

■ KENNETH E. KENDALL, Feature Editor, School of Business-Camden, Rutgers University

B2C ecommerce: Observations about a Technology in Its Early Stages

by Kenneth E. Kendall, Feature Editor



Kenneth E. Kendall, is a professor of ecommerce and information technology in the School of Business-Camden, Rutgers University. He is the co-chair of the first eBusiness theme at the 2001 Decision Sciences Institute Annual Meeting. He recently co-authored a text, *Systems Analysis and Design (5th ed., Prentice Hall)* and *Needs Assessment and Project Planning*. He edited *Emerging Information Technologies: Improving Decisions, Cooperation, and Infrastructure (Sage)*. Dr. Kendall has had his research published in *MIS Quarterly*, *Management Science*, *Operations Research*, *Decision Sciences*, *Information & Management*, and many other journals. He is an associate editor for *Decision Sciences*, *Information Systems Journal*, and *Information Resources Management Journal*, and has served as the functional MIS editor for *Interfaces*. Professor Kendall's research focuses on studying push and pull technologies, ecommerce strategies and developing new tools for systems analysis and design. He is one of the founders of the *International Conference on Information Systems (ICIS)* and is a Fellow of the *Decision Sciences Institute*.

www.thekendalls.org

Kenneth E. Kendall
School of Business-Camden
Rutgers University
Camden, NJ 08102
(856) 225-6586
fax: (856) 424-6157
ken@thekendalls.org
<http://www.thekendalls.org>

We haven't published a column on B2C recently, so I thought I would write one to share my recent experiences in online shopping. We all hear comments from those who are afraid to purchase items over the Web. They say that they are concerned about the security of submitting their credit card information online, or that they just need to see and feel the product in person before buying. This issue's column examines four examples of the online purchasing process from the consumer's perspective, and concludes that there are other minor glitches and perils that are probably more common and potentially more troublesome than some of the other doubts that consumers express.

1. The Disappearing Gift Certificate

It was getting close to Christmas, and I had used up all of my free time at the national DSI meeting. I just didn't have time to pick out a gift, wrap it, and take it to UPS in time to ship it across country for the big day. Instead, here are the steps I followed to purchase a gift certificate online.

Step 1: Signed on to Amazon.com to find out how to obtain a gift certificate. (Comment: the link is in the form of a jpg, but isn't easy to find amidst all the banner ads and other promotional offers.)

Step 2: Selected an electronic gift card and entered in the proper address.

Step 3: Completed the transaction and received an email confirmation.

Step 4: Began to worry when I didn't receive a "thank you" note.

Step 5: Sent an email to the recipient asking how they liked the experiment in ecommerce.

Step 6: Explained to the recipient that it was all right that they deleted their electronic gift certificate.

Step 7: Returned to the Amazon.com Web site to search for customer service in order to explain what had happened.

Step 8: Wrote back to the recipient letting them know that they should be getting a duplicate certificate via email.

Lessons Learned

Although a shopper may feel quite at home going to the Web and purchasing a gift certificate, the recipient may not be as Web savvy as you think. In my case, I realized that this might be an issue and followed up on it to make sure that the recipient was actually aware that they were getting a certificate by email. Shoppers need to be aware that the technological diffusion (even among peers) happens in an uneven way.

2. The Spinning DVD Player

Are all e-stores created alike? Is price the major factor in a purchase decision? In this example, I purchased a DVD online and found out that hidden charges could tip the decision in another direction as to which model to buy and which online store to use.

Here are the steps I followed to select and send a DVD player as a gift:

Step 1: Searched the Web for reviews on current DVD players.

Step 2: Compared the features of popular DVD models.

Step 2: After choosing a model, searched the Web for a store using "Copernic Shopper."

Step 3: Chose an online store, entered in all of the data, including my own address and the recipient's address, only to find that the

shipping and taxes seemed extraordinarily high.

Step 4: Visited the Web site of a store I trusted from previous experience, chose a model. (Note: this store offered free shipping and did not collect state taxes.)

Step 5: Upon choosing that model I was re-directed to Outpost.com, where I learned that the item I wanted was out of stock and could not be delivered by Christmas.

Step 6: Chose a more expensive model that was in stock.

Step 7: Completed the online order and received confirmation.

Step 8: Played telephone tag with a customer representative who called to say that they would not ship the item until they received a phone call confirming that I *really* wanted it shipped to a third party.

Step 9: Sent e-mail to the recipient to expect the box, but wasn't able to identify the company, shipper, or size of box to expect.

Lessons Learned

Sometimes you don't save any time shopping on the Web. I know now that I won't return to the Web site that had exorbitant shipping and taxes that were invisible until the order had been completely filled out. However, this meant I had to fill in all of the billing and shipping information twice, once from the merchant I didn't buy from, and another from the one I used.

The Web purchase didn't mean I could complete everything without talking to a person. In fact, I was getting phone calls from the e-tailer during business hours when I did not appreciate the interruption. So in the end, the e-purchase had a few extra steps.

3. The Rare Collectible Boardgame

I collect and play rare and unusual international boardgames. Over the years, I have traveled around the world twice and also visited and lived in many places. I have picked up many enjoyable games that were not available in the U.S.

The Internet has made collecting easier, but spoiled some of the thrill of the hunt in the process, by facilitating ordering games through the Funagain Games

Web site (Kendall, 1999). Of course you can argue that the Web has enriched the gamer's experience, because it gave rise to discussion groups such as Yahoo! spiefrieks, or because you can search online for a game from BoardgameGeek or Luding database. And to find that obscure set of rules, you can access the Game Cabinet.

Here are the steps I followed to find and buy a collectible boardgame in an online auction:

Step 1: Browsed ebay.com using the key words "boardgame."

Step 2: Located a game for sale that was not available in the U.S. called "Die Simpsons Drunter und Drüber in Springfield."

Step 3: The auction was to begin at \$20.00.

Step 4: Searched www.funagain.com, a premier game supplier of international games, to check whether it was available from a more conventional source. It was not.

Step 5: Enlarged the jpg of the game on the ebay Web site to enable me to read the manufacturer, Dino Entertainment.

Step 6: Used Copernic 2001 Pro to find www.dinoag.com.

Step 7: Searched the Web site (written entirely in German) to locate the game and found the price to be 35.76 Euros, or 69.95 DM.

Step 8: Went to finance.Yahoo.com to perform the currency conversion. The game sold for \$31.79 USD (but it probably wouldn't have been easy to have it shipped from Germany).

Step 9: Bid \$20.00 for the novel game on ebay and waited.

Step 10: An hour later, another person bid higher, so I used the automatic bidding feature and set my maximum.

Step 11: After the auction closed, I received confirmation that I was a successful bidder and the game was mine.

Step 12: I signed up for PayPal and sent my payment along.

Step 13: After receiving the boardgame, I opened the box and went directly to babel.altavista.com to translate the game's German instructions into English.

Lessons Learned

The Web made it possible for me to obtain a game that is not available, and may never be available, in the U.S. Through ebay, I was able to get it for half of the price I would normally pay for such an item. However, it is only fair to say that getting it online was not as much fun as taking a trip and buying it on the Kurfürstendamm in Berlin.

The other lesson involves using the Web for translations. Using Babel Fish (babel.altavista.com) one can see how the German rule:

Nimm zwei Würfel und ziehe deine Figur um so viele Felder, wie die Summe angibt. Dafür zieht dein linker Nachbar zufällig und mit geschlossenen Augen einen deiner Gegenstände und legt ihn in den Vorrat zurück.

isn't quite understandable in English:

Take two cubes and draw your figure the many fields, as the total indicates. But your left neighbour pulls coincidentally and with closed eyes one of your articles and puts him back into the supply.

Incidentally, the "two cubes" referred to are dice. Fortunately, I have played a couple of other games before.

The game cards do not fare much better, as the following German:

Bringe Moe einen Donut in seine Bar. Gemeinsam. Die Salzlauge, in der Moe die gekochten Eier aufbewahrt, ist nicht zum Trinken gedacht - hinterher ist man immer klüger. Du gibst einen Auftrag ab und ziehst einen neuen aus Moe's Bar.

needs some human intervention when it comes out as:

Bring to Moe a Donut in its bar. Meaning. The salt caustic solution, in which Moe keeps the cooked eggs, is not meant for drinking—afterwards one is ever more intelligent. You deliver a job and draw new from Moe's bar.

4. The Virtual Hotel Room

One criticism that has been leveled at Web shoppers is that they take advantage of the knowledge of sales people, then run to the Internet, where they can buy the same product displayed by the salesperson for \$50 less. The critics pose a modern ethical

See **ECOMMERCE**, page 54

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2. A careful review by the referees, each of whom makes a recommendation to the editor and provides comments for authors.
3. An appraisal of the reviews by the editor. If the editor feels the paper has potential for publication, the author is invited to make revisions, following the suggestions of the reviewers.
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ECOMMERCE, from page 17

dilemma: should the shopper return to the bricks and mortar store and pay the consultant a fee for their insights?

A shopper would most likely inform a salesperson up front that they would be comparing prices. This practice is not new. Before the Internet, a shopper typically would check the prices in many stores before finally purchasing it in the least expensive place. Furthermore, this distinction is lessening with the advent of brick and click stores, those stores that have traditional stores and also allow electronic purchases.

But here is an example that turned the tables, and resulted in a sale through more conventional commerce.

The steps I followed to negotiate a better hotel room price were:

Step 1: Signed on to www.travelocity.com to check hotel prices for an upcoming trip.

Step 2: I chose the hotel I wanted to stay at, and learned I would have to pay months in

advance to secure the room rate at the published Web price.

Step 3: Armed with information about prices at a particular property and those of competitors, I decided not to complete the transaction online, but to call up the hotel. In order to get a better price, I negotiated directly with the hotel where I wanted to stay. I completed the reservation by phone and I paid *after* I checked out.

Lessons Learned

Web sites host a wealth of information and they just might be more descriptive and even more accurate than salespeople. A hotel Web site could show you a picture of the accommodations, and may describe the room in detail, even providing the square footage.

Sometimes it's easier to gather facts by browsing the Web. If you can still ben-

efit from talking to a real person, the transaction time could be greatly reduced and it is easier to negotiate a price when you have all of the facts. A person taking the hotel reservation could also handle special requests (such as my 25th wedding anniversary celebration), so sometimes human finesse is the best. ■

Reference

- Kendall, K. E. (1999). The expert's opinion: Interview with the Funagain Management team who planned, designed, and implemented a commercial website. *Information Resources Management Journal*, 12 (Spring).