SMART Internet Technology
Cooperative Research Centre

An Internet for Transactions
A User Perspective to Inform Future Business Models

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Summary

• Introduction
• Research Context and Approach
• The Research Program
  “Unlocking User Bottlenecks”
  “Moving Users Up the Value Chain”
• Summary of Findings
• Implications for Future Business Models
  “Re - conceptualise the net for transactions”
  “m-commerce is NOT mobile e-commerce”
• Conclusions
Context - “The Promise (Threat) of the Internet”

“OUR COMPETITION LAUNCHED THEIR WEB SITE, STOLE ALL OF OUR CUSTOMERS AND PUT US OUT OF BUSINESS WHILE YOU WERE IN THE JOHN.”
Internet for Transactions

• Previous research
  – mainly US focused and transactions are market (context) specific
  – Narrow focus (eg buying goods)

• Need for more “fundamental understanding” to explore “trust” as predictor of consumer behaviour
  – Anthropology

• Industry Crash
  – Supply side push
"E-mail, voice mail, web pages, stock quotes, news, banking...that's a lot of responsibility for such a little guy!"
Research Approach & Program

• “Unlocking User Bottlenecks”
  – Focus groups to understand aspects of user trust
  – Interviews with Service Providers (as Experts)
  – Focus groups with mobile users with technology demonstration

• “Moving Users Up the Value Chain”
  – National telephone survey to dimension trust
    • Based on focus group findings on trust (above)
  – Focus groups with segmented mobile users with technology demonstration
    • Gender, age and socio-economic status (+ disability)
Broad Findings

• “Unlocking User Bottlenecks”
  – Perceived trust a major inhibitor
    • the internet seen as a new channel (elements identified)
  – Service providers view: don’t underestimate user ‘savvy’
  – Mobile: seen as an extension of self
    • mobile internet an additional different channel

• “Moving Users Up the Value Chain”
  – Low level of trust of the net by internet users for transactions
    • Security, confidentiality, privacy MAJOR barriers (perceptual!)
  – Broader potential market appeal of the mobile internet
    • Across all demographic groups
    • Can be understood as technology consumption through
      – Adoption, Adaption and Transformation
The Major Bottleneck to Transactions

<table>
<thead>
<tr>
<th>Improvement suggested</th>
<th>N= 1574</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased security/confidentiality/privacy</td>
<td></td>
<td>41</td>
</tr>
<tr>
<td>Faster online responses</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Quicker delivery of goods</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Wider options of payment/alternatives to credit card payments</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Better navigation arrangements</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Better design of sites</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Better description/more information about goods</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>More user-friendly/easier to understand</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Wider range of goods</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>More personal contact</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Confirmation of orders/receipt numbers</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Customer service/help desk availability</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Lower prices</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Reimbursement/compensation if problems</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Information on suppliers</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Easier ordering instructions</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Less downtime of sites</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Governing body needed to oversee sites</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Don’t know/Not est.</td>
<td></td>
<td>23</td>
</tr>
</tbody>
</table>

Sitting down to the computer, Lee, was somewhat worried about the World Wide Web but what was much more troubling was “Where in the world was the World Wide Spider?”
Allowing the User to Speak

QuickTime™ and a YUV420 codec decompressor are needed to see this picture.
Implications for Business Models

• Need to re-conceptualise an internet based service product for transactions to look like a direct dedicated service connection where:
  – The Internet is “hidden from view”
  – It emulates the telephone which has “greater trust”
  – An alternative terminal to the PC would be an advantage!

• A mobile internet has some of these qualities

• Value proposition for a mobile internet based service very different to the fixed internet
  – Value around context and convenience
  – User interface more restricted
  – Cost of supply VERY different
A Case Example

- **Product requirement**
  A chat board for elderly people at night: “Night Natter™”

- **Design informed by User Research**
  - NOT a PC based service as viewed as “too complicated” and they “might make a mistake”
  - NOT a mobile service as “too expensive”
  - They all use the telephone

- **Idea for service design**
  - Disguised mobile (different case with 3 buttons and display) for alert messaging and display
  - Use the fixed telephone to chat!
Conclusions for New Internet Products and Services for Transactions?

• The internet is attractive to the industry and technologists
  • Many interconnected networks
  • Packets and network clouds
  But these *same elements* produce anxiety and user mistrust and therefore needs to be “*hidden from view*”

• Evolution of mobile internet will be broad but based on the pattern of *technology consumption*
  – evolution of market segments based on context and convenience (not socio-economic!)

• More user based research required (identifying complex human factors) in different markets important as cultural context is key
Listen to the User!

Everything these days is dot-com this and dot-net that! I just can’t stand it anymore!!!

I know a web site that can help you...

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Not a Silly Thought!

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“This one doesn’t do anything. It’s the perfect gadget for those times when all you need is a little peace and quiet.”