffey *et al* (2003) refer to Bevan (1999) who says that from a usability viewpoint, there are three key measures in determining usability for each task:

- The percentage of participants who completely and correctly achieved each task goal.
- If it is necessary to provide participants with assistance, efficiency and effectiveness metrics must be determined for both unassisted and assisted conditions.
- The mean time taken to complete each task, together with the range and standard deviation of times across participants.

4. **Channel outcomes.** Traditional marketing objectives such as number of sales, number of leads, conversion rates and target for customer acquisition and retention should be set and then compared to other channels. (Ibid)

Key measure: Channel contribution (direct and indirect).

A widely used method of assessing channel outcomes is to review the conversion rate, which gives an indication of the percentage of site visitors who take a particular outcome. For example: Conversion rate, visitors to purchase = 2% (10000 visitors, of which 200 make purchases). (ibid)

5. **Channel profitability.** A contribution to business profitability is always the ultimate aim of e-commerce. To assess this, leading companies set an Internet contribution target of achieving a certain proportion of sales via the channel. (ibid)

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\(^8\) An indication of how long a visitor stays on site.
3. CONCEPTUAL FRAMEWORK

According to Miles and Huberman (1994, p.18) “The conceptual framework explains, either graphically or in narrative form the main things to be studied.” Previous chapters presented a background, followed by a problem discussion that resulted in the research problem; how websites are used in developing and maintaining customer relationships? This research problem ended with three research questions. In chapter two literatures within the areas of the research questions were reviewed. The conceptual framework presented in this chapter is building the foundation for the analysis and conclusions.

3.1 How can the website objectives be described?

Zimmerman (2001) says that you should avoid the temptation to go online simply because everyone else is, and you should also want to evaluate the potential benefits of the Web in broadest possible way. To do that you must have a clear understanding of your business goals.

To be able to answer the first research question the work of Huizingh (2002) in chapter 2.2 was utilized. This study is more recent and brings up the reasons to build the website. Huizingh (2002) stated that it could be either proactive or reactive to take the initiative to start a website. This theory that builds on the work of others will be used to investigate if the website was:

1. A fear of missing an “epochal opportunity” = reactive

Or

2. Built in response to customer demands, and the website is a serious commercial effort or mainly undertaken to experiment with the new medium = proactive

To complete the theory from Huizingh (2002) and make a more extensive answer to the first research question the website objectives from Janal’s (2002) will be used. Whether or not your business goals are the same as the goals of your website, Janal (2002) proud good reasons for stating goals and many examples of goals for a website. Most of them are for the consumer market but a selection of them can be applied on the B2B market. Several studies include such objectives like the theory by Chaffey et al (2003) and Dignum (2002). Therefore the chosen B2B objectives of importance from Janal (2002) will be the following categories;

**General Benefits:** such as reaching a worldwide audience, being completely accessible and cost savings.

**Competitive Advantage:** such as decreasing the need for warehousing, cutting out distributors, beating non online competitors and competing on an equal footing against larger companies.

**Competitive Research:** is associated with being updated generally with the company industry and competitors within that industry. It can also be the purpose of forming alliances with companies.
**Conceptual Framework**

**Customer Research:** can be conducting market research, determine which products are most popular or which features and benefits are requested most. It can also be about understanding the customer’s buying process better.

**Prospecting:** can be such as generating inquiries, follow up on leads from other media, make appointments, and invite prospects to seminars and product demonstrations.

**Sales:** for example sell new or old products to new markets, sell on the international market, provide information about company and product, perform tests, and make sales on the Internet etc.

**Publicity:** reaching media rapport with reporters, build relationships with and inform stakeholders, warehouse press material, manage crisis and hold press conferences are some examples on publicity objectives.

**Collateral Objectives:** can be cutting costs on distributed materials.

**Customer Relations:** for B2B this can be about establishing one-to-one relationships, sending targeted messages and advertisements, building long-term relationships, answer frequently asked questions and finding disgruntled customers.

**Advertising:** the website can be used as a media for presenting and displaying ads, test ads, prices, headlines and offers. Other objectives can be measuring response, delivering more information and generate income from selling advertising on the site.

**Cut Product Support Costs:** For B2B this can be cutting costs for support and employees, providing 24-hour support, educate customers, letting customers find solutions to problems and lead customers to purchase upgrades and new products.

**Branding:** is about building the company brand over the Internet

**International Sales:** One example can be selling products to an international audience and building and extending the brand identity.

**General Business:** for B2B can be posting job notices online, distribute reports to employees quickly and revise price lists via e-mail or update to home pages.

### 3.2 How can the online environment be described?

Huizingh (2002) has a most extensive way of describing the online environment and will therefore be used. By using the following variables it allows this study to be most descriptive. To get a valuable picture of the company’s characteristics the following variables will be studied:

- Size of the company (number of employees)
- Year the company was established
- Type of market segment (products and line of business)
- Customer base (long-or short term relationships)
Further on, to be able to describe what the website looks like and what functions that are available the following variables from Huizingh (2002) and Sterne (1995) will be used:

- Size (Huizingh., 2002)
- Content (Huizingh., 2002)
- Search functions (Huizingh., 2002)
- Protected content (Huizingh., 2002)
- Personalised/Customised sites due to use of password (Huizingh., 2002)
- Public Relations (Sterne., 1995)
- Investor Relations (Sterne., 1995)
- Customer Service (Sterne., 1995)
- Prospect Qualification (Sterne., 1995)
- Product Sales (Sterne., 1995)
- Customer Interaction and Feedback (Sterne., 1995)
- Internal communication (Sterne., 1995)
- Website Traffic for communication (Sterne., 1995)
- Using E-Mail for Press Releases (Sterne., 1995)

Finally variables from Huizingh’s (2002) theory about Web strategy will be used since it is most extensive. The important variables to study about the promotion are:

- Promotion of the website offline such as; television, radio, print media, billboards.
- Promotion of the website online such as; online banners, electronic newsletters, e-mail signatures.
- Internal promotion in form of informing, training and educating employees.

Earlier in this study theories have brought up the perspective on how to build the online environment to make the website become profitable and how to customize it. But to be able to answer the second research question in best possible way another aspect of the website must be investigated. Ranchhod et al (2002) bring up the concurrence perspective. This study is more recent and several studies discuss the same concept and therefore are relevant for this study. The following “attractors” taken from Ranchhod et al (2002)’s theory will be used:

- Providing necessary information
- Backup and feedback facilities or instructions on offer
- Permanently monitoring of users’ information demands
- Continuously site improvement and updating
- Elimination of outdated information
- Website availability (through search engines)
- Easy and quick information access
- Easy to orientate within the website environment
- Speed to download information
3.3 How can the effectiveness of the website be described?

Huizingh (2002) is more recent in his study about measuring the website performance. Therefore the main things to be studied here are:

- Number of visitors
- Website satisfaction, both internal and external satisfaction.

Bradshaw & Brash (2001) bring up three ways on how buyers and sellers can interact with one another over the Web. When developing CRM, interaction between buyers and sellers was of great importance and it improves the effectiveness of the Web. Therefore it is relevant to investigate if the company uses the following “tools” for interaction and improving the effectiveness of the Web. The tools are:

- Web chat
- Web call-back
- E-mail

Chaffey et al (2003)’s theory about website effectiveness is most extensive and many aspects of effectiveness is brought up. This study is concentrated on the buyer-seller relationship on Internet and therefore the most relevant aspect of Chaffey et al (2003)’s theory is the five categories of e-commerce metrics. The following five categories will therefore be used:

1. Channel promotion
2. Channel buyer behaviour
3. Channel satisfaction
4. Channel outcomes
5. Channel profitability

When the company then has measured the effectiveness it is of great importance to have knowledge about what the company does to improve the effectiveness of the website. This is what Lynn et al (2002) bring up in their theory and completes the answer to the third research question. The suggested improvements will be used for the empirical study to investigate if the company is:

- Providing formal training to its marketing organisation
- Encouraging an effective relationship between the marketing and IS/MIS organisations
- Demonstrating the usefulness of the Web to the marketing organisation
3.4 Emerged Frame of Reference

In *Figure 5* below the frame of reference emerged from the conceptualisation and the three research questions, is presented.

![Diagram of emerged frame of reference]

The figure shows how the three research questions fit together, as a means to answer the research purpose. The emerged frame of reference starts with the first research question considering; *How the website objectives can be described.* The objective with the website lays a foundation for gaining a deeper understanding with the use of websites and how to conduct them. Moving on to the second research question considering; *How the online environment can be described,* is the outcome of the objectives and in its turn leads down to third research question, *How the effectiveness of the website can be described,* and how companies can use the effectiveness of the website to reach the objectives. By answering these research questions I will gain a deeper understanding on how websites are used in e-CRM and by that reach the purpose with this thesis.
4. METHODOLOGY

A method is a tool, a way of solving and gaining new knowledge. The “method tool” can be used in different ways. It is possible to elucidate and obscure actual circumstances from outside the same method. (Holme & Solvang, 1991) This chapter explains the research method used to obtain data; also the chosen type of conducted research will be justified as well as what quality standards that have been taken under consideration.

4.1 Purpose of Research

The purpose of research can be grouped in different ways. For this thesis the following way to group the purpose of research is chosen:

To explore: An exploratory case study is aimed at defining the questions and hypotheses of a subsequent (not necessarily case) study or at determining the feasibility of the desired research procedures (Yin, 1993). Researchers in business-related subjects traditionally limit case studies to the exploratory use: a pilot study that can be used as a basis for formulating more precise questions or testable hypotheses (Gummesson, 2000).

To describe: Some research has as a purpose of describing different kind of phenomena. For example stages, occurrences, course of events and actions. To describe something means to depict- register and document, that you identify and map. But descriptions are not made unprejudiced. To describe means to choose a perspective, aspects, levels, terms and concept (choose and use language), observes, register, systematize, classify, and construe. To have use of a model for description it is important to have specified the purpose of the description, what you want to know, what knowledge you want to gain. The description needs the purpose to be meaningful. To be able to explain, understand, predict and decide a good description is mostly an important foundation for this. (Wiedersheim-Paul & Eriksson, 1999) According to Yin (1993) a descriptive case study presents a complete description of a phenomenon within its context.

To explain: means to analyse causes and coincidences. In the same way as with description, explanations are made from outside different starting-points. It is important to precise these starting-points and also state the application of the explanation and for who it will be done. There is none correct model with reference to a certain phenomenon. This means that different models are available. This also means that with help from one single model you can’t get a complete explanation. (Wiedersheim-Paul & Eriksson, 1999) Yin (1993) says that an explanatory case study presents data bearing on cause-effect relationships- explaining which causes produced which effects.

In this study, based on the above definitions, a contribution is made to each of these stages of research. The use of websites in developing and maintaining customer relationships in a B2B setting is explored, since three research questions are defined to determining the feasibility of the desired research procedures. But the primary contribution will be the description of the objectives, development, and evaluation of website (see Research Questions in chapter 1.3). At the end a beginning of explanation is made when the conclusions are drawn trying to answer the three research questions.
4.2 Research Approach

The choice of methodological approach, i.e. qualitative versus quantitative, is a question about which method is best suited for the actual problem area, but it is also a strategically choice based on the research approach, resources and former research experience. There is no absolute difference between qualitative and quantitative methods. It is however possible to combine qualitative and quantitative elements in the same study. It is in principle no concurrence between them either. On the other hand they can consolidate each other with their strengths and weaknesses. Both the qualitative and the quantitative research approach are aimed at giving an understanding of the society we are living in and how particular individuals, groups, and institutions handles and affect each other. Besides that it is the differences between them that stand out. (Holme & Solvang., 1991)

Qualitative approach can be identified as; flexible. The researcher tries to obtain the highest possible reproduction of the qualitative variation. For the data collection a lot of information about few inquiry divisions is gained. In that way it’s a “deep” research. The observations are unsystematic and unstructured, for example in-depth interview or interviews without settled questions and or given answers to select from. The researcher is interested in what is odd, unique or eventually divergent. The data collection is close to the living; the information is gathered under conditions that are close to the reality studied, and there is an interest in contexts and structures. The qualitative approach is descriptive and understanding. The researcher observes the phenomenon from inside. She/He knows that she/he affects the results through his/her presence. She/he can also participate as an actor. It is a form of ME-YOU relation between the researcher and the inquired person. (Holme & Solvang., 1991)

Due to the problem definition, the purpose of this study with its qualitative characteristics where it states; “the purpose is to gain a deeper understanding…”, the qualitative research approach is chosen. By conducting a qualitative study assessable abundant information will be provided which in turns will lead to gaining a deeper understanding of a complex situation/phenomenon. Qualitative studies are also characterised by the fact that the researcher observes the phenomenon from inside. The study took place at the employer for several months and gave the opportunity to both observe and act. That in fact implicates that the study is highly qualitative.

4.3 Research Strategy

With the focus now on qualitative research as a general research approach, the focus now turns to the research strategies available to collect the data. Yin (1994) lists five primary research strategies in the social sciences. These include experiments, surveys, archival analysis, histories, and case studies (ibid). According to Yin (1994) the selection of these strategies depends upon three distinct conditions:

1. *The type of research question posed:* This study asks primarily how and why research questions.
2. *The extent of control an investigator has over actual behavioural events:* This researcher has none; his job is to observe and interview.
3. *The degree of focus on contemporary as opposed to behaviour events:* This study focuses on the how and why of a contemporary event.
Methodology

Going back to chapter 1.3; Research Purpose and Research Questions, it is to be seen that the research questions are formed as “how” questions, focusing on contemporary events. For example research question one; How can the website objectives be described? Since archival analysis and history are both focusing on non-contemporary events they are eliminated and left to choose from are experiments, surveys and case studies. The second condition that Yin (1994) brings up is the extent of control an investigator has and therefore excludes experiments. Experiments require control and that is impossible for the events the research questions are discussing. At the end two strategies are left; making a survey or case study. Gummesson (2000) brings up the problem of making generalizations from case studies since it only includes a limited number of observations. This agrees with the choice of qualitative research approach and the fact that the limitations in time made it difficult to conduct a survey (see chapter 1.3 for a further description).

According to Yin (2003) it is possible to study a single-case or multiple-case when conducting case studies. Further on Yin (2003) recommends multiple case studies. It reduces the vulnerability since the researcher doesn’t “put all eggs in one basket,” gives the possibility of direct replication, the analytic conclusions are more powerful (adds validity) and gives the opportunity to draw conclusions (ibid).

Due to the discussion above for this study multiple case studies are conducted which in turn gave more compelling information for answering the research problem.

4.4 Data Collection Method

Since the overall research approach is to use case studies, the study relies on Yin (1994) to obtain evidence for the case study. According to Yin (1994), within multiple case studies data can be collected via six different sources: Documentation, archival records, interviews, direct observations, participant observations, and physical artefacts. All of the sources have various strengths and weaknesses. Yin adds, “a major strength of case study data collection is the opportunity to use many different sources of evidence” (p. 91). Yin (1994) calls this use of multiple sources of evidence “triangulation,” which means that the researcher has the opportunity to obtain multiple measures of the same phenomenon, which in turn adds to the validity of any scientific study.

Documentation and archival records have the weakness of accessibility (Yin.,1994). The researcher is dependent on the company’s compliance to distribute secondary information (ibid). Still documentation is relevant to this study since it is focusing on studying the use of websites in a company. The documentation was in form of secondary information available on the website and reports given from the company.

For the data that is not documented, interviews were conducted. One motivation for the choice of interviews is the fact that interviews will provide a lot of in-depth information and allows the researcher to follow up questions and ask complicated questions (Wiedersheim-Paul & Eriksson., 1999). Further on Johansson Lindfors (1993) state that the in-depth interview has two criteria to fulfil. First, they should make unknown understandings or experiences of a certain phenomenon available (ibid). Second, they should be able to make the informant, via their language, bring about his/her personal understanding and experience (ibid). This means that in-depth interviews can be used whether or not the research purpose is descriptive or understanding (ibid). In-depth interviews are partly restrained from a questionnaire that controls that certain issues come forward (ibid). Thereby in-depth
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interviews correspond with the qualitative interview according to Holme & Solvang (1991). They mean that the qualitative interview seems like a daily situation and an ordinary conversation (ibid). The interviewer exercises minimal control over the respondent (ibid).

According to Wiedersheim-Paul & Eriksson (1999) interviews can be conducted in two ways on the telephone or face-to-face. The advantages with face-to-face interviews are that it guarantees the respondent’s full attention and the body language is visible (ibid). The disadvantages are the fact that it is more costly and difficult to set a time for the interview (ibid). Telephone interviews have the advantage of being less costly and not time consuming, but it is hard to ask complex questions and/or show pictures (ibid). For this study in-depth interviews were made due to the usage of an interview guide (see APPENDIX A and B) and in a conversational manner. Face-to-face interviews were conducted when the respondent was physically available otherwise the interview were conducted over telephone or questions were sent by e-mail. Both for the face-to-face- and telephone interviews a tape-recorder were used and the interview lasted no longer than 60 minutes.

During the data collection the researcher was situated at the company both in Råcksta, Stockholm and at Bewag, Berlin, Germany. That gave the possibility during a four months period to find key persons connected to the website for the data collection, interview them and return for additional questions. It also gave the opportunity to get hold of customers to the company and interview them. The interviews with the Swedish customers were made over phone and there were no opportunity to use a tape recorder. Instead notes were taken. Information about the customers was provided from the sales department who sent a list with small-and medium sized company customers. When phoning the company the researcher always asked for the person managing the energy purchase and requested the possibility to book a time for an interview.

Yin (1994) mentioned the “triangulation” when using multiple sources of evidence. In this study a number of customers are interviewed with the same interview guide. At Vattenfall a selection of people were interviewed when collecting data about the website and also second hand data and observations were used.

Observations are an essential method for data gathering in anthropology/ethnography according to Gummesson (2000). In its widest sense, anthropology is a study of a series of cultural phenomena such as customs, beliefs, behaviour, and the social organisations of humankind (ibid). Ethnography is the branch of anthropology and is concerned with description of social patterns (ibid). The purpose of research for this study is connected to anthropology and therefore demands observations, interaction with the website in order to collect data on it. To be able to gain a deeper understanding on how websites are used in developing and maintaining customer relationships the respondents in the interviews had the possibility to show their own interaction with the website. This means that both observations and interviews were made at the same time. Also personal observations by interacting with the websites were performed.

4.5 Sample selection

Qualitative samples should, based on underlying social circumstances, give a more profound picture of the studied phenomenon. The purpose with qualitative interviews is to increase the information value and create a base for a deeper and more complete understanding of the studied phenomenon. To reach this purpose it is important to have the largest possible
variation-width among the samples. It is also central to use respondents that are expected to have a profound knowledge of the studied phenomenon. Further on should the respondent’s ability to express themselves and willingness to participate be considered when conducting the sample selection. (Holme & Solvang., 1991) Johansson Lindfors (1993) brings up intended/selective sampling when conducting qualitative research. Intended/selective sampling is involved with purposive sampling (ibid). The purpose of research controls the sample selection and it is recommended to choose a case that in a comprehensive way illustrates the actual purpose of research (ibid).

The chosen company for this study is Vattenfall AB. Vattenfall is a leading European energy company and provides half of the electricity produced in Sweden. Today they produce electricity and delivers energy to several millions of customers in Scandinavia and northern Europe. Their biggest customers are industries and energy companies. Vattenfall’s main product is energy and heat but they also provide power mains, district heating, broadband, and telephony (both for cell phones and fixed). Vattenfall has in ten years tripled in growth first and foremost through acquisition business in Germany, Poland and Finland. Their customers are consisting of private consumers, SME’s\(^9\) as well as industries. (Vattenfall, 2004) They became the employer through a scholarship named CEN-stipendiet\(^10\). Their request was that the study should consider a new approach to marketing and its use of IT in the electricity line of business. The study should not be mainly technical; but concentrated on the market with focus on how the development will change the conditions for the electricity line of business and their customers.

The data collection is based on the conduction of multiple-case studies on a sample consisting of two cases. Two cases will provide more information about the studied phenomenon than a single-case study. Two cases will also increase the validity of the study. Furthermore, the sample needed to consist of respondents and companies that fulfilled the criteria discussed above. It was central that the sample had respondents who had a profound knowledge of the studied phenomenon also it was important that the sample illustrated the actual purpose of research. Therefore the company needed to have a website and employees using the website. The respondents needed to have connection to the market and the company’s customers. To fulfill the business-to-business perspective the respondents from the customers needed to be representatives from a company customer and have the position of managing the energy purchase. The company customers needed to be of the same type in Sweden as well as in Germany. For example project Management Company, consulting firm or real estate owners.

Since the employer is Vattenfall the cases needed to suit them in best possible way. According to the above paragraph about Vattenfall, it is an international company with production in Sweden, Poland, Finland and Germany. Therefore case one provided information about the relationship between the Swedish company customers and Vattenfall AB in Sweden through the website www.vattenfall.se. Case two provided information about the relationship between the German company customers and Vattenfall AB in Germany through the websites www.vattenfall.de and www.bewag.de. For both the cases the data was collected through in-depth interviews, observations and given reports. Further on these two cases provided the data collection variation-width to the study. The choice of using Germany for the cross-case analysis is based on the possibility of finding a position within the organisation for the given time.

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\(^9\) Small and medium sized enterprises

\(^10\) Carl-Erik Nyquist Stipendiet
4.6 Analysis of Data

Yin (1994) states, every case study should start with a general analytical strategy. These general analytical strategies with regards to case studies provide the researcher with a system by which she/he can set priorities for what it is they need to analyse and why. As Herriott and Firestone (1983) stated in Yin “The evidence from multiple cases is often considered more compelling, and the overall study is therefore regarded as being more robust” (p.45). The way in which the data will be analysed is very important for any research study (ibid). For this study, this will involve the analysis of the interviews conducted (i.e. the words collected), as well as the review and use of any documentation that the firm has provided. As previously stated, these multiple sources of evidence (i.e. “triangulation”) are what add to a study’s validity (Yin., 1994)

This study will rely on Yin (1994) for analysing the data. Yin (1994) adds that before data can actually be analyzed, a researcher using case studies can choose from two general analytical strategies:

- **Relying on theoretical propositions** is the most common strategy (according to Yin, p. 103-104) This strategy is chosen since the result of it is the collection on research questions taken from previous studies and compare the findings with these previous studies(ibid). For this study a comparison of the data collection with the studies used in the Frame of Reference will be made.

- **Developing a case description** can be used as a strategy as well, according to Yin (1994) but this is less favourable and should only be used when little previous research has been done.

Yin (1994) refers to Miles & Huberman (1994) when he explains that specific techniques can be used to actually analyze the data. In this study a more recent thinking from these authors is used:

This study will rely on two forms of analysis for the case study data:

1. **Within-case analysis:** Comparing the data against the theory used for the actual study.

2. **Cross-case analysis:** Data in one case compared to data in the other case. For this study it means that the case from the Swedish buying organization will be compared to the case from the German buying organization.

Further on the study uses the theory by Miles & Huberman (1994), who state the definition of data analysis “as consisting of three concurrent flows of activity: (1) Data reduction, (2) Data display, and (3) Conclusion drawing/verification” (p.10). Upon first obtaining data during a “data collection period,” Miles & Huberman explain these three stages of qualitative data analysis as follows:

1. **Data reduction** should not be considered to be separate from analysis, but as a part of it. This reduction of the data is analysis that helps sharpen, sort, focus, discard, and organise the data in a way that allows for “final” conclusions to be drawn and verified. They add that data can be reduced and transformed through such means as selection, summary, paraphrasing, or through being subsumed in a larger pattern.
2. *Data display* is the second major activity which the researcher should go through. This means taking the reduced data and displaying it in an organised, compressed way so that conclusions can be more easily drawn. These authors explain that, “human are not powerful processors of large amounts of information,” and that “extended text can overload humans’ information-processing capabilities” (op. cit., p.11, with reference to Faust, 1982). It is further explained that good displays are, “a major avenue to valid qualitative analysis” (op. cit., 11). Finally they state that, as with data reduction, the creation and use of displays is not separate from analysis, but as part of it.

3. *Conclusion drawing and verification* is the final analytical activity for the qualitative researcher. It is here that the researcher begins to decide what things mean. They do this by noting regularities, patterns, explanations, possible configurations, causal flows, and propositions. However, Miles & Huberman also add that the competent researcher should hold such conclusions lightly, while maintaining both openness and a degree of scepticism.

### 4.7 Quality Standards

The researcher aims to state if the empirical reality can be reflected with the developed, theoretical method. Reliability- and Validity problems are connected to the transition from the theoretical level to the empirical level. (Johansson Lindfors., 1993) Further on validity is defined by Wiedersheim-Paul & Eriksson (1999) as *a measurement tool’s ability to measure what is intended to measure*. Yin (2003) brings up four tests to establish the quality of case study research. These tests are:

*Construct validity:* establishing correct operational measures for the concepts being studied. To increase construct validity a multiple source of evidence. (Yin., 2003) The multiple-case study was conducted within an international company with interviews made both in Sweden and Germany. Also for the interviews the respondents did not receive the interview guide in beforehand to prevent prepared answers. Instead the respondent could after the collected data was written proofread the material and approve that the data was correct. Further on the supervisor Tim Foster proofread the interview guide and the checklist for observation (see APPENDIX A, B and C).

*Internal validity:* (for explanatory and causal studies only, not for descriptive or exploratory studies) establishing a causal relationship, whereby certain conditions are shown to lead to other conditions. Since this study is mainly descriptive no consideration is taken to internal validity. (Yin., 2003)

*External validity:* establishing the domain to which a study’s findings can be generalized. Since this is a qualitative study there will be no generalizations made and therefore no considerations are taken to external validity. (Ibid)

*Reliability:* demonstrating that the operation of a study – such as the data collection procedures – can be repeated, with the same results (Yin., 2003). Wiedersheim-Paul & Eriksson (1999) says that reliability is about asking these questions “Would other researchers get the same result if they used the same approach?” If someone repeated the case at another time and used another sample selection, would he/she get the same result? (p.40). They continue by stating that a method should be independent of the researcher to have high reliability and depending on what level of generalisation is desired on the selected sample.
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(Wiedersheim-Paul & Eriksson., 1999) Since a qualitative study is conducted a low level of generalisation is desired. Therefore it is not of great importance for this study to increase the reliability. For example it is impossible to conduct the same interview twice since one can’t replicate the exact same situation in which the first interview was done.
Due to Vattenfall AB’s confidentiality policies the chapters 5. Empirical data, 6. Analysis, and, 7. Findings and conclusions cannot be published.
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REFERENCES


Internet:
Företags fakta:

Företagets namn:
Respondentens namn och post:
Antal anställda:
År som företaget etablerades:
Produkter och typ av industri:
Typ av kunder och kundrelationer, lång- eller korttids förhållande, väletablerat eller inte:

Hur kan Webbsidans mål beskrivas?

- Vad vill ni uppnå med den? Var det någon av följande anledningar/mål?
  - Generella fördelar
  - Konkurrensfördel
  - Konkurrens studier
  - Kundstudier
  - Letande efter framtida anställda
  - Försäljning
  - Publicitet
  - Samarbetsmål
  - Kundrelationer
  - Annonsering
  - Nedskärning av kundsupport kostnader
  - Branding
  - Internationell Försäljning
  - Generell Business

- Var initiativet till att starta Webbsidan reaktivt eller proaktivt och varför?

Hur kan Webbsidans miljö beskrivas?

- Vilka funktioner på webbsidan använder ni eller är ni involverad med? Till exempel:
  - Public Relations
  - Relationer till investerare
  - Kundservice
  - Kvalificering av prospekt (eventuell framtida arbetskraft)
  - Produktförsäljning
  - Kundinteraktion och Feedback
  - Intern kommunikation
APPENDIX A

- Trafik på hemsidan för kommunikation
- Användning av e-mail för press meddelanden

Reklam för webbsidan och organisatorisk support.

- Vilken typ av reklam för webbsidan är gjord utanför Webben t ex: TV, radio, tryckt media, reklampelare. Vilken reklam är gjord på Webben tex.: Online banderoller, elektroniska nyhetsbrev och e-mail signaturer.

- Vilken intern reklam för Webbsidan är gjord? Har någon form av information, träning eller utbildning av funktionerna skett? – Om ja hur var det organiserat? Vad lärde ni er, och vilka deltog? – Om nej, varför inte?

- Hur tycker du webbsidan är upplagd? Hittar du “rätt” information? Är den tidskrävande och/eller svår att navigera i för att hitta information?

- I vilka sökmotorer kan man hitta webbsidan, t ex Lycos, Yahoo, Google?

- Följer ni upp regelbundet kundernas behov med webbsidan?

- Hur ofta uppgraderas, förbättras och tas bort felaktig information på sidan?

Hur kan Webbsidans effektivitet beskrivas?

- Hur mäter ni Webbsidans effektivitet? Varför/varför inte?

- Mäter ni antalet besökare?

- Hur är det med mätning av den interna tillfredsställelsen? Förfrågan av anställda, aktieägare och andra intresserade organisationer.

- Använder ni något av följande verktyg för att kommunicera med era kunder?
  - Web chat
  - Web call-back
  - E-mail

- Hur tycker ni att det fungerar, fördelar/nackdelar?

- Mäter ni något av följande nyckel mätetal för webbsidans effektivitet?

Channel Promotion

- För varje referenskälla så som offline/online banderoller ska det vara möjligt att mäta:
  - procent av alla referenser och besökare;
  - kostnad för förvärv;
  - bidrag/tillskott till försäljning eller andra resultat.
APPENDIX A

Channel buyer behaviour

-Hemsidan (Views/All page views = Titt/alla sidors tittar)
-Klibbighet (Sidbesök/besökssession)
-Upprepningar (Besökssession/besökare)

Channel satisfaction

- Procent av användarna som fullständigt och komplett uppnådde varje uppgifts mål.
- Om det är nödvändigt att ge deltagarna assistans. Verkningsgrad och effektivitet måste beräknas för både icke assisterade och assisterade tillfällen.
- Snitt tiden det tar att fullgöra varje uppgift, tillsammans med frekvensen och standardavvikelsen i tid för de olika användarna.

Channel outcomes

- Traditionella marknadsföringsmål som antal försäljningar, omvandlings frekvens (hur många av besökarna gör ett köp) och mål för kundförvärv och kvarhållning av kund.

Channel profitability

- Om företaget självt har satt några mål som till exempel ett visst antal försäljningar över mediakanalen.

Förbättringar

- Vad gör företaget för att förbättra Webbsidans effektivitet? Görs det till exempel följande:
  - sörjer för formell träning för marknadsföringsorganisationen;
  - uppmuntrar en effektiv relation mellan marknadsföringsavdelningen och informationsavdelningen;
  - demonstrerar användbarheten av Webben för marknadsförings organisationen;
  - använder yngre personal bland marknadsföringsavdelningen.
APPENDIX A

INTERVIEW GUIDE FOR CUSTOMERS-
SWEDISH VERSION

Företags fakta:

Företagets namn:
Respondentens namn och post:
Antal anställda:
År som företaget etablerades:
Produkter och typ av industri:
År som företaget började nyttja Vattenfalls Webbsida:

Hur kan Webbsidans mål beskrivas?

- Vad är syftet med att använda Webbsidan, vad vill ni uppnå med att använda
  den? Är det något av de följande exemplen?
  - Generella fördelar
  - Konkurrensfördel
  - Konkurrens studier
  - Kundstudier
  - Letande efter framtida anställda
  - Försäljning
    - Publicitet
  - Samarbetsmål
  - Kundrelationer
  - Annonsering
    - Nedskärning av kundsupport kostnader
  - Branding
    - Internationell Försäljning
    - Generell Business

- Var initiativet till att använda hemsidan reaktivt eller proaktivt och varför?

Hur kan Webbsidans miljö beskrivas?

- Vilka funktioner på webbsidan använder ni eller är ni involverad med? Till
  exempel:
  - Public Relations
    - Relationer till investerare
  - Kundservice
    - Kvalificering av prospekt (eventuell framtida arbetskraft)
  - Produktförsäljning
    - Kundinteraktion och Feedback
    - Intern kommunikation
    - Trafik på hemsidan för kommunikation
APPENDIX A

- Användning av e-mail för press meddelanden

Reklam för webbsidan och organisatorisk support

- Vilken typ av reklam som är gjord för hemsidan har ni tagit del av? Utanför Webben t.ex.: TV, radio, tryckt media, reklampelare. På Webben tex.: Online banderoller, elektroniska nyhetsbrev och e-mail signaturer.

- Har Vattenfall tillhandahållit någon form av information, träning eller utbildning av Webbsidans funktioner? – Om ja hur var det organiserat? Vad lärde ni er, och vilka deltog? – Om nej, varför inte?

- Har ni vanligtvis några krav på hemsidan? Om ja, hur uppfattar ni att dessa krav möts från Vattenfall?

- Hur tycker du webbsidan är upplagd? Hittar du “rätt” information? Är den tidskrävande och/eller svår att navigera i för att hitta information?

- Hur tycker du att det fungerar med uppgradering, förbättringar och eliminering av felaktig information?

Hur kan webbsidans effektivitet beskrivas?

- Använder ni något av följande verktyg för att kommunicera med Vattenfall?

  - Web chat
  - Web call-back
  - E-mail

- Hur tycker ni att det fungerar, fördelar/nackdelar?
INTERVIEW GUIDE FOR VATTENFALL AB-ENGLISH VERSION

Company characteristics:

Company name:
Respondents name and position:
Number of employees:
Year the company was established:
Products and line of business:
Type of customer relationship long-term/short-term, well established or not well-established relationship with customers:

How can the website objectives be described?

- What did you want to achieve with it? Was the reason any of the following examples:
  - General Benefits
  - Competitive Advantage
  - Competitive Research
  - Customer Research
  - Prospecting
  - Sales
  - Publicity
  - Collateral Objectives
  - Customer Relations
  - Advertising
  - Cut Product Support Costs
  - Branding
  - International Sales
  - General Business

- Was the initiative to start the website reactive or proactive, and why?

How can the online environment be described?

- Which functions on the website do you use or are you involved with? For example:
  - Public Relations
  - Investor Relations
  - Customer Service
  - Prospect Qualification
  - Product Sales
  - Customer Interaction and Feedback
  - Internal communication
  - Website Traffic for communication
APPENDIX B

-Using E-Mail for Press Releases

Promotion of the site and organizational support.

- What type of promotion of the site is made offline such as; television, radio, print media, billboards. Online such as; online banners, electronic newsletters, e-mail signatures

- What type of internal promotion of the website is made? Any form of information, training, or education of functions of the website? If yes, how was it organised, what did you learn, when was it and which ones where participating?

- How do you find the website being displayed? Do you find the “right” information? And is it time consuming and/or difficult to navigate on the site for information?

- In what type of search engines can the website be found for example Lycos, Yahoo, Google?

- Do you regularly monitor customers’ demands on the website?

- How often do you upgrade, improve and remove incorrect information?

How can the effectiveness of the website be described?

- How do you measure the effectiveness of the website? Why/why not?

- Do you measure number of visitors?

- How about measuring the internal satisfaction with the website? Employees, stakeholders and other organisations of interest.

- Do you use any of the following tools to communicate with your customers?
  - Web chat
  - Web call-back
  - E-mail

- How do you think it works out, benefits/problems?

- Do you measure any of the following key measurements for the effectiveness of the website?

Channel Promotion

- For each referral source such as offline or online banner ads it should be possible to calculate:
  - Percentage of all referrals or visitors;
  - Cost of acquisition;
  - Contribution to sales or other outcomes.
Channel buyer behaviour

-Home page (Views / All page views)
-Stickiness (Page views / visitor sessions)
-Repeats (Visitor sessions / visitors)

Channel satisfaction

- The percentage of participants who completely and correctly achieved each task goal.
- If it is necessary to provide participants with assistance, efficiency and effectiveness metrics must be determined for both unassisted and assisted conditions.
- The mean time taken to complete each task, together with the range and standard deviation of times across participants.

Channel outcomes

- Traditional marketing objectives such as number of sales, number of leads, conversion rates and target for customer acquisition and retention.

Channel profitability

- If the company has set any targeted goals for example a certain proportion of sales over the channel.

Improvements

- What does the company do to improve the effectiveness of the website? For example:
- Providing formal training to its marketing organisation;
- Encourages an effective relationship between the marketing and IS/MIS\textsuperscript{11} organisations;
- Demonstrates the usefulness of the Web to the marketing organisation;
- Uses younger marketing personnel.

\textsuperscript{11} Information Systems / Management of Information Systems
INTERVIEW GUIDE FOR CUSTOMERS-
ENGLISH VERSION

Company characteristics:

Company name:
Respondents name and position:
Number of employees:
Year the company was established:
Products and line of business:
Year the company started to have a use for Vattenfall’s website:

How can the objectives of websites be described?

- What are the objectives with using the website, what did you want to achieve by using it? Were any of the following examples the reason:
  - General Benefits
  - Competitive Advantage
  - Competitive Research
  - Customer Research
  - Prospecting
  - Sales
  - Publicity
  - Collateral Objectives
  - Customer Relations
  - Advertising
  - Cut Product Support Costs
  - Branding
  - International Sales
  - General Business

- Was the initiative to use the website reactive or proactive, and why?

How can the online environment be described?

- Which functions on the website do you use or are you involved with?
  - Public Relations
  - Investor Relations
  - Customer Service
  - Prospect Qualification
  - Product Sales
  - Customer Interaction and Feedback
  - Internal communication
  - Website Traffic for communication
  - Using E-Mail for Press Releases
APPENDIX B

Promotion of the website and organizational support

- What type of promotion of the site have you seen; offline such as; television, radio, print media, billboards. Online such as; online banners, electronic newsletters, e-mail signatures

- Has Vattenfall given any form of information, training, or education of functions of the website? If yes, how was it organised, what did you learn, when was it and which ones where participating?

- Do you usually have any demands on the website? If yes, how do you find Vattenfall handling these demands?

- How do you find the website being displayed? Do you find the “right” information? And is it time consuming and/or difficult to navigate on the site for the information?

- How do you think it works out with the website’s upgrading, improvements and removal of incorrect information?

How can the effectiveness of the website be described?

- Do you use any of the following tools to communicate with Vattenfall?
  - Web chat
  - Web call-back
  - E-mail

- How do you think it works out, benefits/problems?
CHECKLIST FOR OBSERVATION

- Design/Content of the website. What it looks like and what functions are available.
  
- Size
- Search functions
- Protected content
- Communication or Interaction Features
- Personalised/Customised sites due to use of password
- Public Relations
- Investor Relations
- Customer Service
- Prospect Qualification
- Product Sales
- Customer Interaction and Feedback
- Internal communication
- Website Traffic for communication
- Using E-Mail for Press Releases

- Can the user find necessary information on the website?
- Are there backup and feedback facilities or instructions on offer available?
- How is the capacity to modify the design of the structure of the website, for example usage of specialised software applications and the availability of alternative language translations?
Förberedelser inför vintern

Dagarna blir allt kortare och lysen går sig påminna. Annu kanse snart börjar det regna i trädgården ellers med tid. Efter sommaren är nu tiden att påbörja en serie verktyg och redskap underlättar arbetet inne på gården. Gör in en förberedelse för att se till att alla verktyg och redskap är i bra skick.

> Stor-Ås

Dags att tänka obotståll

Ej frågor på marina. De kan vara snabbt upp och ner. Tack vare de senaste veckorna kraftiga mörkblåter har priserna på elektriska utrustning något något. Lås världens rekommendationer dagsiktare prisgar värme och energi

Source: http://www.vattenfall.se/