

Marketing professor says online shopping will look something like Second Life in the future

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For all of the conveniences of online shopping -- no crowds, easy parking, seemingly endless choices -- it can't always compete with the real thing. At least not yet. A Kansas State University marketing professor said consumers can expect that some of the disadvantages of online shopping will disappear as retailers adapt models from Second Life.

Esther Swilley is a K-State assistant professor of marketing who studies e-commerce and mobile marketing trends. Her research has included exploring the role of trust in choosing which Web sites to shop, seeing what types of consumers are more likely to accept marketing on mobile devices like cell phones, as well as understanding how cell phone companies can keep young adults as customers.

Swilley said experts expect that the future of online shopping will borrow from Second Life, meaning that a shopper could send his or her avatar to a virtual store, a Web site with a three-dimensional feel.

"Your avatar could move through the store and pick up items," Swilley said. "You could even have it put on a shirt and look at it in the mirror before ordering it. Retailers like this because they could see how well items do in their virtual stores. Do people pick it up? Do they like it? This can guide what they stock in their real stores."

Swilley said shopping with an avatar could even take on a social function.

"You're at your computer and your friend is at hers, and you can shop together," she said. "The technology is crude now, but look back at the Internet when it started."

In research published in the *International Journal of Electronic Marketing and Retailing*, Swilley found data to back up the assumption that people shop Web sites with names and brands they trust. However, Swilley said that when well known, trusted retailers have tried selling products in Second Life, they haven't fared as well.

"People in Second Life didn't like it," Swilley said. "If you're a person using Second Life, you're more likely to purchase products from another avatar rather than an outside retailer. It's almost like participants think, 'This is our world. Stay out of it.'"

Swilley said that cell phones and other handheld devices are another world where people have been reluctant to let in retailers and marketers.

"People don't want to be sent text message advertisements," Swilley said. "That's why marketers are looking at other ways of doing it. They are looking at models where if you want ads on your phone, you could pay less for your phone service. For instance, while your phone is dialing, the background could be an ad."

People might find some ads helpful, like one that lets you know that you're about block away from a coffee shop. Swilley said that customers might even be able to text a drink order and have it waiting for them when they get there.

"Mobile ticket are sales supposed to be the next big thing, and auctions

also do well on cell phones," Swilley said. "On the Internet, people are more money-conscious. They want things for free. On a cell phone, they're time-conscious. They want things conveniently."

One convenience that Swilley doesn't see catching on is wallet phones. Paying with credit or debit cards through a cell phone or other mobile device may save time and space in your pocket or purse. Yet even technology-savvy Asians and Europeans are hesitant to embrace wallet phones, she said.

"People say, 'I lose my cell phone all the time,'" Swilley said. "What would you do if your cell phone was your wallet? Would people change their behavior in how they use the cell phone?"

Before shopping with a cell phone or mobile device becomes as common as shopping online -- maybe someday with an avatar -- Swilley said there are money issues that need to be resolved.

"A difference between cell phones and the Internet is that with a cell phone, you have to go through telecom companies, and they're looking for money from everybody," she said. "Should the telephone company get a cut from purchases? Would products have to be sold for more to make up for it? I'm not sure how well it will play with cell phones because it costs so much just to have the phone and service in the first place."

Instead, Swilley and colleagues found that the cell phone features that attract and keep young customers are extras like gaming, chat and other applications that let them interact with friends. This research will appear in *The Services Industries Journal* in April.

Source: Kansas State University

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