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***THE INTERNET AND
THE INFORMATION
SEARCH PHASE***

BY

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Submission Date: 31/01/2000

USE OF THESIS

The Use of Thesis statement is not included in this version of the thesis.

HONOURS THESIS

A qualitative investigation into the use of the Internet in the information search phase of the buying decision process.

By: Kiaran Geen

Bachelor of Business with Honours in Marketing

Supervisor: Simone Pettigrew

Declaration

I certify that this thesis does not, to the best of my knowledge and belief:

- (i) *incorporate without acknowledgment any material previously submitted for a degree or diploma in any institution of higher education;*
- (ii) *contain any material previously published or written by another person except where due reference is made in the text; or*
- (iii) *contain any defamatory material.*

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I offer my humblest thanks too all these people.

Kiaran Geen

ABSTRACT

There have been a significant number of reports suggesting that the Internet will radically change accepted business and customer relationships. The literature to date has focused on the phenomenon of the Internet as well as more specific aspects such as its interactivity, how to market a Web site and security issues. There appears to be very little research on how consumer behaviour theories relate to the Internet.

This study explored the extent to which the Internet is in the information search phase of the buying decision process, amongst Internet literate consumers. A qualitative investigation using virtual focus groups was conducted. The study identified four ways in which consumers use the Internet to gather information. It also identified some of the characteristics of products for which participants used the Internet to gain information.

Participants tended to use the Internet due to a mistrust of traditional retail information sources. The results also indicate that they may use the Internet due to its convenience and its expanded universe. An expanded universe in this sense means having access to a larger range of products and services across different manufacturers. The results indicate that some consumers use the Internet for information about shopping products that have a high level of comparability, for which they rely on making factual not emotional decisions.

The Internet itself appeared to be used quite extensively by the participants in the information search phase of the buying decision process. Participants indicated that they use the Internet as a sole information provider, a starting point information provider, a back-up information provider and a final information provider.

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CHAPTER 1: Introduction

The Internet has been described as one of the most revolutionary vehicles by which business will be conducted in the new millennium (Burke, 1997). The Internet has grown at an unpredictably exponential rate (Bell and Tang, 1998; Bush, Bush and Harris, 1998; Khoo, Tor and Lee, 1998; O'Connell, 1998; Pollack, 1999), and is estimated to have over 550 million users by the turn of the century (Dutta, Kwan & Segev, 1998). The Internet was developed in the late 1960s by the American government in order to link key government computers and universities (Breitenbach and Van Doren, 1998). Although developed in 1969, the Internet did not begin rapid growth until it opened to commercial traffic in 1991 (Maignan and Lukas, 1997). Much of this rapid expansion can be attributed to the development of the World Wide Web (WWW), which according to Ainscough and Lockett (1996) gives users a visual interface that enables them to navigate around the Internet.

The Internet is currently used for many other purposes besides information transfer. It is still used as a means of gaining and transferring information (Maignan and Lukas, 1997) but has also been manipulated into other uses including what is called Interactive Home Shopping (IHS) (Alba, Lynch, Weitz & Janiszewski, Lutz, Sawyer & Wood 1997). Alba et al. (1997 p.38) suggest that IHS has "the potential to change fundamentally the manner in which people shop as well as the structure of the consumer goods and retail industries". Further uses of the Internet have been identified by Maignan and Lukas (1997), who suggest that it can also be used as a communication tool (such as the exchanging of personal information) and even as a social system.

It is often unclear to businesses and academics alike what marketing on the Internet means (Griffith and Krampf, 1998). Griffith and Krampf (1998) suggest it was earlier thought that web banner advertising¹ was in fact Internet marketing. However, web marketing is now thought to include the total integration of departments from across an organisation, from product information, customer feedback and sales (Huang, 1999). It is clear from the literature that web marketing has become more than just placing a banner on a Webpage and has moved to the integration of an organisation into 'cyberspace' (Gordon and Lima-Turner, 1997).

Significance of Study

To date there appears to have been little, if any, research conducted on how the advent of Internet will influence the information search phase of the buying decision process. It is important for this research to be conducted to ensure that this marketing principle is valid and applicable to this new medium. Given the projections of the Internet's increasing significance to marketers it is necessary for them to understand how this medium will impact on the buying decision process, specifically the information search phase of the process.

¹ Lawrence, Corbitt, Tidwell, Fisher and Lawrence (1998 p.283) offer the definition of a web banner advertisement as "Passive advertisements encountered by simply visiting a Web page. They usually appear across the bottom or the top of a page."

Problem Definition

The Internet is perceived by academics as a useful asset to the marketing arsenal (Burke, 1997). However, it is unclear how the Internet will impact on accepted marketing principles, such as the buying decision process. To date there appears to have been little research of this nature. This study uncovered how the Internet has affected the information search phase of the buying decision process. The qualitative research was highly exploratory in nature, and uncovered information that will require further research.

To this end, the research is designed to answer the following research question;

To explore the impact the Internet has had upon the information search phase of the buying decision process amongst Internet users.

Sub questions:

What are some of the characteristics of the products for which Internet users the Internet to gain information?

What are some reasons for this usage?

Now that some understanding of the Internet has been achieved, the significance of the study known and the problem it will explore has been identified, the report will focus on the literature which is of relevance to the study.

CHAPTER 2: Literature Review

In this chapter much of the existing research relating to the Internet that is relevant to the study will be discussed. Early literature defines the Internet and discusses the basic aspects of the phenomenon. For example definitions of a Web page, Internet service providers and the World Wide Web are provided. Various authors have since explored specific areas of the Internet especially relating to interactivity, security and the marketing of a Web site. It is essential to understand the evolution of Internet literature in order to comprehend what influences the use of the Internet and hence impacts upon its use in the buying decision process.

Research relating to the information search phase of the buying decision process and the differences in product classifications will then be discussed. The buying decision process is discussed with particular attention given to the information search phase of this process. Product categorisation theories are also discussed as they are relevant when exploring what type of products Internet users use the Internet for when gathering information.

Early Research

It is difficult to find published research relating to the Internet that is dated prior to 1996. Early articles were mainly descriptive in nature in that they explained the Internet phenomenon without specifically addressing issues relating to it such as interactivity, security and marketing implementation (Ainscough & Luckett, 1996). One of the main reasons for this descriptive research is that many people were simply unaware of the technology available to businesses and the public alike (Alba et al., 1997).

One example that highlights the typically descriptive nature of early research in this area is the work of Ainscough & Lockett (1996). They provide information about what the Internet is, how it can be used, concerns relating to usage and even how to get online. The information given is accepted today as 'common' knowledge and is considered simplistic by many businesses and Internet users (Alba et al., 1997). Despite the fundamental nature of the early literature on the Internet, there appears to be no articles that challenge the information and the validity of these early pieces of work, or comment on the extent of their content. An interesting element relating to this early body of literature is the minimal number of references. For example, Ainscough and Lockett (1996) only cite four references in their article. Naturally, early researchers would have found it difficult to support their research with references due to their position at the forefront of their field.

Research relating to the Impact of the Internet

After this initial period of descriptive research, literature began to appear relating to the future of the Internet that foreshadowed its importance to the corporate world (Brännback, 1997; Burke, 1997; Harris, 1997; McBride, 1997; McConnell, 1996). One of the strongest views on how electronic commerce (ecommerce) has changed marketing can be found in the work of Brännback (1997). She suggests Internet marketing should be an integration of human resources and information technology. Brännback (1997) suggests that the 4 Ps offered by Kotler should be replaced with the 5 Ss. Figure One aids with the description of what she calls the ICDT (information, communication, distribution and transactional) model;

Figure One

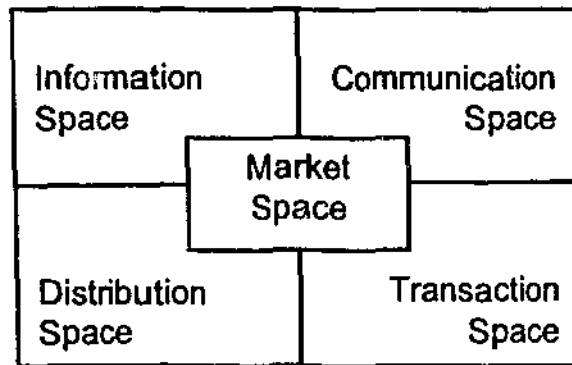


Figure adapted from
Brännback, (1997 p.702)

The ICDT Model

The ICDT model is Brännback's interpretation where the Internet's market space is seen as information space (I), communication space (C), distribution space (D) and transaction space (T). This model is of particular importance to this research as it suggests that one whole portion on the ICDT model should be devoted to information and its transfer to the consumer. Currently within the 4Ps model offered by Kotler (1998) there is no emphasis on information and its transfer to the consumer. Brännback suggests through her model the Internet gives the opportunity to transfer large amounts of information to the consumer in a very easy and efficient manner. It does this through tools such as Internet billboards, chat rooms and WebPages (Brännback, 1997).

A case study in the credit banking area predicted that Internet marketing would have a dramatic impact on current marketing practices (Flemming, 1998). However the study found that the Internet would not replace traditional marketing practices, especially those directed to mass marketing (Flemming, 1998). Fleming (1998) suggests that instead of displacing traditional marketing practices, the Internet will encourage the development of new strategies specific for Web-based marketing.

During the rapid development of the Internet, there were numerous predictions relating to the future of the web and how it would impact on organisations were prolific (Alba et al., 1997; Brännback, 1997; Burke, 1997; Harris, 1997). Hutchinson (1997) suggests that information technology departments will have to ensure that organisations understand the implications of electronic commerce. On the basis of interviews conducted with four of the world's leading professionals in the Internet field, Wilder (1998) suggests that direct marketing will shape the Internet's future. This is a notion supported by Adhikari (1998), who proposes that the web is one of the best ways of direct marketing for lead generation.

As with direct marketing, according to Alexander (1998), promotional marketing will not escape the change brought about by the Internet. He suggests that Internet technology will change promotional marketing to the extent of invalidating currently used business tools such as trade shows and catalogues. He suggests how consumers could use Web pages to search for information and also how a company could investigate these usage patterns. This is of particular importance to this research, as Alexander indicates that the Internet could replace the way in which firms and marketers pass on information about their companies and products to the consumer.

In support of the research discussed above, Burke (1997) suggests that the Internet is a further tool that can be used by marketers. He goes on to say that the marketing of products over the Internet can only be successful for products that are unique and require effort on behalf of the consumer. He argues that these products would have a greater chance of being successful due to the suitability to direct marketing that the Internet has. A specialised product best lends itself to direct marketing rather than mass marketing (Burke, 1997), and direct marketing is one of the strongest marketing abilities of the Internet (Burke, 1997).

One of the professionals interviewed in Adhikari (1998 p.77) study, Walter Forbes, chairman of Cendant Corp. (one of the Internet's largest companies) suggests, "On the Web, it's just too easy to comparison shop". This has direct implications for the research at hand, as consumers might not just use the Internet to gain information relating to a company's product or service, but also as a medium to find information about their competitors. Mr. Forbes' prediction of comparison-shopping which is supported by Alba et al. (1997), is significant for this research as it implies that the Internet can be used as an information tool in order to make a purchase decision.

Internet Research for Interactivity

After documenting their predictions relating to the future of the Internet and how it would impact on marketing, researchers began to focus on the specifics of web-based marketing and the use of the Internet for marketing strategies (Bush et al., 1998; Dou and Ghose, 1998; Hutchinson, 1997; Lee and Wang, 1998; Yang, 1997). One of the first specific areas to be explored in the literature was that of the interactivity² of a site (Bush et al., 1998; Yang, 1997). Interactivity is of particular importance when considering product information gathering, as it is important for the users of the interface to be able to select only the information they require. Dou and Ghose (1998) suggest that a Web site should have a number of interactive features in order to increase the quality of the site to the consumer. From their data they found that users utilise sites that promote interactivity or have interactivity functions more often than those that do not.

² "Interactivity is the extent to which consumers can communicate and manipulate the environment in real time". (Dou and Ghose 1998 p.30)

The advantages of interactivity, as suggested by Dou and Ghose (1997) do not appear to be supported by Yang (1997), who suggests that there is no positive increase in communications with interactivity. Unexpectedly to Yang, interactivity did not contribute to consumers' positive attitudes among the people surveyed (n=108). Three possible explanations were offered by Yang for these findings. Firstly, the consumers may not have been interested in the products used in the study. Secondly, subjects interviewed may not have been interested in cybershopping (home shopping), and finally there were inconsistencies between advertising communications objectives and message design, indicating that the research may have been flawed.

Possibly one of the most useful applications of the interactivity offered by the Internet is Interactive Home shopping (IHS). Alba et al. (1997) suggest that the interactivity that the Internet provides means consumers have a freedom they do not have in a conventional shopping environment. When a consumer enters a retail premises, it is unlikely the store would carry every product their suppliers produce or every product that other stores in their chain might carry. The store might have run out of stock or might not have the available space for stock storage. This problem is overcome with IHS, as every product is stored in the database, and can thus be accessed by any consumer with Internet access whenever desired (Alba et al., 1997). Alba et al. (1997) suggest that IHS provides consumers with accurate product information, an unimpeded search (without restrictions) across brands and stores, and an expanded universe. The expanded universe is a term Alba et al. (1997) use to explain how consumers have access to a much larger selection of products by using the Internet. The selection category relates to the number of different brands of a certain product consumers have access to. In a given area, consumers are limited to geographical locations with a set number of retail outlets that provide a set number of brands. With the Internet's expanded universe, this limitation is significantly reduced.

The advantages of an expanded universe and an unimpeded search are of particular importance in the information search phase, and hence are relevant to the research task at hand. Alba et al. (1997) imply that, as information is likely to be more accurate, due to interactive home information searching databases, consumers will be able to reduce the time required for the information search. This reduction in information search time will impact on the information search phase of the buying decision process (Beales et al., 1981). According to Alba et al. (1997) consumers can access the information they require and be assured that the information is valid and reliable. An unimpeded search could be deemed to be disadvantageous to companies as it gives consumers an opportunity to sample a wider range of brands across a product category (Alba et al., 1997).

The Construction of A Web site

Researchers have also investigated the marketing of a Web site in an attempt to understand the Internet, and more importantly, to determine how to effectively market a Web site to consumers. It is important if there is to be an understanding of the extent to which consumers will use the Internet in their information search to recognize the specific marketing implementation strategies that companies may attempt to employ. If a marketing strategy for a Web site does not include customer information then this will impact on the research. Comprehending how companies market their Web sites may also provide an understanding of the reasons why consumers use the Internet to obtain information

From the work of Brännback (1997) and Alba et al. (1997) it can be understood that the Internet may eventually be a dominant part of many companies marketing strategies, and the Internet could change the face of marketing. As such the literature focused on how to construct a Web site, to ensure that consumers could use the site. Bush et al. (1998) interviewed around 40 American marketing practitioners to determine how they perceive the Internet. Around 86% of participants to their study indicated that their company would use the Internet more in the future. However, there was no indication of the level of Internet use the companies had already achieved. This is significant to this study, as gaining an understanding of the types of products for which consumers use the Internet for in the information search phase will enable companies to better tailor their sites to meet consumers' information requirements.

One of the key themes to emerge from the research on the marketing construction of a Web site is that a Web site strategy should be coordinated and integrated with all of the other marketing strategies developed by the organisation (Inature, 1998). DeCovny (1998) suggests that with the arrival of the Internet, marketers have forgotten traditional rules and tend to lack the integration essential to any successful marketing program. Posch (1998) suggests that companies should have someone to coordinate web strategies ensuring information is current and reliable.

It is suggested by Levinton (1998) that online development should be left to professionals to ensure that the online package is developed and executed properly. Levinton suggests that for the same reason marketers use advertising agencies for commercials, they should use Internet professionals for their web strategies. It is also suggested by Jutkins (1998) that simply placing a company online will not necessarily bring the company success. Planning is essential, and it is particularly important to understand the objectives you wish to achieve from an Internet strategy (Jutkins,

Research in 1997 and 1998 indicated that security issues should be of greater concern to companies than originally thought (Ratnasingham, 1998; Shon and Swatman, 1998; Smith, 1998; Streere, 1997). One of the key issues relating to the effectiveness and overall adoption of electronic commerce and IHS is the issue of security (Ratnasingham, 1998). This is of significance to this study, as any element that limits the use of the Internet for purchasing will limit the use of the Internet in the information search phase. It is perceived by many researchers that security concerns are apparent amongst many online users (Debreceeny and Gray, 1998; Lee and Wang, 1998; Melek et al., 1998; Ratnasingham, 1998).

Internet security research conducted thus far has focused heavily on areas relating to trust and security in order to overcome user apprehension. Many have suggested that one of the greatest elements needing development in overcoming security considerations is trust (Cowles, 1997; Blois, 1998; Debreceeny and Gray, 1998; Melek et al., 1998; Ratnasingham, 1998). Trust is suggested to enable users or potential consumers to take a risk and allow them to make an online purchase (Ratnasingham, 1998). Ratnasingham (1998) suggests it is advantageous if a consumer can use the trust they have developed in a company, from their advertising and other tangible sources, to make an online purchase. This is particularly pertinent to this research, as in the information search phase a consumer will potentially encounter a company in which they have no previous dealings or exposure and hence the trust level will be reduced. If the consumer does not trust the company it may follow that the information they will be willing to receive from that company will be limited.

The current literature also focuses on the elements that make a transaction secure. Ratnasingham (1998) suggests that one of the largest problems with businesses entering the Internet market is they do not fully understand the security risks involved. Streere (1997) suggests that there are many aspects to be considered by companies especially relating to payment integrity. Shon and Swatman (1998) suggest that companies should develop Internet Payment Systems (IPS) which ensure the provider of a good will receive the payment for their product in a secure manner. The systems are designed to code the payment information in a way that is difficult to hack (Shon and Swatman, 1998).

Not only transactional security must be considered, but also informational security. Information security is all other information outside the purchase, such as email addresses, postal addresses, name, gender and age (Smith, 1998). Smith (1998) notes that a great deal of attention is being focused on the use of consumer data by an organisation for potential sales or even the sale of the same information to other companies. He argues that companies must ensure personal information does not leave the confines of the organisation. Information security is significant to this study as in most cases a consumer must leave the company their address if they wish to have the information sent to them. If a consumer fears the email address or home address will be given to any other company, then this is likely to limit the depth of the information search.

A final topic of research relating to security issues is the use of security seals as an indicator for users to gauge a site's security (Electrical Apparatus, 1999; Debreceeny and Gray, 1998; Klur, 1996; Melek, et al., 1998). A definition of security seals can be found in the terminology section in Appendix 1. Research conducted by Debreceeny and Gray (1998) has suggested that if a universal seal could be offered to

potential customers as a means of resolving some of the common concerns such as company authenticity and information security, consumers might be able to overcome their lack of trust for electronic commerce. Their research suggests that many potential online consumers fear that online companies are not real, hence a registered seal endorsing the company is required to elevate this fear.

As well as the discussion of the Internet in terms of its interactivity, marketing and security, research is being increasingly focused on newly developing applications. Much attention has recently been given to the Interactive Home Shopping (IHS) revolution (Alba et al., 1997; Balabanis & Vassileiou, 1999; Burke, 1997).

Interactive Home Shopping (IHS)

It is important to understand the concept of home shopping when considering the use of the Internet in the information search phase of the buying decision process. To some extent, gathering information via the Internet may be considered home shopping, however this thesis recognises a distinction. Home shopping is the **actual** purchase of a product on the Internet, whilst information collection is merely used prior to the purchase decision and/or post decision in the evaluation stage. Even though there is this distinction, the concept of home shopping is still very important to the views to be discussed in the results sections below. Many of the advantages that accompany IHS can be transferred to the gathering of information (Burke, 1997), so understanding IHS becomes important. Advantages such as convenience, expanded information base and valid information, can also be reasons consumers will use the Internet to gather information rather than visit a traditional retail outlet.

Before understanding how IHS is becoming a viable commercial practice, there needs to be some comprehension of exactly what IHS is. To assist this, a definition of IHS can be found in the terminology appendix.

IHS is the use of the Internet by consumers to purchase goods or services from the comfort of their personal territory. Creating confusion is the many names by which IHS is referred. It is sometimes referred to in texts and journals as simply "home shopping" or "virtual shopping" (Alba et al., 1997, Lawrence et al., 1998). It can also be known as Internet shopping (Burke, 1997) or sometimes even loosely falls under the term Internet commerce (Ernst and Young, 1999).

Advent of Home Shopping

In-Home Shopping

At this point it is necessary to offer a differentiation between home shopping and IHS. The difference between home shopping and IHS is the interactivity of IHS. Interactivity is described by Yang (1997) as the ability of consumers to communicate and manipulate the environment as they please. With home shopping, all of the information is given to the consumer whether it is desired or not.

According to Korgaonkar & Wolin (1999), home shopping enabled the growth of IHS as it was an earlier form of IHS and paved the way for the adoption of IHS. They suggest that "infomercials" and home shopping shows (such as Good Morning Australia on Channel 10) gave society the desire to shop without leaving home. After this initial taste of home shopping, the Internet provided the next step and was able to fully integrate the 'at home shopping experience' (Korgaonkar & Wolin, 1999). Because of this foundation, Korgaonkar & Wolin (1999) suggest IHS will become an accepted part of a the normal shopping environment.

Convenience

One of the greatest advantages IHS has over 'real shopping' is its convenience (Welanetz, 1999) - a notion supported by many other researchers (Alba et al., 1997; Burke, 1997; Ernst & Young, 1999). It is easy to see the many convenient aspects of IHS such as speed, travel reduction and the elimination of the need to leave the comfort of the home. Donthu & Garcia (1999) suggest there are several other aspects of IHS that its users find convenient. Firstly, they suggest that the reduction of time spent shopping is appealing. Secondly the Internet offers a flexibility of shopping hours. Thirdly it saves physical effort and aggravation and finally there is the opportunity to purchase on impulse.

For example, let us think of a typical shopping expedition. You need to go and do the family shopping, do some banking and finally pick up a present for your friend's birthday. With the advent of IHS all of these can be done without leaving the home. You can visit www.coles.com.au for your groceries, www.amazon.com for your friend's birthday present and www.commonwealthbank.com.au in order to complete all of your banking.

One particular aspect that Donthu & Garcia (1999) discussed in relation to the convenience that IHS provides to consumers is the hours the Internet is open. The advantage of Internet trading hours is supported in Ernst & Young (1999), who suggest with traditional retailing hours many consumers may find it difficult to get a chance to shop. The IHS shopping trip described above could be done at any time of the day or night. This is also a tremendous opportunity for retailers who have the ability to extend heavily regulated retail-trading hours (Burke 1997). Chain Store Age (1999) suggests this as one of the major reasons why consumers are using and will continue to use IHS.

Product Range & Choice

A further advantage IHS provides consumers is the range and choice of products available to them. Alba et al. (1997) suggest that with IHS comes what they term the 'expanded universe'. Consumers operate in an expanded universe when they engage in IHS. IHS removes all geographical and population restrictions placed on traditional retailing and replaces it with a delivery cost. The expanded universe enables someone in Perth, Western Australia, to purchase almost anything they wish from Harrods (www.harrods.com) located in London, England. Burke (1996) suggests that consumers receive a full range and choice of products when they engage in IHS. He indicates that through IHS, consumers have the potential to look at every product in a range, which is not possible when visiting traditional retail outlets.

Competition

With the advent of IHS, consumers have the potential to reach other companies that they may not have had the potential to reach before (Korganonkar & Wolin, 1999). Consider for example the purchase of speakers for a car stereo. In Perth you are limited to only a handful of dealers and their product selections. However, with IHS a consumer can gain product information from the manufacturing company who would then provide the product directly or provide links to a retailer who could sell them the product. This is supported by Korganonkar & Wolin (1999) who suggest that previously, retailers could relax with consumers having to do all of the hard work if they wanted to become informed about a product. With IHS, the information search is made easy and brings the added advantage of increased competition to the consumer.

Intangibility of On-line Environment

A disadvantage of IHS to consumers is its intangibility. Burke (1997) suggests that consumers would still need some form of 'real shopping'. Consider the purchase of a lounge suite or a coffee table. These products often need to be experienced with touch and sight in order for a customer to make the purchase decision. The other aspect of intangibility relates not to the online product but the actual online store/company. When a consumer goes to a 'real' store they can see that it exists. However, with online shopping the security considerations discussed above become relevant. Melek et al. (1998) state that seals of assurance that vouch for Web site security are designed to enhance client and consumer confidence in conducting business over the Internet and to minimalise risks to consumers.

Loss of social interaction

A further disadvantage to consumers of IHS is the loss of social interaction. Donthu & Garcia (1999) suggest that IHS users are more prone to shopping in general and use IHS as a means of extending their shopping hours. They suggest that consumers will still enjoy frequent in-store visits to interact with the shopping environment and others. This is a notion also supported by Ernst & Young (1999), who state that consumers will only use IHS to a certain extent, and after a point they need the social interaction which shopping provides. While Maignan & Lukas (1997) suggest that the Internet is a social system, a gathering of communities tied together by the Internet's electronic links, Alba et al. (1997) suggest that the lack of social interaction associated with IHS will reduce its adoption amongst consumers and Internet users. There appears to have been little research conducted as to the success security seals have on alleviating consumers' concerns about a company Web site.

The buying decision process and Information search

One of the key issues in this study is the buying decision process, and more particularly the information search phase of this process. The following section outlines the buying decision process and the intricacies of the information search phase of this process. The buying decision process is described as the process consumers use in order to resolve a purchase decision problem and ultimately purchase a product or service (Baumgartner and Steenkamp, 1996; Hauser and Wienburg, 1993; Ozanne, Brucks and Grewal, 1992; Simonson et al., 1988). The process consists of five stages, which are depicted in Figure Two below.

Figure Two

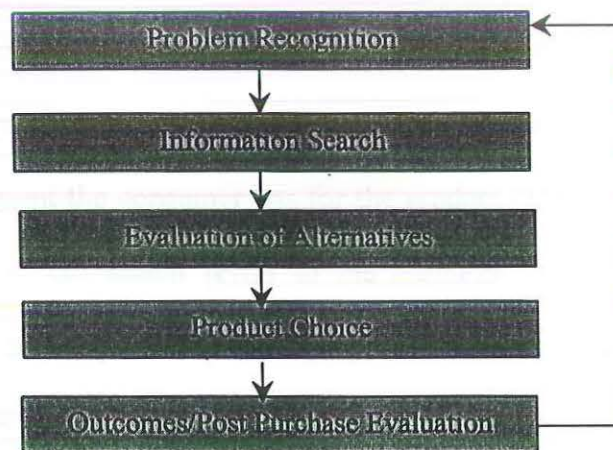


Figure Adapted from
McGaughey and Manson (1998 p.3)

The Buying Decision Process

During the information search stage of the buying decision process, consumers attempt to acquire the information they need in order to resolve the problem they have identified (Ozanne et al., 1992). Ozanne et al. (1992) suggest that consumers do not attempt to acquire all the information relevant to a subject/problem, only what is

necessary to resolve it. They suggest this especially occurs when consumers attempt to identify new products. Their research indicates that consumers use knowledge they already have associated with the product and couple this with the new information they obtain in order to solve the purchase problem.

Baumgartner and Steenkamp (1996) propose that consumers will be forced to seek information when they identify a problem. The first step in solving this problem is to gain the information necessary to resolve it (Cobb and Hoyer, 1985). The customer will then use the information they have gained to evaluate the alternatives, make a selection followed by a purchase decision (Baumgartner and Steenkamp, 1996).

Consumers existing knowledge is relevant to the research at hand, as the extent of previous knowledge about the product will naturally limit or expand the search undertaken by the consumer. The depth of the search, however, depends on the level of involvement the consumer has for the product (McGaughey and Mason, 1998). The length of the search refers to the duration for which the search is undertaken, whilst the depth refers to how far consumers will go to get the information (McGaughey and Mason, 1998).

There are two types of information searches that consumers use in order to solve their problems (Cobb and Hoyer, 1985; Simonson, et al., 1988). The first type of search is the prepurchase search where a customer gains information that enables him/her to make the purchase decision. The determinants for the extent of the information search have been suggested to be elements such as the level of involvement a customer has in the purchase, the market environment and situational factors. The second type of information search is an ongoing search where customers

monitor developments out of interest, thus obtaining information for future use (Hauser and Wienburg, 1993). For the purpose of this study, whether the Internet is used in the ongoing search or in prepurchase information search is of equal importance.

It is suggested that there are four places where consumers will attempt to gain information for use in the information search phase (Beales et al., 1981; Hauser and Wienburg, 1993). The first is from personal sources such as family, friends, and other acquaintances. For the purpose of this research, Internet chat rooms and bulletin boards will be considered personal sources. The second information source is commercial sources such as advertising, salespersons, dealers and packaging. The Internet can be considered another commercial source. The third source is through public outlets such as mass media. The Internet could also be classified as a public source. The final source is an experiential source that includes things such as product testing, comparisons and examinations. Again, the Internet could be used as an experiential source as it allows consumers to evaluate and compare products and services (Adhikari, 1998). From this it is expected that the Internet will be highly conducive to gaining information for use in the buying decision process.

Research specifically relating to the Internet and more specifically the buying decision process (and especially the information search phase) appears to be very limited. Peterson, Balasubramanian and Bronnenberg (1997) note that there has been little research that has looked at the Internet and how it will relate to consumers and consumer marketing. They set out to explore how the Internet will impact on shopping and consumer marketing. In their article, they suggest the Internet will moderate competition in the information search phase of the buying decision process, although they do not explore the buying decision process or the information search

phase in depth. McGaughey and Manson (1998) specifically look at the buying decision process and how it is influenced by the Internet. Their discussion of the information search phase supports the existing body of knowledge by implying that the level of information sought by consumers will depend on their level of involvement with the product. Their study does not address whether the Internet is being widely used to gain information prior to a product purchase.

Product Classification

Along with the buying decision process, this research also relies on literature relating to the categorisation of products. The following will outline the different types of consumer products as they have been categorised in the marketing literature. Of particular importance to this study is the classification of the shopping product, as this is predominantly where the information search phase of the buying decision process is used extensively (Mitchell & Dacin, 1996). There are four major categories of products (Kotler, 1998). The first is convenience products, the second is shopping products, the third product is specialty products and the final category is unsought products.

The first category to be considered is the convenience product. These products are purchased by the consumer with a minimal of purchase effort (Kotler, 1998). Products that fall under this category are typically staple products such as milk, impulse products such as point of purchase products, and emergency products such as headache pills (Kotler, 1998). The next product category is shopping products and will be discussed in the following section. Specialty products are products that consumers will specifically search for due to their unique characteristics (Agrawal, Richardson, & Grimm, 1996). The final category is unsought products, which include products such as funeral services and life insurance (Agrawal et al., 1996).

The Shopping Product And The Specialty Product

Both the shopping product and the specialty product are of particular importance to the study due to the fact that consumers must seek a higher level of information than convenience products before they can resolve the purchase problem (Mitchell & Dacin, 1996). Mitchell & Dacin (1996) suggest that consumers are more likely to gather information with shopping products. It is expected that due to this high level of consumer involvement and greater need for information both the shopping products and specialty products will emerge from the data.

Services

The hospitality and online travel industries are two of the most rapidly expanding industries on the Internet (Weiss, 1999). Weiss (1999) predicted that online bookings would account for almost 2 percent of America's hospitality bookings by the end of 1999. Further to this Jupiter (as cited in Weiss, 1999) in 1998 documented that 42% of people surveyed in their research indicated that they would use the Internet in some way to gather information relating to holidays and hotel bookings. This will be important to this research as it indicates that the Internet should be a service for which consumers can gather information for the buying decision process.

Conclusion

The above literature review has focused on several aspects of the Internet, the marketing principles of the buying decision process and product categorisation. Much of the early Internet research indicated that the Internet would change the way in which information would be given to consumers (Alba et al., 1997; Brännback, 1997; Burke, 1997). Brännback (1997) suggests that the Internet will change the accepted marketing principles (the 4 p's) and will give rise to the development of what she calls ICDT model, in which companies will focus on transferring information to the consumer. Alexander (1998) suggests that the Internet will change the way in which companies pass this information on to the consumer. It is apparent from the literature that the Internet will have a significant impact on information transfer and hence will impact on the information search phase of the buying decision process.

Internet interactivity is one of the specific aspects of the literature which was discussed. The interactivity the Internet provides gives consumers the chance to gather only the information they desire (Alba et al., 1997). This is particularly relevant to this study as consumers can target only the desired information without being misled by too much information. The construction of a Web site also featured in the literature review. The literature suggests that the construction and design of a Web site is crucial to its success (Decovny, 1998; Inature, 1998; Levinton, 1998). It is important to consider the design of a Web site, as a poorly designed Web site will lead to consumers bypassing the Web site (Posch, 1998), thus potentially limiting the information search.

Security considerations relating to the Internet were discussed. It is suggested by many authors that there are a significant number of security concerns which plague the Internet (McConnell, 1996; Melek et al., 1998; Ratnasingham, 1998; Wang & Lee, 1998). Of these, the security of personal information is significant to this study. Internet surfers must sometimes place personal information with companies in order to receive the desired information. Consumers are unlikely to gather information from a company if they believe their privacy will not be protected (Ratnasingham, 1998). So, security implications may limit the use of the Internet as a means of gathering information in the buying decision process.

The review then proceeded to look at the advantages Internet shopping provides to consumers. Greater convenience, extended product range and choice, and increased competition offer consumers significant advantages when using the Internet (Alba et al., 1997; Burke, 1997; Gray & Debreceeny, 1998). Obviously, the advantages of home shopping will impact on the search for information as many of the IHS advantages can be transferred to home information gathering, and hence are relevant to this study.

The next phase of the literature review looked at the consumer behaviour theories relevant to the study. The first of these was the buying decision process, and more importantly the information search phase of this process. According to McGaughey and Manson (1998), the buying decision process can be broken down into 5 stages. The information search phase and the ongoing evaluation both require the consumer to seek information (Ozanne et al., 1992) and hence are the stages of the buying decision process that are relevant to this study.

Finally the review looked at how products are categorised. It was explained that products can be categorised into four different groups. The first is convenience products, the second is shopping products, followed by speciality products and finally unsought products (Kotler, 1998). Based on the comparison behaviours associated with shopping products, it was expected that they would be mentioned frequently in the data generated in this research.

CHAPTER 3: Methodology

The following section will outline the process that was used in order to gather data from the participants. It will look at the sample selection, the instruments used to collect the data, how the data was analysed and also the limitations of this process.

Sample

The sample for this study consisted of around 30 Internet users who participated in five different focus groups. The participants were divided into the five separate focus groups (five groups of six) to enable the researcher to have a degree of control. The control of focus groups is often easier with smaller numbers (Murray, 1997). It is accepted that the number of participants used in this study will limit the generalisability of the study (Huberman and Miles, 1994). However, the sample size is acceptable for a qualitative research project (Leigh, 1999; Maignan and Lukas, 1997; Oswald, 1999).

All of the focus groups were convenience samples in that they depended on who was using the selected chat room on the occasions that the focus groups were conducted. The characteristics of the participants in this sample were difficult for the researcher to monitor, as there was no face-to-face contact with the researcher. As such, it was difficult to gain accurate information regarding participant characteristics

such as gender, age and nationality. This information was recorded when it emerged from the online focus groups, the research was able to identify that the majority of the participants were of American nationality.

Some researchers have perceived the Internet to be an advantageous place to conduct the focus groups necessary for this type of research (Dodd, 1998; Harris, 1997; Murray, 1997; Sui and Chau,⁶ 1998). According to Harris (1997), the Internet can be effectively used as a means of conducting qualitative research. She suggests that the Internet has several specific advantages. For instance, transcriptions are already available as participants type their responses directly into the chat room. Also, research conducted over the Internet tends to gain more accurate information from the participant due to the anonymity the Internet provides (Harris, 1997).

Sui and Chau (1998) suggest that the Internet should be used as a means of conducting research noting that tertiary students should be taught the advantages of conducting research over the Internet. They suggest that in the future the Internet will offer the best place for marketing researchers to reach their desired target sample. This statement appeared to be supported in this study as the researcher gained easy access to the focus groups.

Harris (1997) explains that ethical considerations should be acknowledged, when using chat rooms for data collection. She suggests that chat room nicknames should be protected as such the nicknames provided by the participants were replaced with pseudonyms in the results. Recognition of ethical considerations is especially important, as no standards have been developed specifically for online research. It is hoped that the ethics clearance, which was gained from Edith Cowan University prior to the gathering of the research, will minimalise any unethical considerations.

Design

This research is a qualitative investigation and is only designed to be exploratory research. Zikmund, (1996) suggest that when an investigation is meant to be exploratory in nature, a qualitative investigation of the problem would be appropriate. The method used to gather information was the electronic focus groups. Garrison, Pierce, Monroe and Sasser (1999) describe focus groups as a specific set of people who are organised due to specific characteristics each member has. It is suggested by Murray (1997) that an electronic focus group is the natural extension of a focus group. An electronic focus group is one that is conducted over the Internet, in an Internet Chat Room. On average the focus groups lasted for around one hour during which time the researcher was able to gather the data required for analysis.

Materials Required

The physical materials required completing this research were a computer with Internet connection. After the researcher was online, there were 'virtual' materials required in order to conduct the focus groups. The first of these was the Internet chat room - the site in which the focus groups were conducted. For an online focus group, an Internet Chat Room is a venue in which to house the focus group. One of the selection criteria used in the selection of possible chat rooms was the level of traffic the site received. Consideration was given to the length of time each participant in the chat room typically stayed online. This was important because if the potential participants only stayed in the chat room for around 10 minutes, it would be difficult to get them to stay for a one-hour focus group. To overcome this problem, various sites were visited prior to selection to ensure that users of the chat room stayed in the site for long enough lengths of time (on average one hour).

Also to be considered in the site selection was the general topic that occupied the chat room. It is the practice of many chat rooms to have set topics on set days. It was necessary to locate an unfettered chat room that enabled the discussion to be guided into areas relevant to the research. The site selected can be found at www.citytalk.com.

All participants appeared happy to participate in the focus groups with the participants staying for the full time, without any coaxing by the researcher. The feeling of community, which accompanies Internet users, as identified in Maignan and Lukas (1997), allowed the researcher to conduct the focus groups required without any incentives.

Data Analysis

There are a number of different techniques that can be used to interpret qualitative data, ranging from narrative analysis, content analysis, grounded theory, coding, theme analysis and cross case analysis (Huberman and Miles, 1994; Spiggle, 1994; Manning and Cullum-Swan, 1994). Theme analysis and coding were most appropriate for this research. Coding was an appropriate data analysis choice as it allowed the large amount of information gathered from the participants to be broken down into smaller sections of similar information (Huberman and Miles, 1994). Once broken down the information was then reassembled into a more manageable and theoretically logical order (Manning and Cullum-Swan, 1994). One of the advantages of coding is that it allows for similarities and differences in the research to be discovered.

After the information was coded, theme analysis allowed for the data to be further analysed. Once a specific idea (similarity or difference) for analysis had been identified, theme analysis looked at the specific aspects of that idea with more rigour. The theme analysis looked at the stories and metaphors that appeared in the data (Huberman and Miles, 1994).

To preserve the anonymity of the participants, the data was reported using a code for each participant. At the start of each extract a code similar to FG1R1 appears, the FG and the following number refers to the focus group where the participant appeared and the R and the number refers to the participant's number within that group. So FG1R1 is focus group one, participant one. It is important for the reader to be aware of the focus group that each participant was in, so as to minimise any misunderstanding associated with groupthink. Groupthink is a possible consideration that accompanies focus groups (Murray, 1997). It should be noted that the data used in analysis has been given verbatim in the results section below. This was done in an attempt to minimise any bias that the research may place on the interpretation of the data.

Limitations

As previously mentioned, both the sample size and selection were limitations of the study. Firstly, there is heavy bias in favour of regular Internet users in the study. It is accepted that this is a limitation as regular Internet users are not a true representation of the entire population. This limitation is necessary however, due to time constraints placed on this investigation. With the multiple focus groups it is hoped that this limitation will be reduced. It is further hoped that the sample collected from the Internet will limit cultural biases, as this sample has the potential to come from any English speaking country.

It is accepted that the convenience samples will limit the findings. The size of the sample also limits the generalisability of the study. The sample size is consistent with other qualitative investigations (Spiggle, 1994; Maignan and Lukas, 1997; Hall and Rist, 1999).

A further limitation of the study relates to the nature of the subject matter under study. The only constant relating to the Internet is that it is constantly changing (Alba et al., 1997; Burke, 1997). It is accepted that there is the possibility that the information contained in the final report might have a very short knowledge life. However it is hoped that this study contributes to the base knowledge known about accepted marketing principles and how the Internet applies to them.

It is accepted that the analysis of the data collected through qualitative techniques will be open to bias of interpretation of the researcher, the common criticism of qualitative research. It is hoped, however, that the results will only have a minimal interpretation bias placed on them by the researcher.

CHAPTER 4: RESULTS

Reasons for Internet Use

Valid and Reliable Information

Reliability was one of the strongest themes that emerged from the research as a reason for the use of the Internet as a means of gathering information in order to resolve the buying decision problem. The following stories that emerged from the research help to highlight this:

FG4R6: *You can go into a store and have some idiot shop assistant tell you that this is all they produce, when in fact that is all the store carries. With the Internet I check with the manufacturers directly!*

FG4R2: *I was looking for a specific set of headphones that I had had before and I couldn't find them and most of the store people said ohh they must not make that pair any more. I checked out the Sony home page and they still did.*

FG3R4: *I went into a store to purchase a watch and particular watch and the store only carried a couple, the assistant love, some dizzy blond (pardon any blonds in this chat session) said that's all they made, I knew she was wrong went to the Casio home page and found the one I wanted, went back and said here is the model number can you order me this? I got it two weeks later!*

As can be seen in these extracts, three participants had similar experiences with very different stores. Each time the store assistant did not have all the information the customer required. Consider the first extract: the participant speaking anecdotally suggests that sales assistants will tell the consumer their stores' range is all that is produced by the manufacturer. However, from this exert and prior information from the data the participant believes the sales assistant is ignorant in an attempt to manipulate the consumer into purchasing what the store carries.

A similar story appears in extract two. The participant was attempting to purchase a headphone set – the same brand and model as a set she already owned and was satisfied with. The sales assistant, armed with incorrect information, suggested the product had been replaced with another model. The participant visited the Sony home page and discovered the sales assistant was wrong. The fact the participant moved to the Internet to check information is of significance here. The participant appeared to believe that she would receive more reliable information from the manufacturer directly over the Internet than from the sales assistant within a retail outlet.

In the third extract, distrust of the level knowledge possessed by the shop assistant is apparent, as is the high level of trust in the reliability of the information provided via the Internet. This participant immediately dismisses the shop assistant's information in favour of the information he gains from the Internet. Armed with this information, he returns to the store to order the watch he actually wants.

Convenience

A further major theme that emerged from the data relating to consumer use of the Internet in the information search phase of the buying decision process is that the information can be collected with a high level of convenience. The following extracts are typical of the types of responses received from participants:

FG1R4: Well I look at how easy it is I do a lot of looking at work where I have the Internet, I can look around and compare stuff whilst at work, I don't have any other time to do it normally.

FG3R4: Well I work all day how do I look around and compare things. I work 6 days a week so I work when the shops are open, with the Internet I can look at any time, even when shops are closed. Internet hours are not regulated.

FG4R6: Well I just love being in the comfort of my own home, you just flick on the computer in your jarmies and slippers and you can look for stuff.

The first two participants highlight convenience as an important motivation in using the Internet in the buying decision process, i.e. they can do it at any time. The first participant reports she uses the Internet at work to do all of her looking around whilst at work due to the fact that she has no other time. The time convenience of the Internet is more apparent in the second extract where the participant does not seem to have the Internet at his place of work. Without the Internet being open 24 hours a day

7 days a week he would have little chance to shop for different products as his shopping time is very limited. The Internet gives this participant that opportunity. The convenience aspect which the Internet provides participants should greatly improve their use in the information search phase of the buying decision process.

The third participant indicates a further aspect of convenience the Internet provides consumers, being they do not have to leave the comfort of their own homes. This appears to be a great advantage that the Internet provides to the participants. No longer is there the need to go out, fight for a car park, and then be harassed by sales assistants. With the Internet, users can access the information they like in the clothes and surroundings they choose. The participants seemed to feel that the whole experience is convenient from start to the finish, even after the impact of technological glitches such as loss of connection and slow download times.

Expanded Base

The expanded product and brand base that the Internet provides consumers was given by several participants as a reason for using the Internet in the information search phase of the buying decision process. The following extracts help to illustrate this:

FG3R5: I love using the Internet to shop around because it gives me the access I need to (the) product(s) I want from each brand. Consider electrical equipment, Sony, Panasonic, Sanyo, National and JVC all are online, you do not get this kind of range in a normal retail outlet.

FG4R3: I love to shop for my clothes; I have to have a fairly good wardrobe for my job so I like to shop around to find out what are the best buys. Living in the town I do, there are only a few fashion boutiques however with the Internet it allows me to check out all of the greatest fashion places ranging from London to L.A.

As can be seen from these two extracts, the Internet provides these consumers with the means to evaluate and select brands that they would not normally have access to. Consider the first participant who uses electrical equipment as an example. The Internet appears to provide the user with the expanded brand base from which a selection can be made. This participant indicates that electrical retailers do not provide such a wide range of brands from which he can make a selection. Instead, the participant can only choose from the brands available in the showroom or in a catalogue.

The second participant draws attention to a major advantage of using the Internet in the information search phase. The Internet enables potential consumers to gain information from products all over the world that they would normally have no way of accessing. Consider the example of fashion boutiques offered by the participant. Normally a consumer would only have the ability to gain information from the boutiques located in a geographically limited area. However, the Internet removes this barrier and enables the consumer to have more brand choice and better information.

Products and Service Categorisation

The next aspect of the research that must be discussed relates to what types of products consumers use the Internet for and what are their characteristics.

Products

From the information gathered, there appears to be a high use of the Internet when participants are considering the purchase of shopping products. With high expense items such as stereo equipment and computers, participants showed a high level of Internet use in order to gather information before making the purchase decision.

Computing

One of the first shopping products that appeared in the data was computer technology. Several participants indicated that they use the Internet as a means of keeping up with the ever-changing climate of computers and accessories. The following excerpts from the research data illustrate this:

FG1R5: I always look at the computing pages of Dell and IBM, cause I use IBM computers, to see if there is any latest equipment that I can deck out my computer with and to check that mine is still a goodie. You can never have too much ram, that's what I say :)

FG2R1: Actually about six months ago I used the Internet to find out about computers, I wanted one because the one I had was crappy and not millennium compliant so I went on a hunt. I looked at all the main computer retailers I could think of online and checked out what they had to offer. It gave me a start before I got bamboozled by slimy sales pitches.

FG3R2: I have never used the Internet to look at new computers cause I never have wanted a new computer, the one I've got is good, but I did need a new hard drive so I got online to find out a good computer store close to me who had what I wanted. I do use the Internet to find out about programs from those pigs at Microsoft.

Computer equipment is a product for which participants appear to use the Internet when they are gather information. From these responses it can be concluded that there are two types of information gathered. The first type appears to be obtained before the purchase decision is made (refer to exerts two and three, these participants used the Internet as a means either purchasing a new computer or software). The second type of information gathered is used post-purchase in the ongoing evaluation of a computer product. Participant one has a computer but still looks at computer company homepages to evaluate whether his computer is still appropriate or in need of upgrading. The Internet thus appears to be employed both pre-purchase and post-purchase in an ongoing search.

The characteristics of this product (i.e. a computer) appear to assist with the implementation of the information search via the Internet. It is not surprising that computer-based companies have WebPages accessible to people with computers that enable them to evaluate and gather appropriate information. The main reason for this would be the target market for these companies is likely to be highly computer literate. A computer can be considered a shopping product due to the fact that it is a significant investment an consumers appear to be willing to shop around for information. The Internet appears to be good place to position information for products such as computers as there is a significant number of points of difference between computers that can be compared.

Home Technology

The second major type of shopping product to emerge from the data was home entertainment products. This category is wide ranging, with participants indicating that they sought information via the Internet on products such as televisions, VCRs, hi-fis, speakers, DVD players, portable CD players and even headphones.

FG2R3: I was looking at purchasing a new television, so I just checked out all major companies like Sony and Panasonic.

FG5R6: I was looking for a new surround sound system for my tele I've got at home. It is a new television and I wanted to add more sound to it. All I could think of was to start at Dolby digital and from there I found out the information I needed before I went to the shop.

FG2R2: Well I was looking to see if any companies were close to the recordable DVD player because I want one but if they are going to bring it out in the next few months I would hold off until then.

As can be seen from these extracts, there is a high use of the Internet amongst participants to gather information for home technology products ranging from televisions and DVD systems to home stereo equipment. As with computers, it appears that the provision of information regarding high technology electrical equipment is ideally suited to the Internet environment. There are a significant number of features, which can be compared on paper, which tend to be considered before the purchase of the product. Again, it should be noted that this is a high involvement-shopping product.

The literature suggests that products such as televisions and stereo equipment can all be categorised under shopping products (Mishra Umesh, & Stem, 1993; Park, Mothersbaugh, & Feick, 1994). Park et al. (1994), suggest that consumers require a large amount of comparison between various stereo equipment products before the buying decision problem can be resolved. A notion suggested by Mishra et al. (1994), suggest that products such a televisions also require this level of comparison. This comparison behaviour is relevant to this study as the ability to compare information is one of the Internet's greatest assets (Burke, 1997).

Recreational/Entertainment

The third type of shopping products that emerged from the data was recreational/entertainment products. This product category includes books, music, video games and movies.

FG1R1: I always use the Internet to see what new CDs I want to buy.

All the CDs have a test selection so you know what music your getting, just like in a CD store.

FG3R3: I use places like amazon.com to see if I can get a particular book and then I go to the local book store and see if they have it, I feel safer buying local.

FG3R1: Well I do the same thing with amazon.com and my CDs I look online and then go buy the stuff from the local shops. If they don't have it I either look around some more or get them to order it.

FG2R6: I use the Internet to check out the latest Sony Playstation games and the latest N64 games. Shops over here are so behind what you have in America, so I like to get my info up-to-date.

As with the high-priced technology products discussed earlier, participants use the Internet for information regarding lower priced recreational products. Most participants indicated they use the Internet for the selection of CDs, and as noted in extract one above, a significant drawing feature is that through the Internet there is an opportunity to gain information about all the music on a particular CD. As with store purchases, consumers have the ability listen to tracks on a CD by downloading samples from each track, thus ensuring that the entire CD is to their satisfaction.

Extracts two and three offer an interesting method of gathering the required information. In these extracts, the participants use Amazon.com, one of the Internet's largest shopping stores, only to gain the information before buying elsewhere. While they both gained their information from this store, both preferred to make the purchase elsewhere.

Automobiles

A further product to be considered by the research is that of the automobile. Cars fit the category of a high technology shopping product with significant investment to the consumer (Mishra et al. 1993). However, the research indicates that automobiles are in a category for which the Internet appears to have a limited application. Consider the following extracts:

FG2R5: A year ago I was looking at the purchase of a automobile, however I did not use the Internet at all in that purchase, this was odd as I usually use the Internet for other things. Instead I went around top the dealerships and drove the cars I was interested in and made my purchase from what I was comfortable driving.

FG3R2: Yeah I purchased a new automobile around 2 years ago it was a beautiful 2-door mustang however I went to the dealership to buy it. I did not use the Internet to gain information. I already knew the type of car I wanted, so I just wanted to drive them.

These two participants essentially offer the same information; the participants were in the market for a car and instead of using the Internet for the information they went to a dealership, even though the purchase would require a significant outlay and is a shopping product. It appeared that the reason for this anomaly is that whilst the automobile fits into the shopping product category and is a heavy investment for most consumers, the participants thought of it as an experiential product. This means that they preferred to experience an automobile, prior to making the purchase decision can be made.

The following relates to literature specifically directed towards the shopping product of the automobile. Mishra et al. (1993) suggest that automobiles are shopping products that generally require a large consumer involvement. It is suggested that the information sought by consumers when considering such a purchase depends on a number of variables (Moorthy, Ratchford & Talukdar, 1997). Moorthy, Ratchford & Talukdar (1997) state that the level of consumer search for automobiles will depend on the experience levels of individual consumers. They propose that consumers who

understand elements such as handling and performance will be more likely to require a 'test drive' and hence require more information and involvement. Less experienced consumers would not require this level of effort and information in order to resolve the purchase problem.

Services

Cinema

There was also significant use of the Internet amongst participants for the recreation purpose of movie selection.

FG4R1: I always use the Internet in the selection of the movies I'm gonna watch. I have to do it for the session time but sometimes I also use it to see if the movies gonna be okay.

FG4R2: To check the session times mainly, there are so many times available where I live the it is the easiest way I do it whilst at work, that way I know what I'll be doing that night.

FG4R5: I always like to know what I'm going to watch so I check the movies out ion the Internet. It really is the only place where you can check these days. The stupid previews you get, who directs and the majority of the actors is flashed up for only a second, so I like to check it out. That is of coarse unless Gene Hackman is in it I think he is spunky so I'll watch any movie he is in.

FG4R6: I check out the session time mainly, cause I'm at work and it fills in time!

These participants indicated that they used the Internet for the gathering of information on both the selection of a movie time and also the movie itself. All of the participants in one focus group indicated that they use the Internet for session time selection as a convenient alternative to looking in the paper, whilst a couple admitted to doing this at work in order to organise social outings for that night. These extracts again appear to highlight the convenience aspect of the Internet.

Tourism/Holidays

The purchase of a holiday is one decision that relies heavily on both information and emotions. Consumers rely heavily on information supplied to them by travel agents, travel providers and resorts to enable them to make the purchase decision (Weiss, 1999). It appears from the research that the participants believe the Internet has mixed success in the delivery of this information, as can be identified in the following extracts:

FG5R5: Well I have never used the Internet for holidays but my mother has she came over and used my computer, tied it up for hours, to organise a trip to England and France. I sat with her for a while, it was very confusing in places however after a few nights and with some consulting through agent she found where and with who she was going to go.

FG4R4: I once used the Internet to organise a trip to Washington, there were so many places to check out, as if this wasn't bad enough links would not take me to where I wanted to go and there were just so

many to choose from I took so much time. I eventually went to the travel broker to get further assistance.

Researcher: So did the Internet give you the info you wanted and needed to make the choice?

FG4R4: Yes eventually it did and with this I booked my trip and paid for my room.

An uncertain image emerges from these extracts when considering the Internet and travel-based products. As mentioned in the literature review, there appears to be a significant advantage for travel-based products to be advertised online, with many American travel companies doing just that. However, the sheer volume of choice appears to have created a problem. The anecdotal evidence offered in the first extract suggests that the participant and her mother were confused in the information gathering process, even though the participant appeared to be a regular Internet user.

It is believed that the main reason for this confusion is offered in the next extract. The third participant indicated that it was a 'virtual maze' even for the task of booking a simple holiday to Washington. She reported that there were significant problems with the sites themselves, with some links not operational. The participant indicated that she required the help of travel agents before the information could be successfully collected in order to solve the purchase problem.

It appears the Internet is a useful tool when considering the services looked at above. However, there does appear to be a limitation identified above, that being there are a significantly higher number of service providers to manufacturers (Weiss 1999). Considering the tangible products mentioned above, there are only a certain number of manufacturers of computers and technological equipment throughout the world.

However, in one geographical area consider the number of lawyers or travel accommodation providers. The significantly increased number of service providers appears to have increased consumer confusion.

The extent of the Internet

Now some understanding has been achieved regarding the type of products for which the Internet is being used to gather information and what the reasons are for this use, there needs to be an understanding of the extent to which the Internet is used in the information search phase of the buying decision process. To facilitate this, the following sections describe how the participants said they use the Internet when they gather information.

Sole Information Provider

The first trend to emerge was that the Internet can be used as a sole information provider. That is, some participants indicated that they use the Internet as the only means of gaining information when faced with a problem in the buying decision process. The following response aids in the understanding of this usage pattern:

FG2R4: Most of the time I only go with the information that I find online, I like this information as I know that it is correct and I have all of the information I need at my fingertips. A couple of weeks ago I was in the market for a new air conditioner, it was middle of

a hot spell, I went online to all of the manufacturers that I could think of that sold a/c's and then went down to my local retailer who did not have the brand but was able to order it in for me.

The extract above highlights how this participant used only the Internet as a means of information comparison before the actual purchase of the air conditioner. The participant indicated that he did not use any other information sources in order to make the decision. He appeared to rely on prior knowledge to select manufacturing companies, and then gained the relevant information from the manufacturers' sites in order to make an informed decision. The use of the Internet as a sole means of gathering information in the buying decision process was also apparent for smaller items as described in the extracts below:

FG1R1: I was looking for a new computer CD Rom drive so I thought that I would most likely get the best deal online, so that's where I went to find out what I wanted and whether it would fit into my computer. All I wanted to know I found out, I even purchased it online and it arrived around a week later!

FG3R6: About six months ago I needed to purchase a new camera for my holiday that was coming up, I didn't want to go to a camera place because they charge too much, so I was going to ask my local K-Mart to order one in, so I compared all of the best ones from Kodak to Fuji to Cannon and then got Kmart to order it in for me. It was good as it saved the Kmart guy the trouble of trying to find the camera for me and me the expense of visiting a camera outlet.

With these two examples of relatively small purchases of less than 200 dollars US, the participants at no time indicated they used or even desired information from other sources. The response from FG3R6 is similar to the earlier one from FG2R4. Both call on previous knowledge to guide their information search in order to make a product selection. However, this is different to the response given by FG1R1. She totally relies on the information the Internet provides. She has no previous experience with computer hardware and was guided solely by information provided by manufacturer and retailer home pages. After the participant collects the information she makes her purchase.

Starting Point Information Provider

The second major theme to emerge from the data was the use of the Internet by participants as a starting point information provider, consider the following extracts:

FG4R6: I was in the market for a new fridge and I did not know where to start, my old fridge was about 20 years old so I had not needed one for a while. I started by searching Yahoo.com for fridges and from this I found out information that I then took to the retailer.

FG3R4: I wanted a dog for my sons birthday present and I never had a dog before, so I wanted to find out as much as I could about the various breeds as I have a young family so I wanted one with a nice temperament. With the basic information found I had enough to make preliminary calls to breeders.

The above two extracts are typical examples of participants using the information they collect via the Internet as a start to the information search phase. Both use the information gathered as a starting point for seeking further information. The first extract indicates how the Internet is ideally suited to this task. The Internet can be navigated by using search engines that will bring all listed pieces of online information relating to any given area. The participant asked the Yahoo search engine for information on refrigerators and was provided with copious amounts of information regarding manufacturers, retailers and repairers. Having this information prior to visiting the retail outlets and talking to sales assistant was considered invaluable to the participant.

The second extract also highlights the suitability of the Internet to be used as a starting point for gathering information. The participant indicated he knew nothing about dogs, so he used the Internet to search for breeders, who he could call for further information. In this case the Internet did not simply provide the participant with a starting point for information, but also gave directions to gain further information of which the participant would otherwise been unaware.

Back-up Information Provider

The next categorisation of Internet usage in the information search phase of the buying decision process is the Internet as a back-up information provider. In this categorisation, consumers use the Internet after they have had some previous contact with an information source, which is often a retail outlet, to confirm the information acquired and identify possible discrepancies. The following extracts illustrate how the Internet is used in this fashion:

FG3R5: I used the Internet the other day after I was looking around for a home loan of all things. I spent a day going to all the banks to decide who had the best deal and after I finished I went home and made sure that what the tellers gave me was actually what the companies had on offer, then I went back to them.

Researcher: Why did you go home and look up what they bank people had told you?

FG3R5: Well part of it is that I don't trust banks to tell you the whole truth about the situation. Tellers might only tell you about products that they want you to hear about not the ones that are necessarily going to save you money. I think this is true with many different situations where we must face sales assistants.

FG4R1: Well I use the Internet after I have found out info from the store, I like to ask peoples opinions before I seriously start looking, so for me the only way to do this is to visit the stores and then

confirm the information via the web. The other thing is I like to gossip with the store people, I still enjoy other peoples company. After I compare the information I then go back to the store and either tell the they are full of shi.. or get what I want.

In both of these extracts, the participants indicate that after they have acquired initial information (from the service provider or retail outlet) they use the Internet to confirm the information before returning to the bank or store to follow up the purchase. The first participant visits the banks and listens to what they have to offer him and then goes home to check they gave him the best deal. The second participant indicates that it is a common practice to 'back-up' the information she receives in a store by using the Internet. It is interesting to note that the second participant appears to enjoy the social aspect of shopping, and hence still visits retail outlets for the human interaction.

Of particular interest is the reason why both participants use the Internet as a back-up source of information. They indicate it is in some way due to mistrust of sales assistants. This perception was referred to earlier as one of the reasons consumers gather information via the Internet. It appears the Internet is ideally suited as a back-up information provider. Consumers have the option to shop face-to-face. If required, they can then check inconsistent information in their own time, thus ensuring the information gathered is as accurate as it can be and is free from human bias.

Final Information Provider

The final category describing the extent to which the Internet is used in the information search phase of the buying decision process is as a final point of information. In this category, consumers use the Internet just prior to the purchase of a product. The following extract highlights how the information available on the Internet is used by the participants in this manner:

FG2R6: I always check the information that I get from shops, not all of the shops have the full range and there may just be something that I have not considered before. That's why I always like to use the Internet before I buy something. I like to surf most nights so I may as well surf and look at things that will affect me. Now that I am used to doing this I always do, it is my security blanket before I buy.

FG5R4: Well I use the Internet after I have finished shopping around and listening to all the mumbo jumbo you hear. It helps me to make sure that I have not missed anything; you spend a lot of money you want to make sure your decision is right

The first participant is adamant that he will use the Internet before any purchases are made. He believes the help of human-based knowledge can only take you so far, again indicating the distrust of retail assistants found several times earlier in this research. When this participant has gathered all his information, he then likes to use the Internet as (to use his term) a 'security blanket'. The Internet is used to bring to light any pieces of information that are inconsistent and highlight any information that may not have even been suggested.

From the description of the data offered above the following discussion will outline the findings of the research with more depth. It appears from the research that the advantages which IHS offers consumers are transferred when they use the Internet to gather information. There are several shopping products from which consumers gather information via the Internet. However, participants did not appear to use the Internet for specialty products. Finally it appears participants use the Internet in several differing ways as an information source.

CHAPTER 5: Discussion

The research was aimed at exploring the impact the Internet has had on the information search phase of the buying decision process. The research set out to investigate some of the reasons why consumers would use the Internet to gain this information.

Before certain characteristics of products and services can be identified it is important to understand the motivation behind consumers using the Internet in information search phase of the buying decision process. One of the most predominate motivations to emerge from the data is the belief that information provided online is valid and reliable. As Alba et al. (1997) suggest, consumers can go into a store and face a sales assistant who is more likely to tell the consumer what is in the store's interest than what is in the consumer's interest. This trend of distrust towards sales assistants and the questioning of the validity of the information they provide is evident in many of the extracts offered in this paper. Participants indicated that they feel more comfortable with online information and this information is more trustworthy, as discussed in Beales et al. (1981).

The next major reason identified in the research for consumers using the Internet as a means of gaining information is that it is highly convenient. The notion that the Internet is convenient for consumers to use appears in much literature, including Alba et al. (1997), Donthu & Garcia (1999), and Welanetz (1999). However, this research suggests that the Internet is convenient for information gathering, not just home shopping as the aforementioned authors suggest. The convenience of the Internet allows consumers to gather information when they like, an important aspect considering the fast pace of modern life. Several participants indicated that the Internet was the only way they can access information as they work when retail outlets are open. Further to this, the Internet also allows consumers who are not pressured by time to gather information on their terms, at a location that suits them, often from their home.

The final reason identified in the research relating to why consumers use the Internet as an information source is it is an expanded base. This research offers empirical evidence to support Alba et al. (1997) who first suggested this notion of an expanded universe. They suggest the Internet provides consumers with the opportunity to explore outside the range they would normally have the ability to reach. It is this ability which participants indicated is a major advantage of the Internet. Again applying Alba et al. (1997) IHS principle to information gathering, participants used the expanded base to good effect for both product information discovery and price based information competition.

For both the products and the services, the Internet only appeared to be used for shopping products as described in Agrawal et al. (1996); Kotler (1998). Once the products were identified as shopping products, specific products commonly appeared in the data. The first of the products categories identified was computing products. As mentioned this is not surprising considering the nature of the Internet, a total

computer generated environment, and its users who would be computer literate. Participants noted that several major computing companies, as well as the many supporting local computing stores, are online.

The gathering of information via the Internet for computer products appeared to be very high amongst participants. Computer components and technologies are rapidly changing with updates and new technologies emerging almost every day. It is likely that the high use of the Internet to gather information relating to computer technologies can be linked to the high level of computer literate people who would use the Internet.

The next major product group to emerge from the data was home technology goods, more specifically the black goods found around the home such as hifi equipment and televisions. As with computers, this is a product category that appears highly suited to the Internet environment. Black goods by nature are a rapidly changing one (Park et al., 1994). The research suggested black goods relied heavily on factual information comparisons, as such the Internet provides the ideal environment for information gathering. By factual information comparisons it is meant that there are specific performance aspects of each product that can easily be compared amongst the various brands (Mishra et al., 1993; Park et al., 1994).

The third major product group which participants used the Internet for falls into the low cost shopping products category. Participants indicated a fairly extensive use of the Internet for products such as books and CDs. Whilst these items do not appear to be highly priced they do rely on a high comparability. As mentioned, the Internet has the advantage of easy comparability, and as such aids consumers in the information search phase.

A final product that emerged from the data that did not appear very suited to the Internet environment was the automobile, despite the product fitting the characteristics already outlined in the above few paragraphs. A car is certainly a shopping product with a significant investment on behalf of the consumer. Modern cars are certainly high technology and can be easily compared on many features. The data indicated that although this product fitted into the previous guidelines, it varied in a major way. An automobile relies heavily on the affective component of the purchase decision.

When purchasing an automobile, the cognitive pieces of associated information are considered, such as air conditioning and power windows at the right price. However, there is also the affective element, in this case the significant "feel" you get from the test drive that can only be experienced first hand. Many car purchases are based on this 'feel', along with colour, smell and handling (Moorthy et al., 1998) - all of which are tangible and cannot be achieved via the Internet. This suggests some limitation to the use of the Internet as a means of providing consumers with information. As long as the most significant part of the pre-purchase information is based on cognitive aspects, which can be compared, such as speaker wattage or television screen size or motherboard processing capacity, there is a valuable place for the Internet in the information search phase as previously identified. However, when the pre-purchase evaluation relies on affective information, as with car purchases, the Internet cannot provide this so there appears to be only a limited capacity for the Internet to be used by consumers when gathering information.

From the data obtained in this study, it appears that the most appropriate products for an information search over the Internet are, technology based products, and entertainment products. Products that have a high consumer involvement, are highly comparable, and that are of a low affective value are particularly well suited to the Internet environment.

Services are obviously different to goods in nature, however some appear to be suited to the Internet even though they rely heavily on emotions in the selection process (Weiss, 1999). The results of the study suggest that the Internet has some limitations as a means of obtaining information in order to resolve the purchase problem for services. The problems associated with the selection of services over the Internet is perfectly highlighted in the example participants used in this research. Participants found it very difficult to extract information over the Internet relating to holidays, due to the volume of information available. This is a problem that is related again to the nature of services. There are only a few selected manufacturers of different brands of products identified in this research, however there are a considerably larger number of service providers for each service looked at. This greater number of service providers creates a maze, which does not accompany products.

Unexpectedly to the researcher, participants did not indicate the use of the Internet for specialty products. As mentioned by Kotler (1998) specialty products possess many of the search characteristics held by shopping products. It was expected that the Internet would be used extensively for both shopping and specialty products. This however did not eventuate with none of the participants indicating that they used the Internet to gather information for specialty products.

After the supplementary questions of product and service characteristics and reason for internet use had been explored, gaining understanding of the impact the Internet has had on the information search phase becomes easier. As a whole, the participants used the Internet to varying extents in the information search phase. However, it appears to be widely used by all of the participants involved in this research.

On the basis of the findings of this study, the Internet has the ability to be used as a sole information provider. This means that for some products consumers can use the Internet as a sole means of gathering information. It appears that consumers might choose to use the Internet as a sole information provider due to the uncontaminated information provided on a wider range of products, this can happen for both high and low involvement-shopping products.

The next major use of the Internet in the buying decision process is as a starting point information provider. Participants indicated they would use the Internet as a means of starting their information search before they would enter a retail outlet to gain further information, suggesting that the Internet is well suited for this purpose. Search engines enable consumers to type in a search for a specific product, resulting in everything to do with that product being listed. When consumers use the Internet as a starting point information provider they are taking advantage of the expanded universe as described by Alba et al. (1997). The other aspect of the use of the Internet as a starting point for information is that it can give consumers direction in their searches for further information. Consumers may have no previous information to call on and as such have no ability to start the information search. With the Internet and its search engines, all consumers need is the product or service type and from this more information can be generated.

The Internet can also be used as a back-up information source in the information search phase. From the data it is apparent that the participants had a distrust of sales assistants that lead them to use the Internet as a back-up information source. As mentioned by Burke (1997), consumers do not fully trust retail assistants for many reasons. The Internet gives consumers the chance to 'check' the information given to them by retail assistants, and indeed other information sources, to ensure its accuracy. It is possible that in many situations prior to the advent of the Internet consumers did not have the ability to check the information provided to them.

However from the information obtained in this research participants have discovered this has become an easy option. The level of involvement required to check information is lower when the Internet is used.

The Internet also appears to be used as a final information source by some consumers. In this category, participants used the Internet to make their purchase decisions. In fact, the participants may have made their purchase decision and it is a post decision information search. With the Internet being used as a final information source, consumers must have already made the purchase decision in an attempt to ensure this decision is justified. The post decision information search category has not previously been placed in the buying decision process hierarchy describe by McGaughey and Manson (1998). From the information they provide consumers do not engage in a further information search until after the purchase is made. From the research it appears that participants do this as a means of discovering inconsistent information and even in an attempt to highlight unexplored avenues. All of this is done with the convenience that the Internet provides, from within the consumer's personal comfort space.

Conclusion

It is apparent from the above discussion that there the Internet has much to contribute to the information search phase of the buying decision process. The products mentioned by the participants appear to have special characteristics that make them suited to the information search via the Internet. One of the first characteristics is that products fall into the shopping product category, which means consumers will place some effort in the information search phase. However, other than this generic characteristic, products that have a high degree of comparability also

lend themselves to an Internet information search. Products that are constantly being updated and enhanced are again well suited to the information search via the Internet. This study discovered products that rely on the emotions of the consumer are not suited to the Internet for the information search. Consumers would prefer to see the product and look at its tangible aspects in order to gain information.

The services explored in this study appear to be well suited to the use of the Internet, even though they are intangible prior to the purchase. It is this intangibility that makes a service so well suited to the information search via the Internet. Consumers cannot make a service tangible before it is purchased, so they are accustomed to making a selection without tangible aspects. One aspect of services that tends to tarnish their online search suitability is the high number of similar services that operate in a given area. This high number creates confusion when consumers attempt to search for specific services.

There were several reasons participants offered to support their use of the Internet as an information source. Participants felt that the information provided on the Internet was valid and reliable. They indicated a low level of trust of sales assistants and suggested that the information provided over the Internet was free from a store's and the sales assistant's bias. Participants also indicated that they found the Internet highly convenient, and were able to search for information at any given time in any given location. They further indicated that they used the Internet as an information source as it provides an expanded universe. This enables them to search across a larger brand base than they could otherwise access.

From the information gathered, the Internet appears to be used quite extensively in the information search phase by some consumers. Its use can be

broken down into different categories. The first is where the Internet is used as a sole information provider where consumers predominantly use the Internet as a means of solving the purchase decision problem. The second category is the use of the Internet as a starting point information provider. Participants indicated that they use the Internet to gather information on different brands in order to visit retail outlets. They also indicated that they are able to get further direction when they have very little knowledge on a particular subject.

The next category is the use of the Internet as a back-up information source. This is where consumers check information given to them by other information sources. This is especially apparent when participants are distrusting of traditional retail information sources. The last category to emerge from the data was the use of the Internet as final information provider. This is where consumers evaluate their decision prior to purchase.

Future Research

This study unearthed several interesting findings that may be further explored through quantitative means. Information relating to the number of different types of products and the frequency with which consumers use the Internet for in the information gathering process could be collected, as such a quantitative investigation of this area appears appropriate.

The distrust of retail information appears to be very strong amongst the participants in this investigation. It would be of interest to study what effects the Internet is having on the use of traditional retail outlets as the primary information

source amongst the non-chat room using Internet users. Therefore it would follow the Internet could replace them as the major source of information for consumers in the information search phase.

In Australia, digital television will soon be introduced, which will give consumers unprecedented access to the Internet. It would be important to investigate how this improved access to the Internet will impact on consumer's information searches. Also, it would be of interest to conduct this research among Australian consumers, and compare the results to international studies if any are available.

It is clear from this study that the Internet has had a significant impact on the traditional information sources used by the participants. Future research could possibly investigate how the Internet has affected/influenced the remainder of the buying decision process. The Internet has the potential to change the triggers for the identification of a purchase problem as well as the actual purchasing of the product, as such future research will need to be conducted.

Limitations

One of the most significant limitations of this study is the use of Internet participants. Time and financial constraints prevented a larger sample from being possible, it is accepted that the small sample number will also limit the generalisability. Of course Internet users would have an abnormally higher use of the Internet than the normal population and this will limit the generalisability of these findings to the entire population. This is compounded by only the inclusion of Internet users who use Internet chat rooms. It is accepted that there are many Internet users who do not use chat rooms.

Despite this, the research did not set out to be generalised to the whole population merely to explore how the Internet is used in the information search phase. As such it is recognised that the findings are indicative only and provide a starting point for further research into the use of the Internet in the information search phase.

A further limitation of the sample is the researcher had no way to accurately measure information relating to participants gender and age. The Internet provided a barrier that prevented the researcher from seeing these characteristics. An attempt was made to overcome this by recording the information when it cropped up in the data. The sample also appears to be heavily biased to the American culture. Many respondents indicated that they were from America, this will limit the generalisability of this study.

The ability of the researcher to analyse the results also limits this research. As an honours student, the researcher has had no prior experience with research of this magnitude. However, it is hoped that experience gained from course work during the completion of this thesis has reduced this limitation.

The final limitation of this research is the nature of the Internet itself. As documented by many academics mentioned in this thesis the Internet changes at a rapid rate. Forces such as digital television which will give consumers unprecedented access will impact on the Internet which will in turn limit the life of the findings.

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Appendix One

Terminology

- The Internet:** A network of computer networks. It allows public access to information on a large number of subjects, send and receive messages and evaluate and purchase products or services.
- Cybershopping:** See interactive Home Shopping (IHS)
- Interactive Home Shopping (IHS)** Home shopping is the use of the Internet to purchase goods and services via computer from the home. Companies such as Coles and Myer are now online which will enable consumers to home shop for their groceries and fashion.
- Security Seal:** A badge that enables consumers to determine several key characteristics of a web page and the company that is providing it. Characteristics such as is this a real company, does it have the means to provide the product or service it reports to have and other issues that can ultimately lead to fraud.

- WWW and Hypermedia:** The World Wide Web (WWW) is a graphical hypertext environment that operates within the Internet.
- Home/Web Page:** Page that contains all of the information that a person sends to the Internet. It can be accessed via the WWW.
- Internet Chat room (IRC):** An Internet chat room is a 'virtual room' where any surfer of the Internet can meet and talk with one another
- Internet Service Provider (ISP)** A company that will provide the Internet to both homes and offices. These companies specialise in the technology required to 'get online'.

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