



# Online Shopping: Does age matter?

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# Thesis

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- This study proposes that a person's age determines their willingness to trust shopping online versus shopping at a brick and mortar store.



# Hypotheses

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- H1: Consumers between the ages of 18-23 are more likely to shop online than consumers between the ages of 40-45.
- H2: Positive experiences shopping either online or at a store increase a consumer's trust level in that method of shopping.



# Definitions

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- Trust

- Consumer's confidence in the way a company uses personal information

- Willingness

- Characteristic that makes a consumer inclined to shop at a certain place.



# Background

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- Reasons people shop online
  - Convenience
    - Reduce shopping time
    - Timing
    - Reduce physical effort
    - Reduce aggravation
    - Engage in impulse buying
  - Lower prices
  - Curiosity



# Background

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- Visual shoppers
  - Want to see what they expect
  - Effect of privacy policy
- Success of e-commerce
  - “ability to attract non-computer-literate people to use the system with ease”  
(Adam et al 11)



# Background

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- Why people don't shop online
  - Lack of security
  - Lack of physical contact
  - Product quality
  - Lack of retail trust
  - Website quality



# Background

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- Who shops online
  - Navigation experience factor
  - Shoppers reasons
    - Use Internet for info, shop at store
    - Use Internet to compare prices and brands
    - Traditional shoppers avoid Internet
    - Aren't inclined to buy anywhere
    - Seek out online shopping offers
  - No strong data supports an age correlation



# Background

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- Consumer Trust
  - Americans' level of trust
    - Higher in people than institutions
  - Increase in trust=less monitoring
  - Online shopping
    - Lack of control over personal information



# Background

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- Public opinion

- According to a survey by Mutz et al:
  - 21% believe local businesses cheat
  - 61% believe online businesses cheat
- According to a GTU survey:
  - 87% users want complete control over data
  - 71% users want new laws protecting privacy online



# Background

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- Consumer willingness
  - Asked demographics
    - 95% declined to provide
    - 40% who provided it, made it up
  - When given the option to provide
    - 92% provided accurate information
    - 62% realize how important information is

(Hoffman et al 13-14)



# Methodology & Research Method

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- Stratified sample
- 1000 Nebraskans
  - 500 participants age 18-23
  - 500 participants age 40-45
- Dispersed across state according to population



# Methodology & Research Method

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- Email/print surveys
  - Products purchased
    - Store, online, or did not purchase
    - +/- Experience
    - Purchase again using this method
    - Recommend method
    - Consider using another method



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