

Bringing Research to LIFE

Upcoming Events

Critical Conversations: The Idea of a Human Rights Museum presents

Critical Conversations with
Canadians: The Work of
the CMHR's Content
Advisory Committee

**Thursday, Jan. 5, 2012
12:00 p.m.**

Moot Court Room,
Robson Hall
Faculty of Law
University of Manitoba

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Contributions made
by globalization and
postcolonial theory to HR
discourse and political praxis

and

Transcendence or Struggle:
Competing Narratives of
Human Rights

**Monday, Jan. 9, 2012
2:30 p.m.**

Room 206, Robson Hall
Faculty of Law
University of Manitoba

For more information,
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umanitoba.ca](mailto:jennifer_chlopecki@umanitoba.ca)

Café Scientifique

**Telling it like it is:
Communicating health
research to the public
(YOU!)**

**Tuesday, Jan. 17, 2012
at 7:00 p.m.**

McNally Robinson
Booksellers
1120 Grant Avenue

The online realm

Understanding what motivates online consumerism

BY MELNI GHATTORA

A full week in, and December is really starting to accelerate. And if you haven't started your holiday shopping chances are you are procrastinating with a side serving of dreading it.

The Royal Bank of Canada has reported that 88 per cent of Manitoba and Saskatchewan consumers plan to gift friends and family with an average spending of \$668—nearly a \$100 increase from last year.

A 2011 Statistics Canada release reports retail sales rose 1.0 per cent in September, marking the largest advance in retail trade since November 2010, which could suggest that holiday shopping is well underway.

These statistics paired with the province's largest shopping centre, Polo Park, boasting 200 of the finest shops and services and parking accommodations for 5,600 vehicles, may leave you seeking an alternative shopping experience.

Online Shopping: From Suspicion to Dominance

Fang Wan, an associate professor in the Department of Marketing, I.H. Asper School of Business, has devoted her post-doctoral research to online shopping, prior to her current position. Her research interests include: brand management, consumer behavior in online environments, and cross-cultural consumer psychology.

"In the past people were a bit suspicious of the internet as a transaction medium and therefore there was a lot of 'I will do online research but do offline shopping.' This was a phase that precludes what is going on right now," explains Wan. "For me personally, it's purely online because I have had offline validations of the online retailers. I trust the brand and am familiar with it so I do all of my purchases online."

According to Wan, consumers have shifted towards online shopping because online retailers have exerted great efforts to ensure security of financial information of online consumers. This is also partly driven by the trust and loyalty they have built with a specific brand (offline or online) over time.

About one-half (51 per cent) of Canadians aged 16 to 34 purchased a product online in 2009. Men (42 per cent) were more likely than women (37 per cent) to have made an online purchase, as reported by Statistics Canada.

Clout of Online Retailers

Wan teaches a case study on the evolution of Amazon.com, Inc., a Seattle, Washington, based company that has evolved into the world's largest online retailer.

The site may not be viewed as visually appealing but Amazon must be doing something right; according to



Photo by Melni Ghattora

Fang Wan, associate professor in the Department of Marketing, I.H. Asper School of Business, studies consumer behavior in online environments.

a Morgan Stanley analyst, Amazon.com is on track for \$100 billion in revenue in 2015.

"The company started out selling books and even then people were suspicious in the beginning and that's why Amazon had a really hard time financially," explains Wan.

She adds that books are the most utilitarian product with very little sales risk. The consumer can sample certain pages and read bios and reviews if they are not familiar with the author.

"If the book turns out to be really bad it has nothing to do with the retailer, it's the author. It's a no brainer but I think Amazon's model is beautiful in terms of building intelligence of their website by tracking consumers' information search and browsing patterns and their purchase choices. That is why Amazon's peer review and recommendation system is the most powerful driver of consumers' choices," says Wan.

The 2011 Global Consumer Shopping Habits Survey conducted by ChannelAdvisor, which includes responses from participants throughout North America, Europe and Australia, reports 90 per cent of shoppers around

the world indicated they read product reviews from other shoppers before buying, with 83 per cent saying the reviews affect whether they actually purchase an item.

Knowing when to "walk" away

Wan suggests that online shopping can also be sticky, addictive and impulsive, driven purely by its ease and convenience, or by the lapse of willpower. She cautions the vice of online shopping, "You can put gift items into your online shopping basket, and then add a few items to pamper and reward yourself on a whim."

Her advice is to "sleep on it" and then exercise willpower and drop the items that are indulgent and unnecessary.

Adding, "As we used to complain of the lack of human interaction in an online shopping environment, we can embrace the lack of interaction with a salesperson online by abandoning our shopping carts, canceling online transactions prior to entering credit card information, or even getting rid of the entire order five minutes after you made the transaction, all guilt and embarrassment free."