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**FACTORS PREVENTING TO ENGAGE
IN CROSS-BORDER ONLINE SHOPPING:
AN APPLICATION ON CONSUMERS**

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.././....

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ÖZET

Yüksek Lisans Tezi

Sınır Ötesi Çevrimiçi Alışveriş Yapmayı Engelleyen Faktörler:

Tüketiciler Üzerinde Bir Uygulama

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İnternetin insanların günlük yaşamına girmesi ile birlikte, kişiler ürün/hizmetler ile ilgili bilgi arama, tüketici yorumları bırakma, ya da sipariş verme gibi ticari işlemlerini de bu araç vasıtasıyla yapmaya başlamışlardır. Bu açıdan, internet tüketicilerin alışveriş yapma biçimine yeni bir boyut getirmiştir. Tüketicilerin alışveriş alışkanlıklarını etkilemenin yanı sıra, internet, bu aracı ihmal etmenin mümkün olmadığını anlayan işletmelerin pazarlama uygulamalarını da etkilemiştir.

İnternetin, tüketicilerin alışveriş faaliyetlerinde kullanılmasının bir sonucu olarak, bu aracın sınır ötesi ticari faaliyetlerde kullanılması konusu da gündeme gelmiştir. Tüketiciler zaman geçtikçe internet üzerinden mal ve hizmet alımı uygulamalarını benimserken, sınır ötesi çevrimiçi alışveriş hala birçok tüketicinin kullanmakta tereddüt ettiği bir kavramdır. Bundan dolayı, bu çalışma, tüketicilerin sınır ötesi alışveriş yapmasını engelleyen faktörleri ortaya koymayı amaçlamıştır. Tüketicilerin uluslararası internet mağazalarından alışveriş yapmasını olumsuz olarak etkileyen faktörlerin anlaşılması, uluslararası pazarlamacıların yabancı tüketicileri hedefleyen daha etkin uluslararası web siteleri tasarlamasına yardımcı olması açısından önemlidir.

Çalıřmada, tüm Türkiye'deki İktisadi ve İdari Bilimler Fakülteleri akademisyenlerine online anket vasıtası ile ulařılmıřtır. Elde edilen 329 kullanılabilir anket formu incelenerek tüketicilerin sınır ötesi çevrimiçi alışveriře yönelik tutumlarını ve niyetlerini olumsuz olarak etkileyen faktörler ortaya konmuş ve internet mağazaları ile Türkiye'deki tüketicilere ulaşmayı hedefleyen yabancı firmalar için öneriler geliştirilmiştir.

Anahtar Kelimeler: Çevrimiçi Alışveriř, Sınır Ötesi Çevrimiçi Alışveriř, Tüketici Tutumları, Davranışsal Niyet.

ABSTRACT
Master's Thesis
Factors Preventing to Engage
In Cross-Border Online Shopping: An Application on Consumers
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Department of Business
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With the entrance of internet to people's daily lives, individuals began to carry on their commercial activities like searching information about products/services, placing consumer comments, or giving orders with the help of the medium. From this aspect, it brought a new dimension to consumers' way of shopping. Besides affecting the consumers' shopping routine, businesses' marketing practices, understanding they have no chance to ignore the medium, are also affected.

As an outcome of the usage of internet in shopping activities of consumers, the issue of using internet in cross-border commercial activities came to stage. Although individuals adopt purchasing goods and services from internet as the time passes, cross-border online shopping is still a concept that most of the consumers hesitate to engage. Thus, this research aims to find out about the factors that prevent the consumers to engage in cross-border online shopping. Understanding the factors that are negatively affecting the consumers to buy online at international web stores is important to help international marketers in terms of designing more effective international web sites that target foreign customers.

In the research, the academicians in the Faculties of Economics and Administrative Sciences throughout the Turkey are reached via online questionnaires. The 329 usable questionnaire forms are analyzed in order to find out the factors that are negatively affecting the consumers' attitudes and intention towards cross-border online shopping. Suggestions are developed for the firms that would like to reach Turkish consumers via their internet stores from foreign countries.

Key Words: Online Shopping, Cross-Border Online Shopping, Consumer Attitudes, Behavioral Intention.

**FACTORS PREVENTING TO ENGAGE
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CONSUMERS**

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ABBREVIATIONS

AMEX	American Express
AOI	Active Online Internationalization
B2B	Business to Business
B2C	Business to Consumer
B2C	Business to Consumer
BKM	Bankalararası Kart Merkezi
C2B	Consumer to Business
C2C	Consumer to Consumer
CBOS	Cross-Border Online Shopping
DoS	Denial-of-Service
EDI	Electronic Data Interchange
EU	European Union
ICC	Interbank Card Center
MNC	Multi National Corporation
OECD	Organization for Economic Co-operation and Development
SME	Small and Medium Enterprise
TAM	Technology Acceptance Model
TPB	Theory of Planned Behavior
TUIK	Türkiye İstatistik Kurumu
UK	United Kingdom
US	United States
VAT	Value Added Tax

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INTRODUCTION

The existence of internet brought many advantages to individuals' daily lives. With the help of the medium, people can communicate, learn, entertain, buy products and get services. Of course the disadvantages of it have long been discussed; as the virus threat, the risk of personal information theft, spamming etc. But since the advantages outweigh the drawbacks, most of the people cannot resist bringing it to the centre of their lives.

The history of internet began in 1958 and the internet with today's definition came to stage in 1969 (Hafner and Lyon, 1996:36). From then on, the medium had made a lot of progress with the help of the technology; and lastly, beginning from the end of 2009; people can surf in the internet just by touching the computer screen; which will enable faster and easier browsing (Kristula, 1997).

Besides being used for many other purposes, it brought a new dimension to commercial activities with the web sites providing chance for searching information about products/services, placing consumer comments, or giving orders (Hoffmann and Novak, 1996:51). Therefore, the previous experience of designing the product for differing cultures had turned into designing into new web interfaces, shipping alternatives and even payment methods for different cultures. Moreover, performing marketing practices through internet was previously an alternative for the marketers, but now being aware that there are 1,966,514,816 internet users all around the world (Internet World Statistics, 2011) as of June 2011, marketing professionals do not have the luxury of ignoring the new medium.

Internet marketing had been attracting the attention of marketing scholars for a long time, because of the fact that, it is impossible to think marketing without internet in today's environment. Hamill (1997:300) underlines the remarkable change that internet will bring to marketing; which may be controversial to what scholars had learned and had been teaching about marketing until the entrance of internet in people's daily lives.

A review on internet marketing conducted by Ngai in 2003 had analyzed the literature that covers the period 1987-2000. Ngai had come up with a finding that, the vast majority of the articles related to the issue are published between the years 1996-2000, that's the last five years, which demonstrates the increasing attention for the phenomenon (Ngai, 2003:28). Following and extending Ngai's work, a review by Schibrowsky, Peltier, and Nill (2007) published; and as a result of the analysis of 1400 internet-marketing articles between 1992 and 2004, the scholars had found out that the literature about the topic is increasing at an increasing rate (Schibrowsky, Peltier and Nill, 2007:726).

The interest and the articles on internet marketing have been increasing especially beginning from 1996. Although designing a web site is enough for being available for customers all over the world, web sites are differentiated on the basis, whether they are doing this on intention or not. For distinguishing these web sites Yamin and Sinkovics (2006:341) made a classification as "default" and "active online internationalization" (AOI). AOI refers to the intended internationalization of the web site like localization for the target market in terms of design and the content; whereas default internalization is generally facilitated by SMEs by just operating a web site and making it available all over the world; as a result of its nature.

Although internet marketing had been discussed intensely, the international aspect of the phenomenon is still needs more attention, since the number of articles focusing on this dimension is relatively low (Singh et al., 2006:84;Thomas, 2008:85; Brashear et al., 2009:268). However some of the scholars had recognized this deficiency of information and several surveys on specific countries/cultures are held. Donthu and Garcia (1999) had identified the characteristics of typical U.S. internet shopper, whereas Pechtl (2003) had focused on Germany. Kolsaker, Lee-Kelley, and Pui (2004) had examined the internet shoppers of Hong Kong, on the other hand Mummalaneni and Meng (2009) had recently analyzed Chinese internet shoppers.

Some scholars had conducted several researches on Turkish online consumers' profile (Ergin and Akbay, 2008; Calik and Ersoy, 2008), but as far as we know, there is not any article focusing on the behavior of Turkish consumers' online behaviors on international arena.

B2C (Business to Consumer) e-commerce is very important from the international perspective because it offers individuals the opportunity of accessing the goods/services which are impossible to buy in the local markets. Especially after the invasion of World Wide Web in peoples' lives, the equilibrium of power between the corporations and customers had been readjusted in favor of customers (Kucuk and Krishnamurthy, 2007:47).

The factors that are motivating or negatively affecting the consumers to buy online at international web stores must be understood to help international marketers in terms of designing more effective international web sites that target foreign customers. Being aware that customers are performing a major role in marketing, finding out the factors that are essentially affecting the purchasing intentions and behaviors of Turkish consumers on international online environment is vital. Thus, the purpose of this research is to find out about the factors that prevent the consumers to engage in cross-border online shopping. Foreign companies trying to reach Turkish consumers will benefit a lot from these findings.

Research is composed of four chapters. First three chapters are formed for analyzing the literature on the e-commerce, cross-border e-commerce, and the factors preventing individuals to engage in cross-border online shopping. The fourth and the last chapter includes the field survey that is conducted to analyze the factors preventing the individuals to engage in cross-border online shopping,

Throughout the research the terms of international and cross border e-commerce are going to be used interchangeably, in order to mention about the nature of the transaction made in online environment.

CHAPTER ONE

THE CONCEPT OF E-COMMERCE

1.1.THE DEFINITION OF E-COMMERCE

The use of internet for commercial purposes gave rise to the existence of the e-commerce phenomenon.

OECD (2002) gives one broad, and one narrow definition for e-commerce. Broader definition says

“E-commerce is the sale or purchase of goods or services, whether between businesses, households, individuals, governments, and other public or private organisations, conducted over computer mediated networks (i.e. Internet applications, EDI, Minitel or interactive telephone systems). The goods and services are ordered over those networks, but the payment and the ultimate delivery of the good or service may be conducted on or off-line”

The narrower definition on the other hand includes only the usage of internet rather than the computer mediated networks.

In this study, e-commerce will be analyzed under the narrower view, and only internet transactions will be considered. Considering the fact that internet obtains a huge part in peoples' lives with a continuing increase day by day, people are taking internet based e-commerce seriously; which gives rise to skyrocketing sales of e-tailer companies derived mostly from internet sales (Altaş, 2010).

The evaluation of e-commerce started at the end of 1970s, when Baxter had initiated a primitive form of it by using a telephone-based modem. But e-commerce - combined with the use of internet- with the meaning we understand, had started in 1995, and its popularity had increased as a result of the unique advantages that the system offer, such as its availability, global reach etc. Moreover, different from the previous communication media, internet with its unique feature of mediated

interactivity brought an indispensable characteristic to marketing; so that the consumers can be an integral part of marketing activities by providing feedbacks to the firm, forming out their own groups/forums for the products etc. (Hoffmann and Novak, 1996:65).

The building blocks of e-commerce are defined as telecommunications and technology infrastructure, commercial infrastructure, social/cultural infrastructure and government/legal infrastructure (Javalgi and Ramsey, 2001:380). So any country considering adopting e-commerce must maintain a reasonable level of these infrastructures. Although telecommunications and technology infrastructure seems to be the most important one among others, if the country's commercial infrastructure (banks and other institutions) is inadequate to manage the transactions, e-commerce activities are subject to fail. Or assuming that the country has a conservative cultural elements, e-commerce activity can be perceived as risky and uncertain; so the culture may show resistance to it. Moreover, governmental policies and legal environment is expected to be favorable supporters for a sustainable e-commerce evolution; such as raising governmental policies supporting specific industries etc.

1.2.HISTORY OF E-COMMERCE

It has started from virtually zero in the second half of 90's, global e-commerce retail sales have been increasing at an increasing rate (Sellers, 1999). Unfortunately, an aggregate data pointing the global volume could not be obtained; but information from several economies is available.

US Department of Commerce revealed that the e-commerce volume had showed growth of 24.6% from 2004 to 2005 and reached \$83.3 bln (Moskalyuk, A. 2006). For the following years, increase in the growth rate of e-commerce is expected to increase but also at a decreasing rate. Forrester Research had forecasted a substantial decrease in growth of US e-commerce in following years. According to the research company, although actual amount of e-commerce had actualized as \$141.3 billion in 2008, the growth of B2C e-commerce is going to slow down and

2013 forecast is given as \$229.1 bln (Green, 2009). Probably, as a result of the financial meltdown of markets in US, 2009 e-commerce volume was actualized as \$129.797 billion, with a decrease of 8% with respect to the previous year of 2008 (Comscore, Press Release, 2010).

An OECD report gave the selected OECD countries' e-commerce profile up for the year 2001. US had ranked to be the first in terms of the transaction volume of B2C e-commerce, and reached a transaction volume of more than triple of the nearest country -Japan- (OECD, 2001, 4). Oxley and Yeung (2001:705) had already revealed that e-commerce is a North American concept, because of well established institutional environment needed for the development and daily life integration of the e-commerce. In North America including the countries of Canada, the United States, Greenland, Bermuda, and St. Pierre and Miquelon, US by itself characterizes the nature of the region, and with the marginal contribution of Canada, the region ranks to be the first in terms of e-commerce transaction volume.

Just before the today's e-tailers come to the stage that are using a system that utilizes online order opportunity; internet was just used as a brochureware, and the main purpose is directing the customers to the physical stores (Turban et al., 2002:86). Previously, people could just look up the products that they are interested, and search the relevant information about the product. But, day by day the technology has improved and began to provide people with the chance of searching, comparing and ordering products.

The real timeline for the e-commerce started in 1994; when one of the most important players entered into stage. Amazon.com, employing a completely online system, entered the market by selling books. It turned out to be the first widely known e-retailer globally; and books are used to be accepted as the first successful product categories that are sold via internet (Chakrabarti and Scholnick, 2002:89).

It was at the beginning of 2000s when DoS (Denial-of Service) attacks began and the trust of customers was shaken; at that year a Canadian teenager had

organized an attack to most popular web sites (such as Amazon.com, eBay.com) and succeeded to make these sites unavailable for the users for 30 minutes (Furnell, 2004:11). The trust of consumers was shaken deeply because they were just started to construct trust to this new and unusual way of shopping. Since e-commerce is unusual, it was very nature of it to be perceived as a dangerous way to buy something. It was started to be acquitted in the late 90s in the eyes of customers (Shih, Dedrick and Kreamer, 2005:57). The security and trust on the web have being questioned for a long time, and at the year 2003, it can be said that the customer trust was restored (LeClaire, 2005).

Today people are more willing to engage in e-commerce, they can easily buy goods and services online. Moreover, they are taking the advantage of buying online. Not being forced to get out of their houses/ offices etc. they can look up for the prices, compare products and order something for dinner. Moreover with the help of technologies offered, like 3G, they can connect via personal mobiles, and engage in e-commerce at their convenience.

1.3.TYPES OF E-COMMERCE

Different types of e-commerce can be defined depending on the nature of relationship between the buyer and the seller. The B2B (business to business) e-commerce refers to the online transactions among businesses, whereas B2C (business to consumer) transactions takes place between the organizations and the customers. Furthermore, other types of C2C and C2B can be named, but since they need the existence of a business intermediary (i.e. ebay.com) they can also be classified as B2C (Chaffey et al., 2003:13). Looking to the number of researches that are conducted on B2C e-commerce, one can easily say that, this is the most commonly discussed type among all.

Throughout the survey, the analysis and the results are going to be represented on B2C basis.

1.4. PAYMENT METHODS IN E-COMMERCE

Not necessarily in cross border orders, customers can use several ways for paying the goods and services that they have purchased online. The credit cards that are internationally available such as Visa or Master Card are the one of the most preferred way for cross border payments; furthermore the personal checks and international money orders are being used as well.

Other than credit cards, the systems like PayPal or bidpay, enables individuals to deposit some credit, and use it while shopping without any risk regarding to credit card information theft of fraud (PayPal, 2010a; BidPay, 2010). As a similar application to these systems, virtual credit cards are still offered by the banks in Turkey and can be used as a more secure method than the credit cards since the initial limit is “zero”; and customers can use them as they transfer some money to the cards.

Virtual cards are one of the payment methods, designed for increased monetary security of the user. The users can decide on the limit, usage period etc. and charge a specific amount to their virtual cards. As the card owner purchase something online, the limit decreases and eventually finishes; card becomes out of service until the card owner charges some money. In other words the card permits to spend the amount that the card owner identifies. The virtual card owner has to open the card limit just before the online purchase and close it as soon as the purchase is completed; so the monetary security is assured.

The problematic area of concern is that in cross-border online shopping (CBOS), while dealing with some countries with less developed economies or payment infrastructure, the sellers may have no other alternative than accepting weak currencies (Sheldon and Streider, 2002:26). One solution for this problem may be the usage of a standard currency, moreover most of the online stores offer the prices in terms of their home currencies; for instance if a customer wants to purchase

something from an amazon.com, he/she should make the payment in US\$. So this problem could be overcome.

1.5. PROS&CONS OF E-COMMERCE

The existence of internet and e-commerce contributed a lot to consumers in terms of power; so from the consumers' side it is most of the time more advantageous to engage in online shopping. The consumers had enhanced their power vis-à-vis retailers by the contribution of internet to their power sources of technologic, social, legal and economic (Kucuk and Krishnamurthy, 2007:48). To give a clearer look, internet had provided the customers with increased power in technology, for instance their ability to track the status of their order had emerged. Moreover, the customers are socially more powerful because they have easy reach to the consumer groups, forums etc. thus they are able to change others' views, to get organized and enjoy their increased social power. The increased legal power comes from the increasing opportunity to reach activists and/or governmental sources; whereas their economic power has also increased with zero searching and comparing cost.

Moreover, compared to other shopping forms, e-commerce has further advantages like having the wider selection of choices and being time saving (Koyuncu, Bhattacharya, 2004:242). People can easily access products and services all over the world at their own convenience; even they are in physically distant conditions. Furthermore people can transact businesses from anywhere and at anytime (Bingi, Mir and Khamalah, 2000:26). The person can easily search the alternatives that are existing all over the world from U.S. to Japan, for the product category that s/he searches for. Whereas, by traditional shopping, the boundaries are determined with the way, one can travel.

The phenomenon of disintermediation is also facilitated by the existence of e-commerce, since consumers can directly go and shop by themselves with no need of intermediation (Sarkar, Butler, Steinfield, 1998:216). With the previous means of

shopping, most of the time, the consumer was not able to buy directly from the producer, without the intermediation of middleman. But now, the final user can reach to the producer directly and take the advantage of lower prices, since there is no intermediary business between them.

On the other hand, the time period required for shipping and the difficulties experienced in case of unsatisfactory product/service or the return/refund process make up the negative side of e-commerce (Mastercard Worldwide, 2008:2). When people go to a traditional retailer, as they pay the product they can own, and take it to home immediately. Depending on the nature of relationship, in e-commerce, consumers may experience hard times in terms of reaching immediately the product/service they bought. The shipping time needed may show variance depending on where the customer is living. To overcome this negative effect, the seller may at least inform the customer about the date of shipment. Moreover, in case of receiving an unsatisfactory product, in traditional shopping, consumers can go directly to the retailer, and complain about the product and receive immediate feedback. On the other hand, the time needed for communicating complaint and waiting feedback from the seller is much longer while dealing with e-commerce.

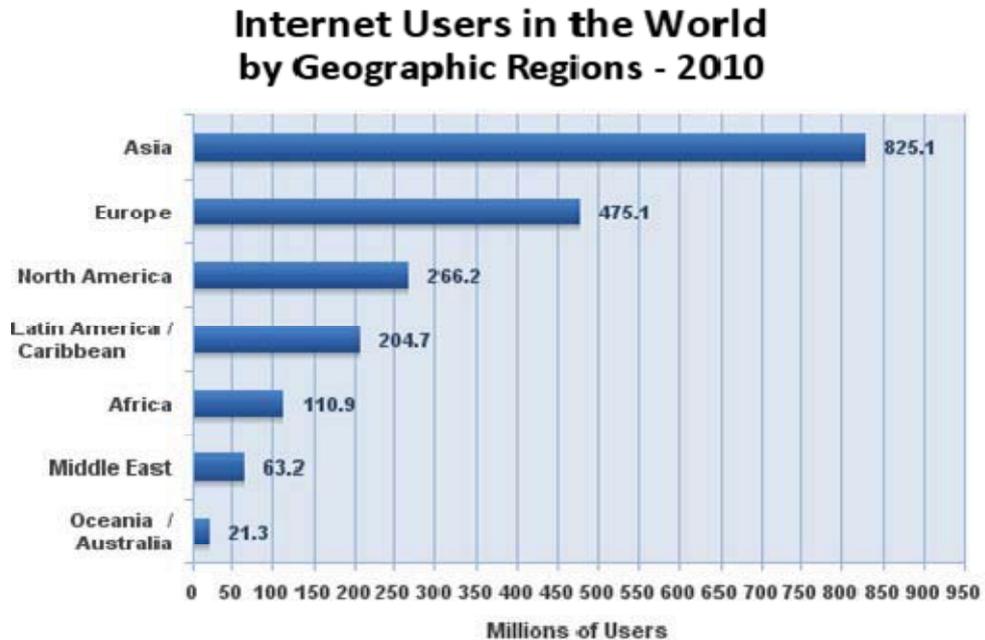
While looking the case from the international perspective, especially the technology offered by internet gives the customers the change to ignore the boundaries at the cultural and national level and provides the customers with the opportunity of international reach¹. However, some artificial barriers come to stage such as language, regulations etc. (Turban and King, 2003:487). Plus, the above mentioned disadvantages still exist.

¹ At this point the distinguishing between the terms global and international is needed. Eventhough these two words are being used interchangeably, they refer different meanings. It cannot be ignored that web is a global phenomenon, but constructing a “global web site” that addresses all the people, cultures, languages without any restriction or borders all over the world, is not an easy task. On the other hand, international content of web sites can be achieved with a more reasonable effort, and the use of an international language such as “English” can be given as an example for it. Using English as the website language helps a lot while addressing people from multiple regions such as England, USA, Canada etc. (Bean, 2003: 15-18).

1.6. E-COMMERCE PROFILE of THE WORLD AND TURKEY

In order to examine the internet and e-commerce profile of today properly, an overview of the global and local figures is needed. Below table, obtained from the internetworldstats.com at May the 17th, 2011 gives the number of internet users at the world. Asian part of the world obviously ranks at the first place, as a result of the huge population.

Graph 1: Internet Users in the World by Geographic Regions



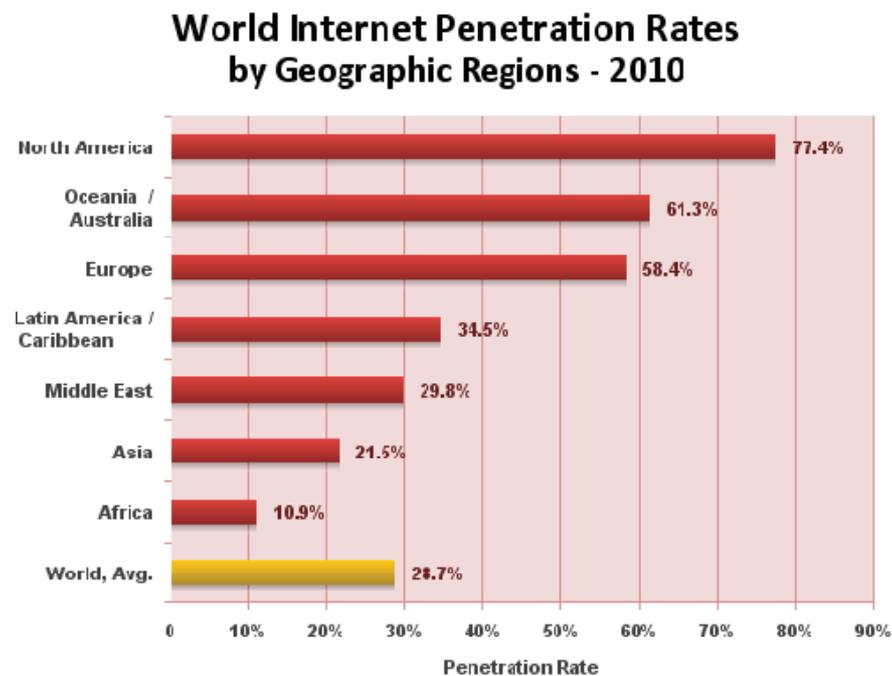
Source: www.internetworldstats.com/stats.htm (accessed at, May 17th, 2011)

The penetration rates give a clearer view on the point, since it gives the amount of people engaging internet as a percentage, and on a regional basis. Although U.S. was at the third rank in terms of internet users, it occupied the first rank at the penetration rates table. It may have several reasons, such as more reasonable internet access fees to higher access to personal computers due to higher economic welfare.

Asian region of the world had the highest number of internet users; however they are below the world average when the number of internet users is divided by population.

Europe seems to be above average with approximately 475 million internet users which constitutes more than half of the total population.

Graph 2: World Internet Penetration Rates by Geographic Regions



Source: www.internetworldstats.com/stats.htm (accessed at, May 17th, 2011)

Looking to B2C e-commerce figures at the same order, at the global perspective the percentage of individuals who had engaged in online shopping is 86%, and the most popular online purchases are noted as books, followed by Clothing/Accessories/Shoes, Airline Tickets and Electronic Equipment (Nielsen, 2010:3).

U.S. is the 9th in the global rank in terms of online shopping, with 94% of the total population had engaged in online shopping at least once (Nielsen, 2008:2). The

e-commerce volume of U.S. is expected to reach \$329 billion in 2010 (Donmez, 2006). But the share of e-commerce of U.S. in world e-commerce has been dropping rapidly, due to the increases in other countries' Internet technology adoption (Mann, 2002: 317).

Today, North America ranks to be the first in terms of world internet penetration rates, and e-commerce usage rates should have some association since there is a well established internet infrastructure that will give rise to e-commerce usage. Especially at the beginning of 2000's e-commerce was accepted as a North American phenomenon because of the well-established institutional environment of this region, which is essential for the integration of e-commerce in people's daily lives (Oxley and Yeung, 2001:705).

The time spent in internet and the online shopping frequency of the country are positively related but the power of the relationship may differ among countries; consequently, Park and Jun (2003:546) had noted that although Korean and American internet users internet usage amounts show differences; these consumers do not differ in terms of internet shopping experience or intention. Another interesting finding is that although 78.2 percent of the Korean population is clicking the e-commerce sites, only 28.3% of them are ending up with a purchase. (Nielsen/Net Ratings Press Release, 2002).

The report of Commission of European Communities (2009:5), stated that in EU nearly 1/3 of individuals engaged in e-commerce during 2008; three top selling product categories of "travel and holiday accommodation", "clothes and sports goods" and "books/magazines and e-learning material". Most heavy online purchasers are from the mature markets of U.K., Germany and the Nordic countries and the exact amount of e-commerce for England is declared to be €9,79 billion; and Germany follows it with €9,71 billion (Donmez,2006).

In a comparative research, it was found that compared to the U.S., the frequency of online shopping web site visits of Turkish people is significantly lower;

and Turkey ranks to be the last in terms of internet use compared to U.S. and Finland (Stafford, Turan and Raisinhani, 2004:82). However, recent data revealed that e-commerce transaction volume of Turkey had increased to 54.1 million in 2007, doubling the previous year (Business Monitor International, 2009:7). Moreover, Turkey also can be accepted as an important player in e-commerce activities with its annual increasing online population of 8% (Forrester Research, 2009).

Recent research results declared by Turkish Statistical Institute (Turkish Statistical Institute, 2010a), show that the university graduates are using internet with the highest percentage with respect to other educational back grounded individuals. Moreover, the internet is mostly being used for sending and receiving e-mail, which is followed by posting messages to chat sites, blogs, news groups or online discussion forums and use of instant messaging with the percentages of 72,8 and 64,2 respectively. Just 17,8% of people prefer e-commerce while shopping for personal use in Turkey; and the most popular product category is the airline tickets and hotel bookings for vacation with %27,5 (IPSOS, KMG, 2010). However, the global rate of individuals preferring e-commerce while shopping is 10%, that's below the Turkish rate (Nielsen, 2008:1). The 85% of the internet users in Turkey had never engaged in online shopping before, as of year 2010 (Turkish Statistical Institute, 2010b).

The top 10 web sites are listed as, facebook, Google.tr, google, youtube, windowlive, mynet.com, milliyet.com, hurriyet.com, sahibinden.com, and blogger as of May 2011; based on their visitor amount and page views (Alexa, 2011).

The research of Interbank Card Center (2009: 27) had stated that the age group between the 18-34 years old is using e-commerce with a percentage of 33%; which is the highest rate among all age groups. And the socio-economic status of individuals has also impact on the e-commerce preference. As the socio-economic status raises the e-commerce preference rate increases respectively.

The below table is obtained from the Interbank Card Center of Turkey, and gives exact volume of e-commerce in Turkey by years. The amounts include both the

domestic and cross-border shopping that is made by domestic credit cards (ICC, 2011a). As seen below, the online shopping amounts increased dramatically especially at the year 2007 with respect to the previous year; but the increase had slowed down in the year 2008 most probably due to the economic crisis that hit the customers budget that is allocated for online shopping.

Table 1 : E-Commerce Transaction Amount of Turkey (Use of credit cards in e-commerce)

YEARS	Transaction Amount (million TL)	% Change
2005	1.388,39	73,78
2006	2.412,68	129,50
2007	5.537,17	64,14
2008	9.088,68	13,04
2009	10.273,68	48,20
2010	15.225,1	73,78

Source: ICC, <http://www.bkm.com.tr/donemsel-bilgiler.aspx>, accessed at 2011-05-17

Looking the case from a wider perspective, Forrester Research had declared that the global online population will hit to 2.2 billion users as of 2013, and Turkey as an emerging market is going to be the main increasing part of Europe (Forrester Research, 2009). Of course, increasing internet users cannot be directly translated as increasing e-commerce volume; for instance only 49% of the internet users in U.S. are engaging with online shopping (Horrigan, 2008:3). But research evidence shows that by the help of the entry of 3G systems into the market; internet will be more available for most of the people; and this will give a rise to e-commerce volume as well (Chao, Samiee and Yip, 2003:484).

CHAPTER TWO

CROSS-BORDER E-COMMERCE AS A SUBSET OF E-COMMERCE

2.1. CROSS BORDER E-COMMERCE

The internet and international marketing relationship was questioned by scholars beginning from 1996 up today (Quelch and Klein, 1996; Hamill, 1997; White, 1997; Samiee, 1998; Yip, 2000; Moen, 2002; Eid and Trueman, 2002; Prashantham, 2003; Schibrowsky, Peltier and Nill, 2007; Thomas, 2008). Beginning from the very first studies, all of the scholars agree that internet will change the way of doing business internationally with its unusual offers. Quelch and Klein (1996) had analyzed the probable effects of internet on small and large scale companies; plus they have discussed the effects of the new medium on global markets and new product development. Hamill (1997) on the other hand, touched upon the concept in terms of the need for new international marketing paradigms. While White (1997:382) made a specific analysis of international online marketing of foods to US consumers, and identified the characteristics of a successful online food market; Samiee (1998) and Eid and Trueman (2002) mentioned the possible internet effects on the marketing mix of the product in international markets. Yip (2000) analyzed the joint effects of globalization and internet on international marketing and developed a framework for using internet as a supporter tool for developing businesses' global strategies. Additionally, Moen (2002) focused on the specific example of Norwegian small and medium sized enterprises and examined in which ways they use internet for expanding into global markets. Thomas (2008) wrote a detailed review on the international markets and internet relationship and highlighted the important findings such as the cultures' effects on international web site designs and the contributions of internet as an international marketing medium.

Throughout the research the terms of international and cross border e-commerce are going to be used interchangeably, in order to mention about the nature of the transaction made in online environment.

Although cross border e-commerce has similar subheadings like B2B, B2C, C2B and C2C; throughout the research, B2C cross border e-commerce will be the focus of interest. A view regarding to the difference of cross border B2B and B2C marketing is that, multinational B2B firms push e-commerce to their global related parties (suppliers, customers, intermediaries etc.); on the other hand customers pull e-commerce into the B2C market since they are continuously seeking for lower prices, better quality etc. (Gibbs, Kraemer and Dedrick, 2003: 5). So, cross border B2C e-commerce is more customer oriented, and the analysis are going to be held on consumer basis.

Before, starting to analyze the attitude of consumers towards cross border e-commerce, the phenomenon will be discussed in detail with its opportunities, negative effects etc. from the point of both the buyers and sellers.

2.2. DIFFERENT PERSPECTIVES OF CROSS BORDER E-COMMERCE

In this section, the different perspectives of cross-border e-commerce will be analyzed from the consumers' side, and businesses' side. From the viewpoint of consumers, cross-border e-commerce can be named as cross-border online shopping since they engage in the transaction for individual buying.

2.2.1. Consumers' Side

Cross border e-commerce (or cross-border online online shopping) provides people with lots of advantages. The first and most important advantage is the removal of physical barriers via internet, so people can reach the products that are available on internet; even if the products are not available locally. Moreover, some people are especially keen on unique products, and they try hard to get the products which are not owned by anyone else (Nam, 2008:14). These may be the products which are customized, rare, or no longer manufactured, and again locally unavailable. People can reach the products and services that they would not, if cross border internet shopping did not emerge.

Additionally, people can take the advantage of competitive prices all over the world, and search for the most reasonable price of the product they want. If the product they want is available online, in any place over the world, consumers will be motivated to engage in cross-border online shopping and buy the product.

Also, engaging in cross border e-commerce may be perceived as belonging to a higher status. Because buying online internationally is relatively a new phenomenon for consumers, and may be associated with a luxury. So if consumers are giving importance to what others perceive about themselves, they may engage in cross border online buying.

People, who are not satisfied with the local e-tailers, may opt to shift to international e-tailers; and if they are choosing cross border shopping for economic reasons such as more compatible prices, they feel no hesitation because of nationalistic reasons (Piron, 2002:208). This view also can be some association with the cultural dimensions the nation. In collectivist cultures, individual benefits are below the society's benefits, but for individualistic cultures individual benefits are above the others'. So, Piron's (2002) view can support the individualistic view, since the individual benefit of "lower price" outweigh the importance of collectivistic benefit of "nationalism".

2.2.2. Businesses' Side

Globalization, together with the effect of internet creates a synergy, and creates a huge environmental change both from the point of suppliers and customers (Yip, 2000:2). From the suppliers' side, knowing that the change in customer needs and tastes as a result of globalization and internet effects exists, businesses should take the overall transformation into consideration and take action.

Again, from the business side, the cost of cross-border internet marketing and e-commerce is relatively lower than other marketing platforms. Conducting business across the borders and through internet is less costly when compared to other

business forms such as hiring sales people or contracting with distributors/intermediaries (Watson et al., 2002:334; Eid and Truman, 2002:57; Luo, Zhao and Du, 2005:696). And by the way the businesses can enhance the reach as well (Sheth and Sharma, 2005:612). The advantages of enhanced reach can be enjoyed both in domestic and in international markets, but the relative value added will be higher in international markets, since the cost of doing business is higher without using internet.

With the help of the medium, the businesses can take the advantage of new markets, information about new markets, and it removes traditional geographic boundaries so that virtually anyone can access a Web page from anywhere in the world at any time. Moreover, increase in consumer awareness at international scale, increased knowledge of other markets –besides the fact of virtuality trap (Yamin and Sinkovics, 2006: 340)-, and decreased costs of communication can be achieved.

Yip (2000:2) identified several effects of internet regarding to the market structure, cost structure, competition and governmental barriers. Global commonality of needs especially increase the effect of internet on the industry; (i.e. if the needs and expectations of the customers show common characteristics globally such as in the electronics industry; the need and effect for internet will be higher.). Moreover the internet also have inevitable effects on the marketing mix of the companies; the product, price, promotion and distribution of the companies are mostly effected by the intervention of internet (Eid and Truman, 2002:59).

The challenging characteristics of internet/getting connected were analyzed; and it was found that the vast majority of the SMEs do not get connected due to lack of knowledge about internet; and the other barriers to get connected had been listed as: costs, lack of manpower, lack of time and perceived risks (Hamill and Gregory, 1997:19). Lack of knowledge may not be vital for larger and more institutional companies, since they opt to have/hire professionals for their internet connections. By the way, they can have a professional set up and management of their web pages. From the sellers' side, "virtuality trap" can also be considered as an important

challenge of e-commerce which is relatively difficult to cope with. As Yamin and Sinkovics (2006) mention in their research, firms are falling into a “virtuality trap” by being so close to the individuals but so far from the markets; bringing about the danger of having inadequate information about the market that they are serving.

It was forbidden to sell and buy liquor products and software cross-border in 1996 (Quelch and Klein, 1996:61). But the researchers were suggesting the change of law as the time passes. As of today, the imports of some goods are prohibited - narcotic or hallucinogenic drugs, some agricultural products, measuring instruments, fake labels and packaging materials, antiques etc.- and some of them are restricted due to provision from relevant ministries (Republic of Turkey, Prime Ministry Undersecretariat of Customs, 2010), so the cross border sales of these items are forbidden, and these products cannot be ordered through internet as well.

Independent from the origin, the perceived usefulness and perceived ease of use of the web site is essential for the consumers in order to construct purchase intention; in other words, if the consumers perceive the web site as useful and easy to use; they are more likely to purchase something from there (Singh et al., 2006:94). This poses another challenge for the businesses; the businesses should better facilitate a useful and user-friendly web design to make their business more welcoming and to motivate the customers to buy something.

Although cross border e-commerce is providing both of the parties with indispensable advantages, it has several challenges for sellers and the buyers.

Bingi, Mir and Khamalah (2000), had identified several challenges facing the global e-commerce. Those were summarized as, social, economic, technical and legal. Social challenges are comprised of privacy/ security, cultural diversity, trust and absence of touch and feel. The listed factors are mostly considered as e-commerce’s challenges, and are expected to rise with the adoption of cross-border online shopping. Specifically the cultural diversity is added as a new factor and tries to explain the challenging side of cross-border online shopping, resulted from

engaging with different cultures all over the world. The economic factors, which are comprised of cost justification-standing for the increased cost of forming a global e-commerce facility addressing the customers all over the world-, internet access, telecom infrastructure and skill shortage, poses an important area for challenges. Lastly, security, reliability and taxation, regulations etc. make up the technical and legal challenges respectively.

Harrison-Walker (2002) on the other hand, had figured out different barriers for cross border e-commerce by analyzing and examining several researches. The identified barriers were examined under 5 subheadings, mainly demographic/socio cultural, financial, infrastructural, political and legal. The demographic and socio cultural barriers were related with the society structure and expected to have important impact on the formation of cross border e-commerce. Financial barriers are related with the financial structure of the country that the firm intends to enter; such as banking and financial institutions. Infrastructural barriers are the barriers which are related with the technical issues such as connection, internet speed etc. And lastly, the political and legal barriers are associated with the laws and regulations. Any company, intending to enter a country with its cross border e-commerce applications, should better consider that barriers and take action in order to decrease the negative effects.

The legal aspect of the phenomenon also has a vital dimension; the regulations in U.S are calling for strict and very strong security technologies. On the other hand in the cross-border e-commerce uniform laws or regulations regarding to the security issues do not exist (Yenisey, Ozok and Salvendy, 2005:260). Moreover, especially in the transition economies, the legal environment is subject to change continuously due to the new regulations; which gives a rise to the ambiguity about the issue (Zugelder, Flaherty and Johnson, 2000:255). The legal environment of Turkey will be discussed in detail in following parts.

Xu et al. (2002:126) stated that the one of the most important concerns regarding the international e-commerce is logistics. The logistical challenges has

several subheadings which are exchange rates, tariff and non-tariff trade barriers, infrastructural challenges associated with transportation and internet, warehousing and cost uncertainty. Those challenges are related with the supply part of the cross border e-commerce, and must be taken into consideration to maximize the benefits of engaging into such a commercial activity.

Sheth and Sharma (2005:618) had conducted a research and classified the countries with respect to their infrastructure development and marketing institutional development. These countries are analyzed for the potential and probable problems related to international e-commerce. The companies are suggested various alternatives to maximize the benefits from international e-commerce in different countries. From the point of the research, Turkey may be classified as a country that has low infrastructure development and high performance at marketing institutional development. Taking these facts into consideration, the foreign company that are planning to address Turkish consumers should better administer the buying groups strategy that calls for the use of individuals to promote the product/service to potential customers plus the company should offer alternative infrastructure strategies.

2.3. CROSS BORDER E-COMMERCE IN TURKEY

The characteristics and different dimensions of internet commerce had been analyzed by many scholars up to now, but the articles tapping on the “cross-border” dimension of the concept are still not enough, although internet is a global phenomenon and thus cross-border commerce can be conducted via the medium.

The removal of geographical boundaries by internet provides consumers with the advantage of reaching any information or any product/service available on the web at anytime from anywhere on the world. Moreover the internet is advantageous for the businesses that want to overcome the physical barriers so to expand their land of access. But this brings the fact of culture effect, which is the most important factor that is affecting cross border e-commerce in either form (B2B or B2C) (Samiee,

1998:18). Adapting the business into the cultural features of the country that the business wants to serve is very important on the way to reach effective relationships with customers. Moreover, the value that the internet adds on the cross border e-commerce depends on the adequacy and effectiveness of the distribution channels in the country. Quelch and Klein suggested that (1996:62), in emerging markets, the distribution channels are expected to be less effective, less developed or less direct. Being accepted as an emerging market, Turkey is expected to be offered special opportunities by the internet.

During the research, any report or information regarding to global cross-border e-commerce volume could not be reached; but the EU data could be obtained from a recent report (Commission of the European Communities, 2009b:6). The report clarifies that the gap between domestic and cross-border e-commerce is widening; while the percentage of EU consumers engaged in online e-commerce increased from 27% to 33% between the years 2006 and 2008; the percentage for cross-border e-commerce remained stable with 6% within the same period.

On the other hand in Turkey, the cross-border e-commerce volume was obtained from Interbank Card Center's web site (ICC, 2011b). According to the data given, it seems that the increasing trend for cross border e-commerce continued with various percentage changes. For the year 2009, the transaction amount had also increased but the increase in terms of percentage was at minimum. 2010 was the year for a skyrocketing value for cross-border e-commerce, in which the transaction amount has increased more than doubled in comparison to the previous year.

Table 2 : Cross-Border Shopping Volume of Turkish Consumers (Use of credit cards in cross-border e-commerce)

YEARS	Transaction Amount (million TL)	% Change
2005	85,74	
2006	166,02	93,63
2007	229,64	38,32
2008	387,39	68,69
2009	494,69	27,70
2010	1.022,33	106,66

Source:ICC, 2011b

The changes and new possibilities that internet brought to the marketing in international arena is discussed by Quelch and Klein (1996: 66), and several possibilities are suggested regarding to the overall business life. They had argued that the standardization of prices across borders will take place, because of the increased awareness of customers through surfing in the internet. Moreover, the offers of the international intermediaries are subject to change, since there is no need for them as a result of direct connection between the end users-sellers provided by internet. And the firms will use internet for getting feedbacks internationally, which will lower the market research costs at that markets. Conducting the international marketing processes through internet contributes to the performance of the company from many aspects ranging from profitability to customer awareness; but the latter enjoyed the greatest positive effect when compared to profitability, market share and sales (Yip and Dempster, 2005:9). These effects are expected to increase the volume of

individual transactions in the internet, and Turkish consumers are expected to increase their amounts of cross-border online shopping as the time passes.

2.4. THE CONSIDERATIONS WHILE GOING INTERNATIONAL ONLINE

Going international on the online environment is not an easy task; and the company that is planning to sell products/services to another country should consider several factors such as e-readiness of the country of entry, language, culture, government regulations, tax laws, etc. (Stafford, Turan and Raisinhani, 2004:84). From the sellers' side, it has many advantages like the reach to huge potential customers, however, in order to reach that potential and benefit from it effectively above factors must be taken into consideration and analyzed properly.

2.4.1. E-Readiness of the Country of Entry

E-readiness can be analyzed under the subheadings of internet penetration, the number of secure servers available in a country, and the total amount of investment made in information technology (Shih, Dedrick and Kreamer, 2005:59). The e-readiness of the country that the company plans to enter is really important since the potential is identified by the e-readiness level. But the existence of a strong institutional environment; which means that there's a strong rule of law and credible payment methods should also be considered as well, while analyzing the e-commerce readiness, because these factors had been found to be the important predictors of emergence and development of e-commerce in a particular country (Oxley and Yeung, 2001:709). Rule of law is defined as: "the institutional environment that establishes the basis for economic investment, production, and exchange" (Shih, Dedrick and Kreamer, 2005:58). The definition gives a clear understanding of it, since the firms can benefit from the advantages of law and can operate in a stable environment.

2.4.2. Culture

Culture has an important influence on consumer behavior. Marketing professionals need to understand the effects of buyer's culture on his/her behavior to serve more effectively. Culture is "the set of basic values, perceptions, wants, and behaviors learned by the member of a society from family and other important institutions" (Kotler and Armstrong, 2007: 131). Moreover it is the most essential cause of a person's wants and behavior and cultural influences on consumer behavior may show great variance from country to country.

Serving different nations is very nature of online marketing. Once one establishes an online store, it is added to World Wide Web pool and becomes available for everyone who has internet access. From this point of view, the cultural differences become more important if the online store is targeting the customers from different cultures.

The cultures of the countries affect the effective web site configurations for each culture. Singh and Matsuo (2004:869) had compared Japan and U.S. web sites and noted that since these two countries are representing two extremes in all of the culture dimensions (higher masculinity, higher power distance, higher collectivism and higher uncertainty avoidance index for Japan); they have significant differences in terms of their local web site designs.

Tsikriktsis (2002:109) found out that the host country's culture dimensions (particularly the masculinity and the long-term orientation) do affect the expectations regarding the quality of web site (i.e. the cultures scoring higher in masculinity are having higher expectations regarding the interactivity of the web site.). Turkey found to be relatively feminine with the score of 45 (ITIM International, 2010a) regarding to this dimension; so the quality expectations may be relatively low. On the other hand; the time orientation score for Turkey is not identified in Hofstede study; so any particular suggestion cannot be made regarding to this dimension.

The cultural characteristics that give rise the fast adaptation of e-commerce are identified as low uncertainty avoidance index, high femininity and high individualism index; but power distance characteristics of the country were not found to have significant effects. The countries that have these cultural characteristics are expected to have higher e-commerce diffusion over geographical borders and boundaries (Yap et al., 2006:26). Turkey's scores on these dimensions do not fit with the above identified criteria (Individualism-37, Masculinity-45, and Uncertainty Avoidance-85 (ITIM International, 2010b). So it is expected for Turkey to have low diffusion of e-commerce over cross-borders and boundaries.

Moreover the cultural dimension of collectivism has something to say on e-commerce. Korean (collectivist) consumers are found to perceive higher risk than their American (individualistic) counterparts; however this does not prevent them from buying online (Park and Jun 2003:547). And this may be explained with the "cushion hypothesis", which says that collectivistic cultures may perceive risks; but are less risk-averse since they are confident that their family, friends, relatives etc. are going to support them in case of any failure (Hsee and Weber, 1999:172).

Moreover, Eastern Asians are more collectivistic and tend to have a holistic view of world, whereas the western Asians are found to be more individualistic and adopting analytical thinking. As a result of their cultural characteristics below results had occurred regarding to their online shopping behavior. Product components or contents are more important for western Asians, whereas price, guarantee, performance, quality, security, privacy policy and return policy are more important for Eastern Asians. Moreover Eastern Asians, as a result of having higher power distance see research organizations as more credible and depending on their views more, when compared to Western Asians (Liao, Proctor and Salvendy, 2008:56-58).

The research that is conducted by Davis, Wang and Lindridge (2008) clearly shows that cultural differences do affect how customers respond to online store atmospherics. The existence of low task cues in an online store (the cues which are not directly related with the completion of online buying process such as animation

background color etc.), affect the arousal of the collectivistic cultures (China) and this arousal affects the pleasure of the individuals and thus their approach to the online store(Davis, Wang and Lindridge, 2008:811). So increasing the arousal-which will increase the pleasure and thus the approach-, should be the primary concern for the e-tailers while designing a web site which is going to be used by a collectivistic culture. Moreover collectivistic cultures are evaluating the low task cues as more helpful when compared to their individualistic counterparts (Davis, Wang and Lindridge, 2008:811); and those cues are expected to increase Turkish customers' approach to the site, since Turkey is accepted as a collectivistic culture by Hofstede (Hofstede, 1994:54).

Not only cultural characteristics but also the socio-economic factors, which are identified as high welfare, the lack of government intervention (the existence of economic freedom), higher credit/credit card usage, and the higher education levels of individuals, are found to be stimulating factors of cross border e-commerce diffusion(Yap et al.; 2006:26). From this point Turkey again seems to be a poor candidate for the international expansion of online buying.

While preparing to go international in online environment, establishment of an international web site for the reach of international customers is an important debate. Standardization and localization discussion again occurs here, as in the traditional marketing. Localized web sites are found to be more effective, in terms of serving the international customers better (Singh, Zhao and Hu, 2003:75). The items that should be considered while preparing a web site for international markets are analyzed in the following part.

To date researches had found out that the cultural adaptation of web sites works well in terms of increasing the usability of the web site, more favorable attitudes towards the web site and increased effectiveness (Singh, Zhao and Hu, 2003; Davis, Wang and Lindridge , 2008). Of course some research had been conducted, but there are still some missing points for the characteristics of culturally compatible web site design (Krishnamurthy and Singh; 2005:607).

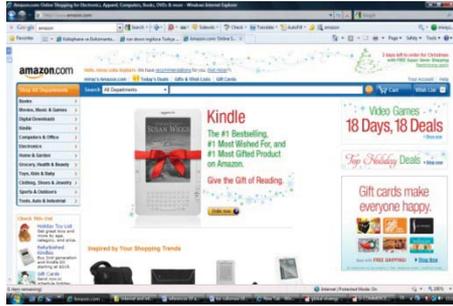
Another research had found some evidence both for the converging and diverging characteristics of national portals of the countries. For instance, since Yahoo! has an internationally accepted view, the national portals of the countries have some appearance characteristics similar to Yahoo!, but on the other hand they also have some culturally relevant cues, (ie. marriage ads are popular in Indian portals, since the country's culture is calling for marriage; on the other hand dating web site ads are more popular in Western cultures' portals.) (Zahir, Dobbing and Hunter, 2002:219).

The main differences in culturally adapted web sites occur in information content and creative strategies. One of the researches examined Japanese multinational companies' web sites in Japan, U.S. and Spain. They have found that; although these countries do differ in cultural terms, Japanese MNCs online product presentations do not reflect target market values. However, the information content and the creative strategies used in the country web sites were different depending on the cultural characteristics (Okazaki, 2004:90).

The number of localized web sites that firms offer increase as the time passes. In the year 1998, Amazon.com had only two local web sites, other than the original web page (Yip, 2000:7). But as of 2009, the company had 6 more non-U.S. web sites, which are serving to the locals of Canada, China, France, Germany, Japan and United Kingdom. As understood from the case, even the same language countries require different web pages, tailored for the country specific use.

Localization of web sites has different meanings for different web sites; in other word the level of localization varies among different companies. For the amazon.com's local web sites; the home page for different countries differ, but the style of each local web site matches, with the blue ribbon on top and the products offer list supported with visual images.

US



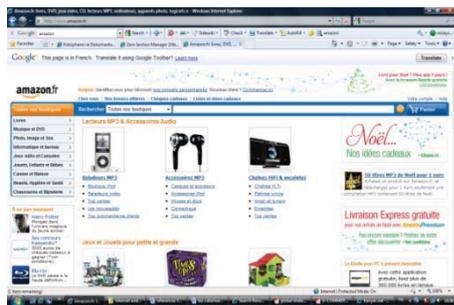
Canada



UK



France



China



Japan



Germany



On the other hand, MTV offers completely different designs for its local web pages.

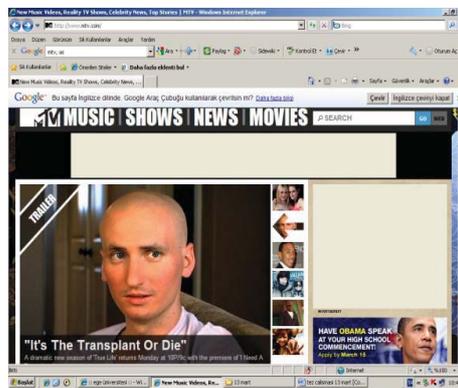
Turkey



UK



US



France



Asia



Germany



While localizing the web site, factors regarding the appearance of web site should be taken into consideration such as time and date formats, units of measurements, addresses and phone numbers, layout and orientation of web pages, icons and symbols, language and rhetorical style, dialects, colors, and aesthetics (Singh, Furrer and Ostinelli, 2004: 81). In another research conducted by Cyr and

Trevor-Smith (2004:1203), web site design elements are listed to be, language, layout, content, structure, navigation, multimedia and color. Different cultures found to have different preferences regarding to these characteristics.

For instance, the removal or modification of colors, images etc. may be crucial in order to prevent the local people act in an offensive manner to the web site or the foreign company. Some colors may imply unfavorable meanings in some cultures, or some images may translate into completely different meanings than intended.

The language element of culture is also important in the localization of web site, and MNCs may opt to translate their local web sites into other country's language to localize their web sites. But, translation of the words does not perfectly localize the web site. The foreign company should better have someone, who knows about the local culture and the local language; so the marketing efforts and the web site of the company will reach the targeted results, and the communication problems will be prevented.

Using some hyperlinks in the main page of the MNC, that will direct the international customers to the relevant pages will be effective for addressing all the customers properly (Luna, Perrachio and de Juan, 2002:399). So the cultural content of the web sites can be differentiated in a more organized manner.

Some country specific researches, exist in the literature and give clues about these countries' culturally adapted web sites (Singh, Kumar and Baack, 2005; Singh, Zhao and Hu, 2005; Sinkovics, Yamin and Hossinger; 2007). One of the most important findings of these researches is that, adapting a foreign web site according to the characteristics of a specific region is not enough; because even in a region there may be different cultural characteristics, values etc. For instance, the local web sites of Japan, India, China are analyzed and it was found that the contents differ from each other, although all of these belong to the eastern part of the world and U.S. reflect the cultural values of the countries and moreover they are significantly

different from each other. From this aspect designing web sites for large geographic regions like Asia-Pacific or Middle East seems to be less effective than tailoring the web sites country by country (Singh, Zhao and Hu, 2005:141).

Today, MNCs consider adapting their websites, since localization is a widely accepted phenomenon in online environment. In a research analyzing the German MNCs web sites, it was found that the local and international (US, UK and Latin American) websites of the MNCs do differ in terms of cultural aspects (Sinkovics, Yamin and Hossinger; 2007: 229). Moreover the U.S. MNCs local web sites of Japan, India and China differ from each other (Singh, Zhao and Hu, 2005:138). However, although U.S. is a leading nation in terms of institutional environment helping for the rise of online shopping, and has the leading companies managing the online B2C shopping, U.S. companies have a lot of way to go on the adaptation of their international web sites (Singh, Kumar and Baack, 2005:82).

2.4.3. Government Regulations

The companies trying to go international in online environment have to consider the governmental regulations of the prospective countries; and plan their actions in accordance with these governmental regulations. Regarding to the internet, it is being known that all of the governments are trying to regulate this new area of concern; existing laws are being applied to internet environment and international agreements arisen for regulating the internet behavior (Svantesson, 2006: 361). Besides, cross border e-commerce is arising as a growing concern since the joint effects of internet and globalization encourages the rise (Yip, 2000:2). And as the emphasis on cross-border trade increases, other governments' regulations' deserve an increased amount of attention from the sellers.

2.4.3.1. Explicit Regulations

In cross-border online shopping, the order of the goods are placed through the internet, however the flow takes place physically from one country to another. The taxation process is very naturally is complex, and most of the governments - excluding the authoritarian regimes- are not actively engaged in monitoring Internet traffic, so it is most of the time impossible to track or tax services delivered over the Internet (Yip and Dempster, 2005:4). In another research, the procedures regarding the traditional commerce, electronic commerce and cross-border e-commerce are compared and the taxation procedures regarding to the cross- border transactions, quotas and tariffs are found to be distinctively complex among all (Xu, Wilkinson and Brouthers, 2002: 125).

Especially VAT rates and thresholds vary depending on the country of the customer; and this imposes a major challenge for the businesses. The sellers have to pay VAT rates of their own country if their sales to a customer do not exceed a certain threshold. Otherwise, over the threshold, traders must inform the tax authorities in the country of customer, that they have exceeded the threshold, and then pay the relevant rate in that country. Plus, it can be cumbersome for them to deal with several tax authorities and this may be the main reason for small retailers not to sell abroad (Commission of the European Communities, 2009b: 69). In addition to the difficulties that are faced while engaging in cross-border selling the firms generally have to face the burdensome effects of calculating national and subnational taxes and the cross-border payment taxes and VAT and very naturally this causes the hesitation of the specifically the smaller sellers (Xu, Wilkinson and Brouthers, 2002: 124).

2.4.3.2. Implicit Regulations

Not only the explicit regulations of the country, but also the implicit ones have some effect on the sellers' decision of whether to enter that country or not. Explicit regulations include tariffs, quotas, local content laws, embargoes, etc. On the other hand, the implicit regulations such as inspection laws can constitute a serious

barrier for the firms, since the entry of the products can be prevented or delayed (Xu, Wilkinson and Brouthers, 2002:126). Cross-border online selling thus, needs the serious examination of the governmental regulations prior to the entry to the country of interest.

2.4.4. Logistics

Logistics is an important issue to deal with if the businesses are considering going international in an online environment. Especially for smaller companies, the internet provides a lot of advantages on the way to reach global markets, but it is not without its costs; the businesses have to deal with 24-hour order taking, have to have some knowledge regarding the regulations of the country of interest and are having the necessity of employing multilingual staff (Prashantham, 2003:413). Being able to meet the requirements of cross-border logistics has such difficulties that may force the smaller sized businesses to have hard times.

Moreover the businesses have to manage the logistics of the distance contracts so professionally that the customers' satisfaction level will be enhanced. Especially the perishable goods, that are requiring the fast moving through countries need a special attention and the business has to assure that they can cope with distance contracts' logistics, before getting into the process of cross border selling.

According to Xu, Wilkinson and Brouthers, (2002: 126), trade barriers (both tariff and non tariff)/exchange rates, infrastructural problems and inadequate warehousing standards in many other countries, and outdated information technology of the country of interest and finally the cost uncertainty constitute the major challenges for the businesses considering to sell across borders online. And these problems need to be handled adequately for proper inventory management and timely delivery which are the key logistical concepts for enhancing customer loyalty and cost control. Moreover, staying sensitive, innovative and flexible for keeping up with the changing customer needs is crucial for businesses on the way to a successful logistics system.

2.4.5. Payment Terms

The payment preferences of the consumers of country of interest is crucial for the businesses and must be considered and analyzed well before entering into a new market for cross-border selling. For instance, research conducted by PayPal - an online service firm, that allows members to send money without sharing financial information- reveals that the online payment preferences change depending on the cultural differences and banking structure of the country; for instance Germans prefer direct debit or bank transfers for making their online payments, whereas the Japanese prefer cash on delivery (PayPal, 2010b: 2).

Table 3 Varieties of Card-Based Payment

General purpose credit/debit bank cards	Visa, MasterCard
General purpose credit/ debit non-bank cards	American Express, JCB
Regional credit/debit payment cards	Carte Bleue (France), Discover (USA)
Local PIN-based payment cards	Dankort (Denmark), Laser (Ireland)
Global PIN-based payment cards	Maestro (Europe)
Domestic private label payment cards	Carte Aurore (France)
Single-merchant private label payment cards	Macy's, Harrods

Source: PayPal, 2010b: 2

Various alternatives regarding to the online payment preferences are given in above table and the businesses must be aware which of the payment methods are mostly preferred by their target market and should focus on introducing compatible systems online.

The payment options that are offered by the seller must be available in the customers' country in order to enable the customer to complete the cross-border

transaction, since most of the consumers cannot complete their cross-border transactions online, since many payment options were not readily available for cross-border transactions (Commission of the European Communities, 2009a: 5).

Regarding to the payment terms, in international markets some price changes may be held based on the customers from different markets. Since the IP address of the customer is sent to the server, instant customization of prices can be facilitated, in order to increase the efficiency of the market, but such kind of discrimination may create disturbance among customers (Quelch and Klein, 1996:66). So, it is vital to compare the benefits and risks, and the businesses should be very careful about keeping things in balance. In other words, disturbance created among customers because of price discrimination may affect the business in a negative manner, and the intended benefit of price discrimination cannot reach at its aim.

CHAPTER THREE

FACTORS PREVENTING CONSUMERS TO ENGAGE IN CROSS-BORDER ONLINE SHOPPING

Shopping in online environment seems to be a relatively new concept for Turkish people, and relevant data shows that 85 % of the internet users in Turkey had never engaged in online shopping, as of year 2010 (Turkish Statistical Institute, 2010b). However, it seems understandable when compared with the global data, since the global rate of individuals preferring e-commerce while shopping is 10%, which is below the Turkish rate (Nielsen, 2008:1).

Although there are plenty of articles investigating the adoption of e-commerce of individuals; the international side of the phenomenon, and the factors preventing individuals to shop online internationally had not been analyzed deeply (Singh et al., 2006:84; Thomas, 2008:85; Brashear et al., 2009:268). Although cross-border online shopping provides people with lots of advantages, ranging from reaching locally unavailable products to competitive prices from all over the world, individuals keep the distance in between and do not prefer cross-border online shopping. Besides the factors that may cause hesitation in local online shopping, there may be others like the language, culture, nationalistic views etc. Below each of the probable factors will be discussed in detail.

3.1. CULTURE

The culture will be analyzed in three main subheadings which mainly analyze the differences in tastes and preferences, languages and trust, reliability and security concerns.

3.1.1. Differences in Tastes and Preferences

Individuals from different nations all over the world that are belonging to different cultures do have different habits, tastes and preferences (Mooij, 2004:5). So

the companies that are targeting customers in a specific country should be aware of that country's local culture in other words the tastes and preferences of the customers.

The differences in tastes and preferences may affect the consumers' willingness to buy online on cross-border, and the gap between the seller and the customer's culture, that gives rise to differences between the tastes and preferences, is expected as a limiting factor for the individual's cross-border online shopping.

3.1.2. Differences in Language

Language differences are identified as the major inhibitors for cross border e-commerce (Gibbs, Kraemer and Dedrick, 2003: 15). If the web site is not constructed in the consumer's local language, the hesitation of the consumer is understandable, since he/she cannot be sure about the terms and conditions of selling. Moreover, consumers are also uncertain about what their rights are and about the actions that they can take in case of a problem, especially if it comes to resolving a complaint with a foreign trader (Commission of the European Communities, 2009a: 2).

Furthermore, some communication problems are expected to be experienced by the customers sourcing from the foreign language used in the web site; and these probable communication problems may affect the consumers negatively on the way to make any cross-border purchases. The probability of difficulties in some issues, such as the difficulties in experiencing guarantee rights, the difficulties in taking after sales services, the difficulties in returning goods, the difficulties in communicating following complaints or the difficulties in solving possible problems with the trader may inhibit the consumer to conduct cross-border online purchases.

Tiessen (2004:187) argued that one of the most important challenges for a MNC is to develop its multilingual competence, because serving a nation in its own language is very important especially for the final customers. The final consumers are likely to give up their purchasing, if the web site is in a foreign language; but not

only the translation, also the quality of it matters; translation should be better done by a native resident of the host country (Nantel and Glaser, 2008:120). This will help to prevent the communication problems, since the native resident is also has more knowledge about the cultural characteristics of the country. If the translation or preparing multiple language derivatives of the website is found to be unfeasible by the businesses, some graphics can be used to support the site and decode the language (Luna, Perrachio and de Juan, 2002:408).

And the language mostly matters when the information given is evaluated as important by the consumers, otherwise not a significant difference occurs between the native or foreign language (Nantel and Glaser, 2008:118). The important information such as technical features, price, and shipping and payment terms must be identified by the company, and the explanations on these must be much more understandable, which will decrease the level of nervousness.

3.1.3. Differences in Trustworthiness, Reliability and Security Concerns

In this part, the differences in trustworthiness, reliability and security concerns of consumers are analyzed as functions of culture.

3.1.3.1. Trust and Trustworthiness

Increasing trust in the global e-commerce is an important issue, because if the ways of increasing consumer trust are found out, the use of internet technology at the business level will be increased, so will the pace of economic development (Aljifri, Pons and Collins, 2003:136).

Since trust is more important when the risk and uncertainty occurs; the phenomenon is significantly important in the risky and uncertain environment of e-commerce (Lee and Turban, 2001:77).The trust concern for e-commerce is more important to the consumers, when compared to traditional commerce because of the nature the relationship. Dealing with commerce is already a risky job, and at the

consumer level it gets riskier in online environment due to below listed reasons: both of the parties may be unknown to each other, it is impossible to have any control on data flow during transaction; giving rise to use of internet as a catalog rather than an ordering media, the physical location of one of the parties may be different and because of this reason; they may be subject to different laws (Furnell and Karweni, 1999:373).

Plus on the cross-border level, the uncertainty and the risk are expected to increase more, since the seller/country is unfamiliar to the consumer. The cross-border traders are rarely well-known by the consumer, which means that the consumers are less likely to be aware of the traders' reputation or credibility. So the customers' perception of trader, which is essential in the establishment of trust based relationship between the seller and the buyer, will be rather weak, constituting a preventing factor in cross-border shopping. The customers are expected to have several question marks in their minds ranging from the possibility non-delivery to online fraud. In such a risky environment, taking the risk of dealing with a foreign seller may not be worthwhile for the consumers, unless the prices are dramatically competitive in that seller or the seller is the unique seller of the product. The trust to the seller is a matter of the trustworthiness of the seller, and since the seller is usually unfamiliar to the customer in cross-border e-commerce, the it is very expected from the consumers to feel unsure about the level of protection that s/he is going to enjoy or whether the seller is going to respect his/her rights or not. Regarding to this issue, Lee and Turban (2001:86) had found out that the perceived integrity of the internet seller is significantly important for the buyer while deciding to buy or not; thus the internet merchants should better put emphasis on their integrity while establishing relationships with customers or increase the information that they give about themselves to increase the customers' awareness.

Trustworthiness of a site related with the level of trust that the customer feel; and depends on some variables like the trust to vendor, trust to service provider, trust to the store itself etc. (Grabner-Krauter and Kaluscha, 2003:801). So it is related with something more than the web site itself; and seems to be constructed over a long time

compared to the security; and resembles the definition of reliability. When the web site is addressing international customers, the different cultural characteristics of the customers will affect their trust level to the web site. In the research carried out by Sia et. al. (2009), the individualistic and collectivistic cultures were compared and important differences regarding the online store trust were figured. There are two trust building web strategies which are used by web firms: the first is reputable web site affiliation, and the second is positive customer endorsements. It was found that in collectivistic cultures, peer customer endorsements are effective for building trust in online stores, whereas reputable site affiliation did not work for increasing trust (Sia et al., 2009:502). The research shows that collectivistic cultures perceive the local peer views (in-group members) more positively than the views of out-group members (Yahoo.com). Since Turkish culture was evaluated as relatively more collectivistic by Hofstede (Hofstede, 2001: 215) it is expected that in the international web sites of the stores, including some positive evaluations of Turkish customers will increase the prospective customers' trust. The same research also shows that the customer trust can be boost by offering a local/customized web site to consumers.

Mutz (2009:446), argued that the level of trust is expected to be high for the people that are engaging in electronic commerce. The finding is understandable, moreover consistent with previous studies, which are implying that the trustworthiness of people affects their probability of getting into commercial activities (Jackman and Miller, 1998:50; Sobel, 2002:148). But the interesting argument is that, the results of e-commerce activity alter the level of trust for people (Mutz, 2009:446). In other words, if the individual is confronted with positive outcome, the level of trust tends to increase; otherwise decrease. From this point of view, the trust level of people both who had positive and negative outcomes deserve to be examined. In cross border dimension; the countries that have positive associations in Turkish individuals' minds may be more likely to be trusted and more likely alternatives for cross-border online shopping. Since the trust of consumers in Turkey is rapidly decreasing (Marketing Türkiye, 2009), related with the economic crisis, the likelihood of engaging in online marketing activities is expected to be low.

Jarvenpaa, Tractinsky and Saarinen (1999) found out that, there is difference on international basis for the trust toward internet stores between relatively collectivist cultures and individualist cultures –from the point of Hofstede’s classification- they argue that, individualists are much more likely to trust other people if they have no reason for not to trust. On the other hand, the cultures that score high on collectivism are more likely to base their trust on first-hand knowledge. Since Turkey is found to have 37 points in individualism index, which is relatively low, meaning that the ties between individuals are relatively tight (Hofstede, 2001: 215); Turkish people are expected to have trust problems in online shopping that makes them to shop in conventional ways. Not surprisingly, Lightner et al. (2002: 377) had touched on the Turkish population online purchasing behavior, and found out that “transaction security” ranks to be the most important concern in the country. Personal information security on the other hand, had been ranked as fourth in terms of importance (2nd is “existence of accurate information”, whereas 3rd is “existence of detailed information”). Moreover, although security concern ranks to be the first consideration; the advantages outweigh the risks and people engage in online marketing transactions (Furnell and Karweni, 1999:379).

3.1.3.2. Reliability and Security

The reliability and security issues are explained by Preissl, Rickert and Haas (1999: 68). Reliability refers to the credibility and trustworthiness of both the seller and customer; and it gets hurt if any of the parties violate. On the other hand, security concern of individuals can be explained within two dimensions, the first is personal privacy which stands for the privacy of personal and confidential information and second is related with financial security, which is mostly related with the security of credit card payments. The customers are far more reluctant in cross-border online shopping, and experiencing greater anxiety regarding to security of their monetary well-being (Commission of the European Communities, 2009b:55). Of course, security of the customer is an important concern from the aspect of online shopping; but when it comes to conducting the same transaction in cross-border, customers are very naturally showing hesitation. Besides, the level of anxiety is closely related with

the amount of transaction (European Commission, 2004: 10); in other words customers may perceive higher risk as the amount of purchase increases and they are more likely to show reluctance to cross-border online shopping.

On the other hand, perceived security is defined as the “level of security that users feel while they are shopping on e-commerce sites” (Yenisey, Ozok and Salvendy, 2005:259). The perceived security and the actual security levels of the web site may show substantial differences; if the web site disclosure or notification about the security level of the web site is not adequate.

In the global marketplace, the major concerns forming strong barriers for e-commerce are found to be privacy concern, security and threats concern, children protection, e-mail safety, censorship and impersonation and forged identity (Udo, 2001:169). On the other hand, the lack of feeling for security is the primary reason for Turkish people forcing them not to shop through internet (Lightner et al. 2002:376). But this concern might be out of date, since the security is ensured in most of the web sites. But, regarding to cross-border online shopping, people are also expected to not to deal with cross-border online shopping if they feel insecure in the context of online payments, scams, online fraud etc. Moreover, the privacy concern of individuals is expected to affect the willingness of people to buy online from a foreign trader.

The critical factors that are likely to affect the privacy and security of the online customers are the recording and use of customer information, plus the third party use of that information without permission (Miyazaki and Fernandez, 2000:56). Media is a powerful image for people and affects the public attitudes, ideas, way of thinking etc. It also affects the perceived security level of individuals regarding computer crime and abuse; with the news and articles broadcasted and published. Consequently, public attitudes are affected and in turn it also affects the individual perceived security levels (Dowland et al., 1999:723). The guidelines, for increasing the perceived security level of individuals are designed by Yenisey, Ozok and Salvendy (2005:271); and the authors figured out that the factors related with

operational facts like blocking unauthorized access, login info etc. and the facts related with company security policies must be announced via the web site in order to make the individuals feel more secure.

Since making a cross-border purchase in online environment is relatively more stressful for individuals due to unfamiliarity with the seller and other reasons, providing the Turkish people with “extra security and privacy” in online environment may be vital for increasing their purchasing intention. “Extra security and privacy” can be interpreted as: “no probability of unauthorized use of credit card, ensuring the safety of credit card and reimbursement of loss in case of any unfavorable outcome plus the assurance of data protection”.

The increased importance of security concern in international online environment is due to the lack of accurate regulations. Because although the laws and regulations in specific countries (i.e. U.S.) are calling for strict and very strong security technologies, in the cross border e-commerce uniform laws or regulations regarding to the security issues do not exist (Yenisey, Ozok and Salvendy, 2005:260). As a result, the hesitation of customers while buying online from foreign web sites is much more understandable.

3.2. ADMINISTRATIVE AND REGULATORY BARRIERS

Regulations of the customer’s country may constitute another preventing factor for consumers to engage in cross-border e-commerce. For instance, because of the laws limiting the sale of pharmaceuticals on the internet in Turkey, the Turkish citizens may not be certain whether it is possible for them to order pharmaceuticals from abroad or not. The fragmented rules of the countries give rise to the blurred minds of consumers, like the fragmented consumer protection regulations or VAT regulations, import/export regulations, import/export duties and tariffs, fraud and fraud protection etc. The habitual legal environment and the rights of the individuals have to be understood well by the consumers in order to decrease the effect of question marks in the minds.

Furthermore administrative and regulatory barriers may affect the retailers, and some of the retailers may decide not to enter to Turkish market (Commission of the European Communities, 2009b:46). So this may impose another barrier for the customers –caused by the preference of the retailer- for engaging in cross border e-commerce; even if the customers want to purchase from the retailer they are not expected to proceed.

3.2.1. Legal Environment of Turkey

Being classified as an emerging economy, Turkish legal environment is also suffering from the handicap of missing terms on cross-border e-commerce. Since cross border e-commerce is a relatively new concept, maybe the strict regulations may inhibit the growth of the internet marketing in Turkey; but in the following years the phenomenon should be better regulated with laws and applied in coordination with governmental intervention. In Turkey, even the spam mails had not been regulated with a law, giving a rise to the skyrocketing amounts of mails in individuals' mailboxes (Referans Gazetesi, 2009).

The dilemmas that are probable to occur in internet marketing (both locally and internationally) are specified as consumer protection, defamation and disparagement, intellectual property (Zugelder, Flaherty and Johnson, 2000:256). Regarding the use of internet, Law No.5651 in Turkey prohibits entering into some websites; if there are any clues about encouragement and incitement of suicide, sexual exploitation and abuse of children, facilitation of the use of drugs, provision of dangerous substances for health, obscenity, prostitution, gambling and crimes committed against Atatürk (E-Mevzuat, 2007); but this law does not regulate the commercial activities.

Specifically, regarding to cross-border e-commerce, Turkish Code Concerning Private International Law and Civil Procedure regulates the relationship between the seller and the buyer. Article no.26 item no.2 says that the consumer

contracts can be made over the law identified by the common choice of both of the parties; but the minimum protection will be provided to the consumer depending on his/her habitual law. If the law is not determined by both of the parties in the contract, the consumer's habitual law is subject to be applied (Resmi Gazete, 2007).

As of April 2011, due to some changes in Customs Legislation of Turkey, the cross-border purchase of cosmetics products and nutritional supplements are forbidden, and the purchase of cross-border items is limited with once in two months and with the maximum of five times a year (Republic of Turkey, Prime Ministry Undersecretariat of Customs, Directorate General Customs, 2011). With this update in legislation, the consumers will be still able to benefit from the tax exemption up to the amount of €150 for their purchases, but business buyers are precluded from this advantage to prevent misconduct in trade transactions.

The applicable law of consumers' contracts may be important for the consumers on the way to decide whether to engage in cross-border online shopping or not. At this point, maybe the sellers should better emphasize that the applicable law for the contract is the consumers' habitual law; in order to explain away their anxiety on cross-border online shopping contracts. Because resistance for cross-border e-commerce may arise due to mis/ill-information of the consumers regarding the applicable law that is going to be taken into consideration in case of a problem.

3.2.2. Consumer Rights

Since the consumer rights may change from country to country, the Turkish consumers may not be certain about which regulations is going to be applied in their cross border shopping experience, their own, or the sellers'. And this is expected to create resistance to buy something from cross-border retailers. Actually, the case is obvious from the abovementioned Turkish Code Concerning Private International Law and Civil Procedure; but the main point here is that since the consumers are not aware that they still have the same rights that are applicable in their local shopping, they may show hesitation while engaging in cross-border online shopping. Also

Consumers International, which is the world federation of consumer groups that, working together with its members and serving as the only independent and authoritative global voice for consumers has some view on the consumers's rights and protection regarding to the distance contracts. They argue that wherever a consumer contract had taken place, the habitual law of the consumer must be applicable in order to increase the willingness of consumers to buy online from abroad. Otherwise, the consumers would be discouraged and the mistrust of consumers would be increased, since the other country's laws and regulations are unfamiliar to them (Consumers International, 1999: 28).

European Union is working on a Consumer Rights Directive which aims to change the fragmented structure of consumer protection in all of the member countries (Commission of the European Communities, 2009a:7) by the way the willingness of consumers to engage in cross-border online shopping is expected to be increased, because the member countries' citizens will be certain that their right are just the same no matter the name of the country that they make online shopping contract.

3.3. CROSS BORDER LOGISTICS

Cross border logistics can be identified as one of the major factors imposing challenges for businesses and especially for consumers. The reasons lying behind the complexity of logistics are various. For instance, long distances or manmade factors like laws and regulations makes both the buying and the selling process from the point of the consumers and sellers more difficult (Xu, Wilkinson and Brouters, 2002: 126). Regarding to this issue, the customers may not be certain about the durability of goods during their way on him/her causing the hesitation for engaging in cross-border online shopping; or they may not be certain about the laws or regulations regarding cross-border online purchases and this may be the main reason preventing them to engage in cross-border online shopping.

Moreover the unfamiliarity of traders may impose a barrier for the consumers to consider buying or not via cross-border online shopping. Consumers may not trust to buyers because of the lack of knowledge about them. They may have some suspects about the non-delivery of products or fraud, so the importance of unfamiliarity of buyers must be examined in order to understand its effect as a preventing factor in cross-border online shopping.

Proper delivery of the goods purchased is another question mark for the customers that are considering online shopping from another country (Commission of the European Communities, 2009b:12); the people may feel anxious whether the products will be delivered without any problems or not. Since the products are coming from a long distance and the contracts are being made on cross-border basis any problem regarding the delivery seems to be more complicated than it is in local online shopping experiences.

Sometimes traders may opt not to deliver to specific countries depending on their own choice. So buying some items via cross-border online shopping becomes impossible for the buyers, and can be accepted a barrier.

The cross border nature of the transaction increases the likeliness of late delivery (Mayer, 2002: 124) and such kind of problems may increase the consumers' hesitation to make cross-border online purchases.

Another subject is the increased costs related with delivery. The delivery costs constitute a significant part of cross-border online purchases (Consumers International, 1999:8). Since increased delivery costs are subject to occur due to the cross border nature of the shopping, the consumers may consider not engaging in cross-border online shopping.

Sometimes the problems may occur related with the returns and after sales services, due to distance between the seller and the buyer. The consumers may think that they may experience hard times while returning the item in case of

unsatisfactory product delivery. Or the consumers may think that they may experience difficulty in taking the after-sales services from the seller. Actually, the firms are mostly using internet for rendering after sales services if it is possible (Yip and Dempster, 2005: 6). But the main point here may be the communication problems experienced in foreign language, that may give rise to the suspects of consumers and preventing them to shop online from cross-border traders.

3.4. CROSS BORDER PAYMENTS

Payment systems should better be interoperable between the home country of the customer and the seller's country, enabling the customers to engage in cross-border online shopping with ease. For instance, if domestic payment solutions like domestic payments systems Diner's or AMEX -that are not supported by Visa/Master- or weak currencies that are not accepted by the sellers' side; it would be inconvenient for the buyer, even if all the other conditions are calling for making the cross-border online purchase. The research conducted by Commission of European Communities revealed that, most of the consumers cannot complete their cross-border transactions online, since many payment options were not readily available for cross-border transactions (Commission of the European Communities, 2009a: 5).

The unavailability of national/interoperable payment systems for purchasing the item from the cross-border sellers' store may have a discouraging effect on consumers while engaging in cross-border online shopping. Since dealing with a foreign bank calls for paying extra charges for remittance, using an integrated payment system like Visa or Master which is accepted worldwide seems less cumbersome from the point of customers. But if these types of interoperable systems are not available in the sellers' online store, or not accepted by the seller; the payment process may bring about some problems for the buyer and can be accepted as a preventing factor for the cross-border purchase.

The customers would understandably prefer to use their regular (domestically available) credit cards for their purchases, but if it is restricted by the seller, the purchase process will be more complex and more likely to be quitted by the customers.

Payments of the item purchased are also related with the cost of the item. The cost of an item that is purchased through cross-border online shopping may increase due to the shipping costs especially for the bulky or heavy items (European Commission, Directorate General Health and Consumer Protection, 2004: 19; Republic of Turkey, Prime Ministry Undersecretariat of Customs, 1999: 17); so this may constitute an important barrier from the point of the consumers. The consumers, confronted with high shipping costs due to the border effect – the increased costs just because the consumer have to pay since the item passes across the borders- may reject buying items online from cross-border traders (Chakrabarti and Scholnick, 2002:85). But on the other hand, there are some items which do not require the payment of shipping costs like music, computer software etc. So if the customers are showing hesitation to buy these kinds of items via cross-border online shopping; the hesitation should be questioned independent from the shipping cost factor.

The additional costs like hidden service costs, currency fluctuations, border-effect are also expected to bring about less competitive final prices for the customer. So the customers' hesitation may be caused by the increased prices of items. Especially, when the motivation is enjoying lower prices while engaging in cross-border online shopping, the customers may perceive the higher prices as a preventing factor. Mutz, in her 2009 research, revealed that the negative experiences have a negative effect on the trust level of customers in e-commerce (Mutz, 2009: 444) and this negative effect can be accepted as a preventing factor in engaging in cross-border e-commerce.

Moreover ambiguity of costs that are experienced in cross-border sales agreements (Consumers International, 1999: 37), may boost the realized price of goods once the duties, shipping, taxes etc. are factored in (Xu, Wilkinson and

Brouthers, 2002: 127). The additional costs that are not specified at the time of order, creates an uncertainty from the point of the customer, and this uncertainty may force the consumers to think that they can never know the exact price of the goods that they are ordering; discouraging them from engaging in cross-border online shopping.

Moreover the uncertain shipping rates may be another reason for the customers for not being eager to engage in cross-border online shopping. And depending on this view, customers' willingness for cross-border online shopping may be increased if customers can see the exact amount they are going to pay prior to the purchase.

The costs associated with the after-sales services (for technical items) and returns are expected to be high for the items purchased from the cross-border retailers. In case of any problem, the customer may want to send the item back for repair or return. If there is no after sales services in the country of the customer this turns out to be a serious problem (Wang, 2004: 156), and the customer has to pay the postal fee to return the item back to seller. This process is expected to be more costly than it is in local market. So the customers' hesitation to engage in cross-border online shopping may be triggered.

3.5. OTHER NEGATIVE INFLUENCES

There may be other factors influencing the propensity to engage in cross-border online shopping in negative manner. These factors are listed and investigated in the following paragraphs.

Technical standards may impose a barrier in front of cross-border online shopping. Especially for technological items like computer pieces, incompatibility problem may arise due to the lack of system support (Mayer, 2002:122), or some electrical items may not be operated due to incompatibility with electricity infrastructure (European Commission, 2004: 9). And the consumers' willingness to

engage with cross-border online shopping may decrease due to these kinds of problems for the technical items that require systems integration.

Furthermore, from the point of consumers, search for a product in international markets for cross-border purchase is far more difficult than searching domestically (Commission of the European Communities, 2009b: 46). None of the searching engines support searching for cross border offers, mostly because of the language incompatibility. So finding about the cross-border offers require more time and effort. Most of the advertising campaigns are addressing the local customers, so the probability of seeing an online ad of a cross-border offer is nearly impossible. And lastly, the price comparison sites do not compare the prices of products from different markets; which means that the customer have to try hard to find information about the product category offered in other countries.

Moreover, there may be some link between cross border shopping and outshopping. Recent literature says that the loyalty to local retailers may inhibit outshopping; which is defined as “consumers’ purchase behavior outside their home town or neighborhood shopping area” (Lee et al., 2009: 55). So some nationalistic reasons may exist for people for not to engage in cross border shopping. Since local e-tailers may suffer from decreases in their revenues due to people’s shopping from outside, people with more nationalistic views may prefer shopping from local stores either online or offline.

The shaping factors of cross-border e-commerce are not limited with cultural and socio-economic characteristics. Gibbs, Kraemer and Dedrick had identified four different forces as drivers, enablers, barriers and inhibitors. The driving forces are the ones that stimulate the growth of e-commerce, whereas the enabling forces are paving the way for it. Barriers are thought to be the preventing factors for growth, while the inhibitors are slowing down the pace of the growth of cross border e-commerce (Gibbs, Kraemer and Dedrick, 2003: 15). The barriers are identified as, lack of valuable and useful content from the point of view of consumers; inequality in socioeconomic levels and consumer rejection of online shopping due to privacy

and security concerns. The inhibiting factors are the preference of customers in favor of traditional shopping styles (in-store), the existence of other strong alternatives such as dense retail networks, lack of financial infrastructure (for online payment), lack of customer service, language differences, political concerns and instability. Although traditional shopping is more difficult compared to online shopping, people may continue to buy as they are used to because of the fear of trying new things. And moreover, the perceived difficulty of being able to enforce their rights and resolve a problem in cross-border basis may also have a negative effect on the cross-border online purchase intention. Especially in international arena, buying something across borders is physically difficult, but on the other hand since online shopping is relatively a new style, which is in stage for about 15 years; people may quit buying the product rather than giving a cross border order. The financial structure is rather strong in Turkey providing chance for online payments with various security seals.

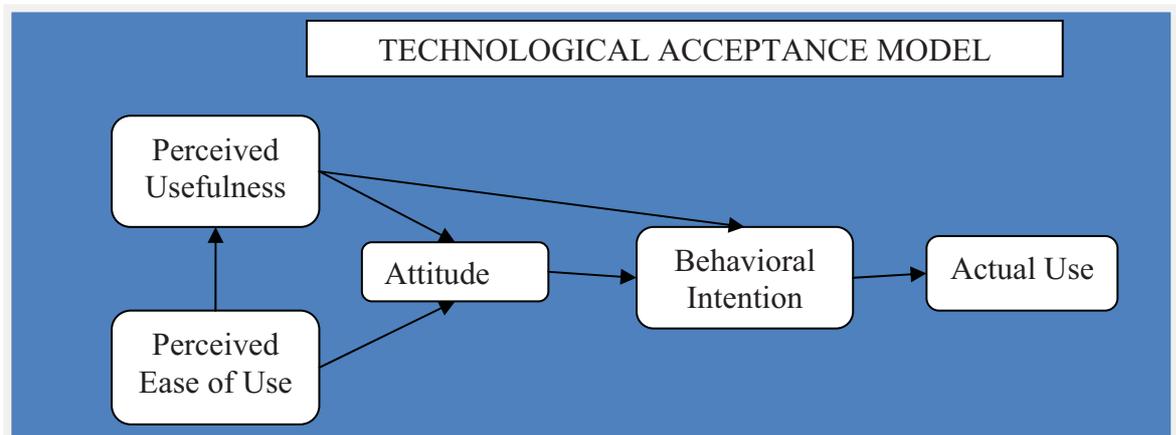
CHAPTER FOUR

A FIELD STUDY ON THE FACTORS PREVENTING CONSUMERS TO ENGAGE IN CROSS BORDER ONLINE SHOPPING

4.1. RESEARCH MODEL AND HYPOTHESES

Technology Acceptance Model (TAM), developed by Davis, Bagozzi and Warshaw (1989) actually developed for explaining the people's intention towards using computer systems (technology) in terms of their attitudes, subjective norms, perceived usefulness, perceived ease of use, and related variables. Regarding to the model components, perceived usefulness (U) is defined as the probability of performance increase coming along with the system use. On the other hand, perceived ease of use (EOU) refers to the degree of ease of the system for the prospective user. The TAM found to have the explanatory power of explaining the intention to use computer technologies, but the model for that time had never been tested for its explanatory power on online shopping.

Graph 3: Technology Acceptance Model

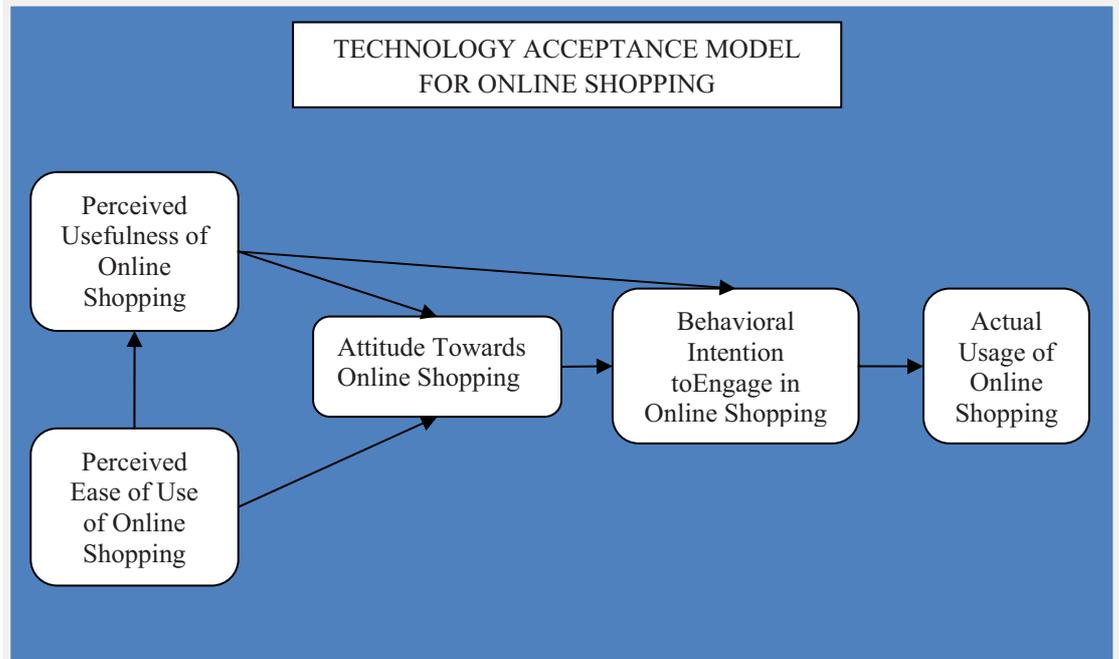


Source: Davis, Bagozzi and Warshaw, 1989, p.985

At the year 2007, Lin (2007) compared three theories of predicting consumer intentions regarding online shopping. The theories were *TAM* (Technology Acceptance Model), *TPB* (Theory of Planned Behavior) and *decomposed theory of planned behavior*. The research figured out the superiority of technology acceptance

model (TAM) among the others, due to its power of explaining the variance and the parsimony (Lin, 2007: 440).

Graph 4: Technology Acceptance Model for Online Shopping



Source: Lin, 2007, p.440

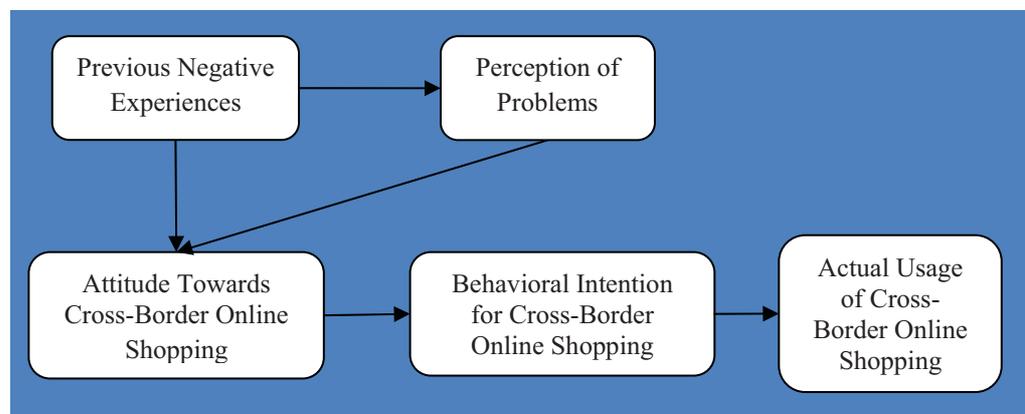
Previously, TAM was found to be applicable to the consumer behavior in international arena (Singh, 2004:94). So the attitude of individuals towards CBOS is found to be followed by the intention towards the CBOS (intervening variable) and the action of engaging with CBOS is the independent variable.

The prior experiences of individuals are found to be strong predictors of their purchase intention (Shim et al., 2001:410). But prior to the purchase intention, the attitudes are affected by the previous experiences of individuals; and a group of researchers revealed that the attitudes that are affected by the experiences of individuals are better predictors of the actual behavior (Reed et al., 2002: 381; Lemon et al., 2002:11; Fazio and Zanna, 1978: 233).

Furthermore, perceived risks are found to be significantly effective on purchase intention (Kim and Kim, 2006:7), at where risk is defined as a degree of

uncertainty or the potential of loss in the form of financial, performance, social, psychological, safety and time or convenience loss (Bettman, 1973: 184; Murray, 1991:11). Moreover, perceived risk is related with the uncertainty that a consumer feels at the time she/he comes across with a new/unfamiliar situation-like cross-border purchase. And the perceived risks are expected to alter the final purchasing behavior of individuals through attitudes (Peter and Tarpey, 1975:29)

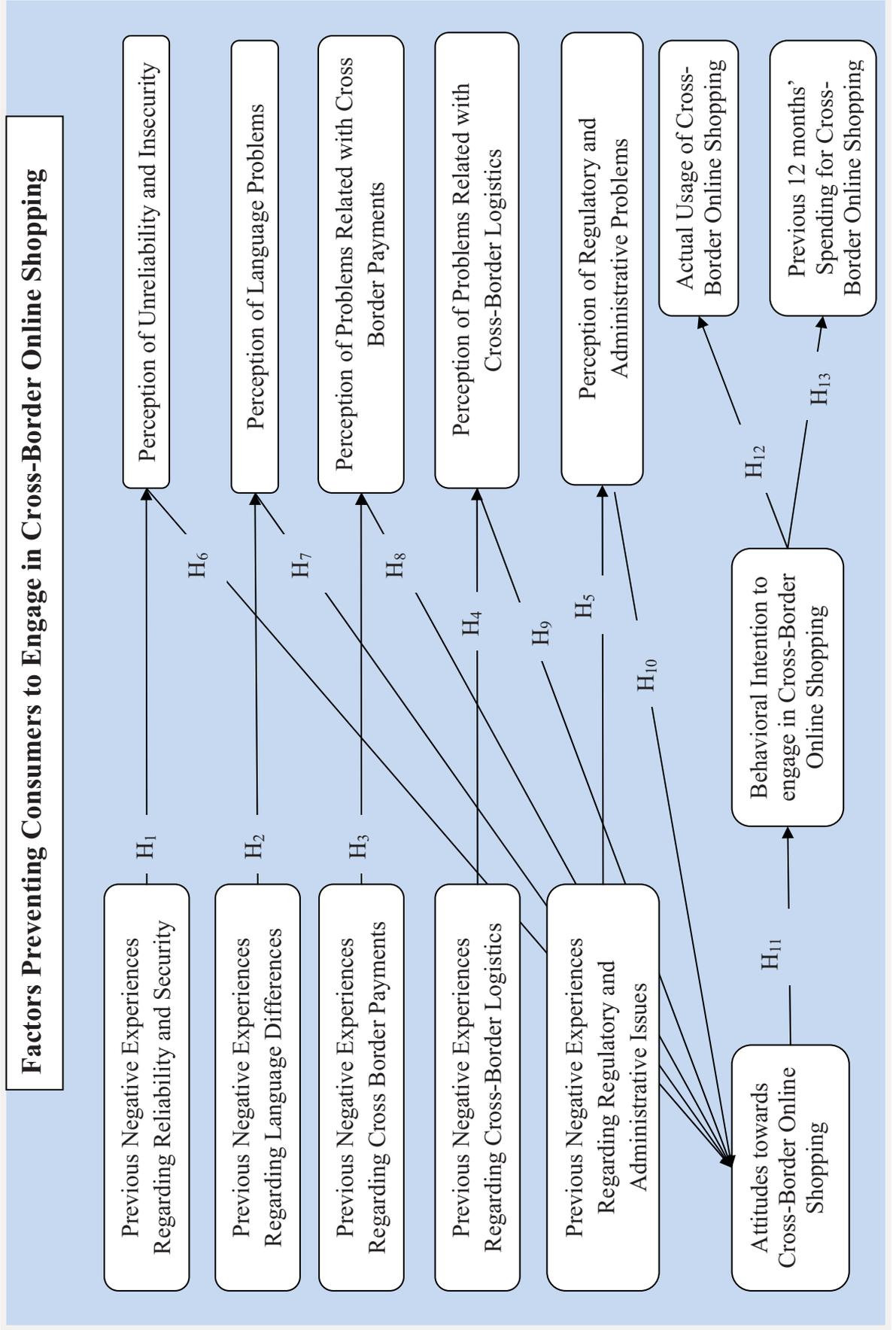
Graph 5: Model for Cross-border online shopping



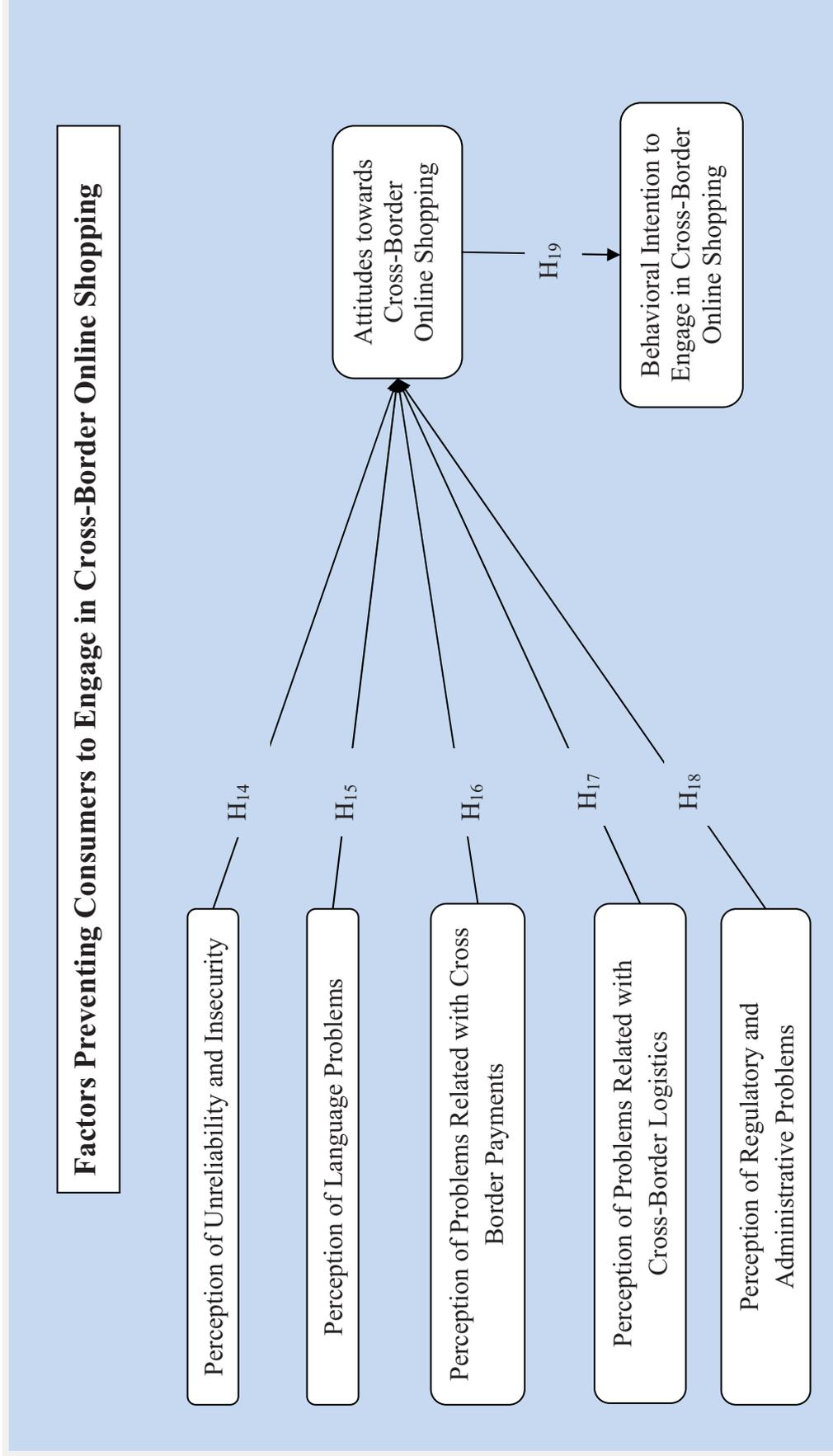
Risk perceptions of individuals regarding CBOS were examined in detail throughout the literature survey. The perceived problems and previous negative experiences regarding CBOS are grouped under different subheadings: (in)security and (un)reliability, language problems, cross border payments, cross border logistics and regulatory and administrative systems. And these perceived problems are going to be analyzed in terms of their effects on consumers' attitudes towards CBOS.

Consumers' attitudes towards CBOS may show differences depending on their current usage of the concept. So, previous experiences' effects on attitudes towards cross border shopping will be examined.

Graph 6- Factors Preventing Consumers to Engage in Cross-Border Online Shopping
(Model for the Individuals Who Have Been Engaging in Cross-Border Online Shopping)



**Graph 7- Factors Preventing Consumers to Engage in Cross-border online shopping
(Model for the Individuals Who Had Never Engaged in Cross-Border Online Shopping)**



Depending on the above model of Graph-6, below hypotheses are proposed for the individuals who had previously engaged cross-border online shopping:

H₁: There is a relationship between previous negative experiences of individuals regarding cross-border online shopping's reliability and security and their perception of unreliability and insecurity of cross-border online shopping.

H₂: There is a relationship between previous negative experiences of individuals in cross-border online shopping regarding language differences and their perception of language problems of cross-border online shopping.

H₃: There is a relationship between previous negative experiences of individuals in cross-border online shopping regarding payments and their perception of payment problems in cross-border online shopping.

H₄: There is a relationship between previous negative experiences of individuals in cross-border online shopping regarding logistics and their perception of logistics problems in cross-border online shopping.

H₅: There is a relationship between previous negative experiences of individuals in cross-border online shopping regarding regulatory and administrative issues and their perception of regulatory and administrative problems in cross-border online shopping.

H₆: There is a negative relationship between perception regarding the unreliability and insecurity of cross-border online shopping and attitudes towards cross-border online shopping.

H₇: There is a negative relationship between perception of language problems and consumers' attitudes towards cross-border online shopping.

H₈: There is a negative relationship between perception of problems related with cross border payments and consumers' attitudes towards cross-border online shopping.

H₉: There is a negative relationship between perception of problems related with cross-border logistics and consumers' attitudes towards cross-border online shopping.

H₁₀: There is a negative relationship between perception of regulatory and administrative problems and consumers' attitudes towards cross-border online shopping.

H₁₁: If the consumers' attitudes towards cross-border online shopping increases positively, then their behavioral intention to engage cross-border online shopping will be affected positively.

H₁₂: If the consumers' behavioral intention to engage in cross-border online shopping increases, then their actual usage of cross-border online shopping will be affected positively.

H₁₃: If the consumers' behavioral intention to engage in cross-border online shopping increases, then their amount of spending in previous 12 months for cross-border online shopping will be affected positively.

And below hypotheses are developed based on the above model of Graph-7, for the individuals who had never engaged cross-border online shopping:

H₁₄: If the consumers' perception regarding the unreliability and insecurity of cross-border online shopping is positive, then their attitudes towards cross-border online shopping will be affected negatively.

H₁₅: Perception of language problems affects consumers' attitudes towards cross-border online shopping negatively.

H₁₆: Perception of problems related with cross border payments affects consumers' attitudes towards cross-border online shopping negatively.

H₁₇: Perception of problems related with cross-border logistics affects consumers' attitudes towards cross-border online shopping negatively.

H₁₈: Perception of regulatory and administrative problems affects consumers' attitudes towards cross-border online shopping negatively.

H₁₉: Attitudes towards cross-border online shopping affect behavioral intention to engage in cross-border online shopping positively.

Based on the differences between individuals who had previously engaged and not engaged in cross-border online shopping, below hypotheses are proposed:

H₂₀: There is a difference between individuals' perception of unreliability and insecurity of cross-border online shopping based on their previous engagement with the concept.

H₂₁: There is a difference between individuals' perception of language problems in cross-border online shopping based on their previous engagement with the concept.

H₂₂: There is a difference between individuals' perception of cross-border payments problems based on their previous engagement with the concept.

H₂₃: There is a difference between individuals' perception of cross-border logistics problems based on their previous engagement with the concept.

H₂₄: There is a difference between individuals' perception of regulatory and administrative problems based on their previous engagement with the concept.

H₂₅: There is a difference between individuals' attitudes towards cross-border online shopping based on their previous engagement with the concept.

H₂₆: There is a difference between individuals' behavioral intention to engage cross-border online shopping based on their previous engagement with the concept.

4.2. SAMPLE AND DATA COLLECTION

The sample is composed of research assistants and associates (academic staff) in Faculties of Economics and Administrative Sciences and Faculties of Business in Turkey. All of the state and private universities are included within the sample and a total of 4607 online questionnaires were sent via e-mail. Since internet buyer characteristics were described as relatively young, well educated, in mid to upper economic status and in professions associated with technology (Donthu and Garcia, 1999:53), and also it was found that as the time spent in internet increases, the probability of buying online increases (Lohse, Bellman and Johnson, 2000:21); the research assistants of universities are selected as representative of individuals engaging in online purchases. Besides, the individuals who are within the age range of 25 and 34 year old, are the ones who are the most involved with online shopping (Stafford, Turan and Raisinhani, 2004:81). In order to make a comparison between age groups, the associates are also included within the sample.

According to the “The Law on Organizations of the Institutions of Higher Education (Law No 2809)”, there should be at least three faculties in order to establish a university (The Council of Higher Education, The Law on Organizations of the Institutions of Higher Education (Law No 2809), <http://www.yok.gov.tr/content/view/434/183/lang,tr/>, accessed at 2010-12-09). Faculty of Economics and Business Administration is one of the most common faculties, especially for the reason that it appears even in the most recently established universities. So the selection of all Economics and Business Administration Faculties in Turkey is on purpose, in order to reach a geographically diverse area within the country.

4.3. QUESTIONNAIRE DESIGN

The online questionnaire form consists of four parts, which of first includes questions regarding the current usage (actual behavior) of cross-border online shopping. Second part includes questions regarding to the attitudes towards CBOS and perceptions of problems regarding to the concept. Third part includes the questions related with the experiences of the individuals within the process and these items within the third part are only visible to the respondents who have replied that they have engaged with CBOS. Fourth and the last part is

assigned for the demographic questions. The variables excluding the demographics are measured on Likert-type scale (1=strongly disagree, 5=strongly agree).

Several items within the questionnaire were adapted from previous researches such as the questions regarding to current behavior of CBOS (Wang and Yang, 2008; Shim et al., 2001), attitudes towards CBOS (Slyke, Belanger and Comunale, 2004; Taylor and Todd, 1995), intentions towards CBOS (Ling, Chai and Piew, 2010; Taylor and Todd, 1995), and perceptions of respondents regarding trust problems (Chow and Holden, 1997).

The questionnaires are sent online between December 2010 and February 2011. From the 4607 questionnaires sent, 418 were responded and within the responded questionnaires 329 were usable for analysis.

4.4. RESEARCH FINDINGS

Research findings are examined under respondents' demographic profile, CBOS usage profile, attitudes towards, behavioral intentions and previous experiences regarding CBOS. Perceptions regarding the problems related with CBOS are also analyzed also in terms of their relationships with other variables.

4.4.1. Respondent Profile

The respondents are analyzed according to their demographic profile and usage of cross-border online shopping.

4.4.1.1. Demographic Profile of Respondents

Of the 329 respondents who have answered the questionnaire regarding their use of cross-border e-commerce 39.21% is female and 55.02 % is male. 5.78 % of the respondents did not answer the question regarding their gender.

Table 4: Gender of the Respondents

Gender			
	Frequency	Percent	Valid Percent
Female	129	39,21	41,61
Male	181	55,02	58,39
Total	310	94,22	100,00
Missing System	19	5,78	
Total	329	100,00	

Although the respondents filled out their exact ages to the online questionnaire form, the ages are grouped under age groups of five in order to simplify the analyses. 31 % of the respondents belong to the age group of 23-28, 21.88% belong to the 29-34, 16.41% belong to 35-40, 12.77% belong to 41-46, 4.26% belong to 47-52, 2.43% belong to 53-58, 2.13% belong to 59-64, 0.91% belong to 65-70 and 0.61% belongs to the age group of 71-76. 7.60% of the respondents did not give any answer to the question regarding their ages.

Age group data of respondents show that more than half (52.89 %) of the respondents are below the age of 35, demonstrating a relatively young group.

Table 5: Age Groups of the Respondents

Age Group			
	Frequency	Percent	Valid Percent
23-28	102	31,00	33,55
29-34	72	21,88	23,68
35-40	54	16,41	17,76
41-46	42	12,77	13,82
47-52	14	4,26	4,61
53-58	8	2,43	2,63
59-64	7	2,13	2,30
65-70	3	0,91	0,99
71-76	2	0,61	0,66
Total	304	92,40	100,00
Missing System	25	7,60	
Total	329	100,00	

37,69% of the respondents are single, and 45,59% of them are married. 31,61% have children. Of the total number of respondents, 16,72 % did not respond to the question regarding their marital status.

Table 6- Marital Status of the Respondents

Marital Status			
	Frequency	Percent	Valid Percent
Single w/o child(ren)	119	36,17	43,43
Single with child(ren)	5	1,52	1,82
Married w/o child(ren)	51	15,50	18,61
Married with child(ren)	99	30,09	36,13
Total	274	83,28	100,00
Missing System	55	16,72	
Total	329	100,00	

More than half (50,46%) of the respondents are working as research assistants, explaining the age group profile of the sample. Following the research assistants 26,44% declared that they are assistant professors, 9,73% are professors, 6,08% are associate professors and 4,26% are instructors.

Table 7: Title of the Respondents

Title			
	Frequency	Percent	Valid Percent
Professor	32	9,73	10,03
Associate Professor	20	6,08	6,27
Assistant Professor	87	26,44	27,27
Instructor	14	4,26	4,39
Research Assistant	166	50,46	52,04
Total	319	96,96	100,00
Missing System	10	3,04	
Total	329	100,00	

Monthly household income of the respondents show variety among respondents but supporting the respondents titles' and their marital status, 20,06% of the respondents declared their monthly household income as between 1501-2000 TL which matches with the single research assistants' profile.

10,64% of the respondents have the monthly household income of 3501 TL- 4000 TL, whereas 9,42% have 2001-2500 TL, 8,51% have 2501-3000 TL, 8,51% have 3501-4000 TL, and 24,24% of the individuals have the monthly household income above 4000TL. 18,48% of the respondents did not answer the question regarding their income levels.

Table 8: Monthly Household Income of the Respondents

Monthly Household Income			
	Frequency	Percent	Valid Percent
1000TL-1500TL	2	0,61	0,74
1501TL-2000TL	66	20,06	24,54
2001TL-2500 TL	31	9,42	11,52
2501TL-3000TL	28	8,51	10,41
3001TL-3500TL	27	8,21	10,04
3501TL-4000TL	35	10,64	13,01
4001TL-4500TL	18	5,47	6,69
4501TL-5000TL	16	4,86	5,95
5001TL-5500TL	16	4,86	5,95
5501TL-6000TL	7	2,13	2,60
6001TL-6500TL	2	0,61	0,74
6501TL-7000TL	1	0,30	0,37
7001TL -7500TL	6	1,82	2,23
7501TL and more	14	4,26	5,20
Total	269	81,76	100,00
Missing System	60	18,24	
Total	329	100,00	

4.4.1.2. Cross-Border Online Shopping Usage Profile

Regarding to the statement of “I use internet for doing cross-border shopping”, 44,07% of the respondents declared that they disagree; showing they have never engaged with CBOS before. On the other hand 55,92% of the respondents are relying on the agree side of the statement, and the respondents who replied that they neither agree nor disagree with the statement are accepted as having a positive tendency towards the statement, since they declared no disagreement.

Table 9: Internet Usage for Cross-border Online Shopping

I use internet for doing cross-border online shopping.			
	Frequency	Percent	Valid Percent
Strongly disagree	58	17,63	17,63
Disagree	87	26,44	26,44
Neither agree nor disagree	29	8,81	8,81
Agree	109	33,13	33,13
Strongly agree	46	13,98	13,98
Total	329	100,00	100,00

Among the 184 respondents, who have been using Internet for doing cross-border purchases, 35.33% have been engaging with cross-border online shopping for 1-2 years, 25.54% for 3-4 years and 39.13% for 5 years and more.

Table 1-Time Period for Internet Usage for Cross-Border Online Shopping

How long have you been using Internet for doing cross-border shopping?			
	Frequency	Percent	Valid Percent
1-2 years	65	19,76	35,33
3-4 years	47	14,29	25,54
5 years and more	72	21,88	39,13
Total	184	55,93	100,00
Missing	145	44,07	
Total	329	100,00	

Among the respondent who are using internet for cross border purchases, 28.42% replied that they have never made any purchases for the previous twelve months, 14,21% had made purchases between \$51-\$100, 13,11 % had made purchases of above \$551 and 10,93% between \$101-\$150. Moreover, of the respondents engaged in CBOS, 27,32% have made purchases between \$151-\$550 and 6,01% made purchases between \$51 and \$100.

Table 2-Previous 12 Months' Aggregate Spending on Cross-Border Online Shopping

How much did you spend for the past twelve months for your cross-border online shopping?			
	Frequency	Percent	Valid Percent
Not at all	52	15,81	28,42
\$1-\$50	11	3,34	6,01
\$51-\$100	26	7,90	14,21
\$101-\$150	20	6,08	10,93
\$151-\$200	4	1,22	2,19
\$201-\$250	10	3,04	5,46
\$251-\$300	15	4,56	8,20
\$301-\$350	3	0,91	1,64
\$351-\$400	1	0,30	0,55
\$401-\$450	8	2,43	4,37
\$451-\$500	5	1,52	2,73
\$501-\$550	4	1,22	2,19
\$551 and more	24	7,29	13,11
Total	183	55,62	100,00
Missing System	146	44,38	
Total	329	100,00	

20.77% of the respondents responded that their maximum spending of CBOS is between \$101 and \$150, whereas 20% said that their maximum purchase amount by cross-border shopping for the past twelve months is between \$51 and \$101. The 13.85% responded that their maximum spending is between \$1 and \$50.

Table 3-Previous Twelve Months' Maximum Spending for Cross-Border Online Shopping

What's the maximum amount you spent for the past twelve months for your cross-border online shopping?			
	Frequency	Percent	Valid Percent
\$1-\$50	18	5,47	13,85
\$51-\$100	26	7,90	20,00
\$101-\$150	27	8,21	20,77
\$151-\$200	12	3,65	9,23
\$201-\$250	10	3,04	7,69
\$251-\$300	7	2,13	5,38
\$301-\$350	4	1,22	3,08
\$351-\$400	2	0,61	1,54
\$401-\$450	6	1,82	4,62
\$451-\$500	1	0,30	0,77
\$501-\$550	5	1,52	3,85
\$551 and more	12	3,65	9,23
Total	130	39,51	100,00
Missing	199	60,49	
Total	329	100,00	

4.4.2. Respondents' Attitudes towards Cross-Border Online Shopping

The items regarding to the attitudes of individuals towards CBOS is analyzed via one-sample t-test, and the items are tested for the test value of 3.

In general, respondents find the process of using the internet for shopping clear and understandable ($t=7,25$, $p<0,01$), and they find CBOS easy ($t=13,31$, $p<0,01$). Moreover, respondents replied that using the foreign web sites for shopping is compatible with their purchasing style ($t=4,93$, $p<0,01$) and doing shopping from foreign countries by using internet is compatible with their understanding of purchasing ($t=4,81$, $p<0,01$). Whereas respondents agreed that shopping from foreign countries by using internet enhances their effectiveness in shopping ($t=7,88$, $p<0,01$), they neither think people who use the Internet for shopping from foreign countries have more prestige than those who do not ($t=-17,82$, $p<0,01$) nor shopping from foreign countries over the internet is a status symbol ($t=-18,42$, $p<0,01$). Furthermore, respondents think that using internet for shopping from foreign countries is a good idea ($t=15,83$, $p<0,01$). And they replied they like using internet for shopping from foreign countries ($t=4,94$, $p<0,01$). As an overview of respondents' attitudes towards CBOS, it can be concluded that in general respondents hold positive attitudes towards the concept of CBOS.

Table 4: Attitudes towards Cross-Border Online Shopping

ATTITUDE	df	μ	t	Sign. (p)* (2-tailed)
The process of using the internet for shopping from foreign countries is clear and understandable.	318	3,41	7,25	0,000
Doing shopping from foreign countries by using internet is easy.	325	3,70	13,31	0,000
Using the foreign web sites for shopping is compatible with my purchasing style.	323	3,31	4,93	0,000
Doing shopping from foreign countries by using internet is compatible with my understanding of purchasing.	323	3,31	4,81	0,000
Doing shopping from foreign countries by using internet enhances my effectiveness in shopping.	325	3,48	7,88	0,000
People who use the Internet for shopping from foreign countries have more prestige than those who do not.	321	1,98	-17,82	0,000
Shopping from foreign countries over the internet is a status symbol.	321	1,92	-18,42	0,000
Using internet for shopping from foreign countries is a good idea.	321	3,84	15,83	0,000
I like using internet for shopping from foreign countries.	318	3,33	4,94	0,000
General Attitude	296	3,16	4,07	0,000

4.4.3. Respondents' Behavioral Intentions to Engage Cross-Border Online Shopping

In the near future, the respondents are willing to engage in CBOS ($t=7,43$, $p<0,01$), and as an indicator of positive intentions towards CBOS (Kim and Kim, 2006: 11) they prefer to recommend their friends doing shopping from foreign countries by using internet ($t=7,99$, $p<0,01$). They replied that they do not hesitate to engage in online shopping if they come across with a good deal ($t=5,40$, $p<0,01$). And finally the general view is that the respondents hold positive intentions regarding CBOS ($t=8,11$, $p<0,01$).

Table 5-Intentions regarding Cross-Border Online Shopping

INTENTION	df	μ	t	Sign. (p)* (2-tailed)
In the near future, I am willing to do shopping from foreign countries by using internet.	317	3,47	7,43	0,00
I recommend my friends doing shopping from foreign countries by using internet.	320	3,47	7,99	0,00
If a come across with a good opportunity, I do not hesitate to buy even though the web site is foreign (foreign originated).	323	3,35	5,40	0,00
General Intention	311	3,44	8,11	0,00

4.4.4. Respondents' Previous Experiences of Cross-Border Online Shopping

In order to find out whether there is unfavorable experiences of cross-border online shoppers or not; the 184 respondents who have already engaged with CBOS were asked about their experiences regarding the concept.

The results showed that the experienced respondents had not have any negative experiences of CBOS regarding losing their confidence ($t=-14,57$, $p<0,00$), language ($t=-20,96$, $p<0,01$), legal and regulatory differences ($t=-11,16$, $p<0,01$), logistics ($t=-9,43$, $p<0,01$), increased costs ($t=-8,22$, $p<0,01$), payment ($t=-18,08$, $p<0,01$) or refund ($t=-15,73$, $p<0,01$).

Table 6-Previous Experiences of Cross-Border Online Shopping

EXPERIENCES	df	μ	t	Sign. (p)* (2-tailed)
I lost my confidence in cross-border online shopping as a result of experiences that I had.	164	1,99	-14,57	0,00
When I engaged in cross-border online shopping, I've experienced problems due to insufficiency of my foreign language.	163	1,66	-20,96	0,00
When I engaged in cross-border online shopping, I've experienced problems due to the legal regulatory differences between my country and the foreign country that I have shopped.	163	2,12	-11,16	0,00
When I engaged in cross-border online shopping, I've experienced problems at least one of the issues regarding to product arrival, damaged product, after sales service.	162	2,17	-9,43	0,00
In my cross-border purchases, I have paid more than I expected due to the exchange rates or transportation costs.	162	2,26	-8,22	0,00
In my cross-border purchases, I've experienced problems regarding payment.	160	1,82	-18,08	0,00
In my cross-border purchases, I've experienced problems regarding refund even though I returned the product.	149	1,85	-15,73	0,00

4.4.5. Perceptions of Respondents Regarding Problems of Cross-Border Online Shopping

The perceptions of individuals regarding the problems of CBOS are grouped into six, and the respondents are posed to questions devoted to measure their perceptions relevant to these probable problems.

4.4.5.1. Perception of Unreliability/Insecurity

Regarding to the security of CBOS respondents replied that do not agree that making cross-border online purchases is insecure ($t=-6,434$, $p<0,01$), and CBOS concept not safe ($t=-7,605$, $p<0,01$). On the other hand, the reliability of the foreign vendors is negative for the respondents that, they agree foreign internet vendors are unreliable ($t=3,004$, $p<0,01$), especially when compared to local internet vendors ($t=10,052$, $p<0,01$). The general perception regarding unreliability/insecurity is not significantly different from the indifference point of “3” ($t=-0,089$, $p>0,05$), so it can be concluded that the individuals neither agree nor disagree that CBOS is unreliable/insecure.

Table 7-Perception of Unreliability/Insecurity

PERCEPTION OF UNRELIABILITY/INSECURITY	df	μ	t	Sign. (p)* (2-tailed)
It is not secure to make cross-border online purchases.	321	2,66	-6,434	0,000
The foreign internet vendors are unreliable people.	315	3,14	3,004	0,003
Cross-border online shopping is not safe.	318	2,6	-7,605	0,000
When compared to foreing companies of e-commerce, I rely on the local e-commerce companies more.	320	3,57	10,05	0,000
Perception of unreliability/insecurity	306	2,99	-0,089	0,929

4.4.5.2. Perception of Language Problems

According to the respondents, they are not going to suffer from language differences either in understanding the web page of foreign internet vendor ($t=-10,570$, $p<0,01$), or in solving a possible problem with the foreign internet vendor ($t=-8,736$, $p<0,01$). The individuals agree that they will not suffer from language problems in CBOS ($t=-10,05$, $p<0,01$).

Table 8-Perception of Language Problems

PERCEPTION OF LANGUAGE PROBLEMS	df	μ	t	Sign. (p)* (2-tailed)
While doing cross-border online shopping, I may experience problems due to the fact that the web site is in foreign language.	316	2,29	-10,57	0,000
I think I am going to have a hard time to solve a probable problem with foreign vendors due to the language differences.	320	2,41	-8,736	0,000
Perception of language problems	316	2,35	-10,05	0,000

4.4.5.3. Perception of Cross Border Payment Problems

Respondents have the perception that they will suffer from payment problems in CBOS ($t=-12,10$, $p<0,01$), but the money refund is not such a problematic issue that they do not think that they will experience problems in money refund, in case they return the product that they have purchased ($t=3,16$, $p<0,01$). Respondents agree that the amount they will pay is ambiguous due to several factors such as cargo, exchange rate differences, customs costs etc. ($t=2,70$, $p<0,01$), which may be one of the problems that affect their attitudes towards CBOS. The respondents agree that they will not experience payment problems in CBOS ($t=-2,19$, $p<0,05$).

Table 18: Perception of Cross-Border Payment Problems

PERCEPTION OF CROSS-BORDER PAYMENT PROBLEMS	df	μ	t	Sign. (p)* (2-tailed)
If I engage with cross-border online shopping, I will experience problems in payment.	306	2,33	-12,10	0,000
If I engage with cross-border online shopping and return the product, I will experience problems in refund of my money.	306	3,18	3,16	0,002
If I engage with cross-border online shopping, the amount that I am going to pay is ambiguous due to the items such as cargo, exchange rate differences, customs costs etc.	312	3,18	2,70	0,007
Perception of risks related with payment problems	299	2,90	-2,19	0,029

4.4.5.4. Perception of Problems Related with Cross-Border Logistics

The respondents neither agree nor disagree that they would have some suspects regarding the product arrival (whether the product will arrive or not) when they engage in CBOS ($t=1,092$, $p>0,05$). But, they think that the purchased product will arrive late when they buy it via CBOS ($t=4,001$, $p<0,01$). Another logistics problem regarding to CBOS seems to be the experience of hard times while taking after sales service ($t=8,257$, $p<0,01$). But the respondents do not think that product will get any damage during transportation ($t=-2,097$, $p<0,05$). As a general perception of cross-border logistics problems, respondents agree that cross-border logistics is a problematic issue within CBOS ($t=3,325$, $p<0,01$).

Table 19: Perception of Problems Related with Cross-Border Logistics

PERCEPTION OF PROBLEMS RELATED WITH CROSS-BORDER LOGISTICS	df	μ	t	Sign. (p)* (2-tailed)
When I engage with cross-border online shopping, I would have some suspects regarding the product arrival.	313	3,07	1,092	0,276
When I purchase something by engaging in cross-border online shopping, the product will arrive late.	309	3,24	4,001	0,000
The probability of damage on the way is high for the products that are purchased via cross-border online shopping.	312	2,88	-2,097	0,037
If I purchase something via cross-border online shopping, I would experience hard times while taking after sales service.	307	3,49	8,257	0,000
Perception of risks related with cross-border logistics	297	3,16	3,325	0,001

4.4.5.5. Perception of Problems Regarding Regulatory and Administrative Issues

Concerns related with regulatory and administrative issues are found to be also problematic for the respondents ($t=7,723$, $p<0,01$), they agree that they will experience some problems as a result of engaging in online shopping due to some local legal regulations ($t=5,197$, $p<0,01$), furthermore they are not aware whether they can take the advantage of their consumer rights or not in international area ($t=7,270$, $p<0,01$).

Table 9: Perception of Regulatory and Administrative Problems

PERCEPTION OF RISKS RELATED WITH REGULATORY AND ADMINISTRATIVE ISSUES	df	μ	t	Sign. (p)* (2-tailed)
Because of some legal regulations in Turkey, I can experience some problems when I engage with cross-border online shopping.	315	3,31	5,197	0,000
I don't know whether I can take the advantage of my consumer rights or not when I engage with cross-border online shopping.	313	3,45	7,270	0,000
Perception regulatory and administrative problems	310	3,37	7,723	0,000

4.4.6. Data Analysis

Data analysis section will cover the factor, reliability analyses and hypotheses testing.

4.4.6.1. Factor and Reliability Analyses

Factor analysis aims to group the items in order to measure the intended variables, whereas the reliability analysis aims to measure whether the items are measuring the intended variables reliably or not.

4.4.6.1.1. Factor Analysis

Rotated factor analysis results showed that all of the groups of the data set are suitable for factor analysis, since Kaiser-Meyer-Olkin values are equal or greater than 0,50 (Kalaycı, 2010: 322).

Among the measured factors, only the factor of “Attitudes towards Cross-Border Online Shopping” is divided into two dimensions, which can be named as “attitudes towards cross-border online shopping” and “Image of cross-border online shopping”.

The factor item of “When compared to foreign companies of e-commerce, I rely on the local e-commerce companies more” is removed from the factor analysis, since it has the commonality value below 0,50. As a result of excluding this item, both the KMO Value and the explained variance of the factor “Perception of Unreliability and Insecurity of Cross-Border Online Shopping” have increased.

Table 21- Rotated Factor Analysis Results

FACTOR	FACTOR LOADINGS	FACTOR ITEMS
<p style="text-align: center;">Attitudes towards Cross-Border Online Shopping</p> <p style="text-align: center;">KMO = 0,785 Bartlett= 1436,061 p<0,001 Total Variance Explained= 63,84%</p>	0,854	Doing shopping from foreign countries by using internet is compatible with my understanding of purchasing.
	0,831	I like using internet for shopping from foreign countries.
	0,822	Using the foreign web sites for shopping is compatible with my purchasing style.
	0,748	Using internet for shopping from foreign countries is a good idea.
	0,731	Doing shopping from foreign countries by using internet enhances my effectiveness in shopping.
	0,585	Doing shopping from foreign countries by using internet is easy.
	0,528	The process of using the internet to purchase products or services from foreign countries is clear and understandable.
	0,952	Shopping from foreign countries over the internet is a status symbol.
	0,951	People who use the Internet for shopping from foreign countries have more prestige than those who do not.

Behavioral Intention to Engage in Cross-Border Online Shopping KMO = 0,678 Bartlett= 392,197 p<0,001 Total Variance Explained= 74,42%	0,903	I recommend my friends doing shopping from foreign countries by using internet.
	0,893	In the near future, I am willing to do shopping from foreign countries by using internet.
	0,788	If a come across with a good opportunity, I do not hesitate to buy even though the web site is foreign (foreign originated).
Perception of Unreliability and Insecurity in Cross-Border Online Shopping KMO = 0,682 Bartlett= 194,119 p<0,001 Total Variance Explained= 65,052%	0,824	It is not secure to make cross-border online purchases.
	0,807	Cross-border online shopping is not safe.
	0,788	The foreign internet vendors are unreliable people.
Perception of Language Problems KMO = 0,50 Bartlett= 323,269 p<0,001 Total Variance Explained= 90,070%	0,949	I think I am going to have a hard time to solve a probable problem with foreign vendors due to the language differences.
	0,949	While doing cross-border online shopping, I may experience problems due to the fact that the web site is in foreign language.

<p>Perception of Regulatory and Administrative Problems</p> <p>KMO = 0,50</p> <p>Bartlett= 16,750</p> <p>p<0,001</p> <p>Total Variance Explained= 61,494%</p>	0,784	I don't know whether I can take the advantage of my consumer rights or not when I engage with cross-border online shopping.
	0,784	Because of some legal regulations in Turkey, I can experience some problems when I engage with cross-border online shopping.
<p>Perception of Problems Related with Cross-Border Logistics</p> <p>KMO = 0,745</p> <p>Bartlett= 278,835</p> <p>p<0,001</p> <p>Total Variance Explained= 57,920%</p>	0,779	The probability of damage on the way is high for the products that are purchased via cross-border online shopping.
	0,769	When I purchase something by engaging in cross-border online shopping, the product will arrive late.
	0,755	If I purchase something via cross-border online shopping, I would experience hard times while taking after sales service.
	0,740	When I engage with cross-border online shopping, I would have some suspects regarding the product arrival.

Perception of Problems Related with Cross-Border Payments KMO = 0,63 Bartlett= 89,614 p<0,001 Total Variance Explained= 55,290%	0,782	If I engage with cross-border online shopping and return the product, I will experience problems in refund of my money.
	0,738	If I engage with cross-border online shopping, the amount that I am going to pay is ambiguous due to the items such as cargo, exchange rate differences, customs costs etc.
	0,709	If I engage with cross-border online shopping, I will experience problems in payment.

4.4.6.1.2. Reliability Analysis

Cronbach Alpha values are calculated for each of the factor and the factors of “Attitudes towards Cross-Border Online Shopping”, “Image of Cross-Border Online Shopping”, “Behavioral Intention to Engage in Cross-Border Online Shopping”, “Perception of Unreliability and Insecurity of Cross-Border Online Shopping”, “Perception of Language Problems”, “Perception of Problems Related with Cross-Border Logistics” are found to be reliably measured by the factor items.

On the other hand, the factors of “Perception of Regulatory and Administrative Problems” and “Perception of Problems Related with Cross-Border Payments” are found to have the Cronbach Alpha values of 0,376 and 0,598 respectively; indicating a lower reliability. This may be due to the development of the items by the researcher’s own; and the scales need to be improved to obtain a higher level of reliability.

Table 10- Cronbach Alpha Results for the Factors

FACTOR	CRONBACH ALPHA	FACTOR ITEMS
<p style="text-align: center;">Attitudes towards Cross-Border Online Shopping</p>	0,862	<p>Doing shopping from foreign countries by using internet is compatible with my understanding of purchasing.</p>
		<p>I like using internet for shopping from foreign countries.</p>
		<p>Using the foreign web sites for shopping is compatible with my purchasing style.</p>
		<p>Using internet for shopping from foreign countries is a good idea.</p>
		<p>Doing shopping from foreign countries by using internet enhances my effectiveness in shopping.</p>
		<p>Doing shopping from foreign countries by using internet is easy.</p>
		<p>The process of using the internet to purchase products or services from foreign countries is clear and understandable.</p>

Image of Cross-Border Online Shopping	0,93	Shopping from foreign countries over the internet is a status symbol.
		People who use the Internet for shopping from foreign countries have more prestige than those who do not.
Behavioral Intention to Engage in Cross-Border Online Shopping	0,828	I recommend my friends doing shopping from foreign countries by using internet.
		In the near future, I am willing to do shopping from foreign countries by using internet.
		If a come across with a good opportunity, I do not hesitate to buy even though the web site is foreign (foreign originated).
Perception of Unreliability and insecurity of Cross-Border Online Shopping	0,734	It is secure to make cross-border online purchases.
		Cross-border online shopping is safe.
		The foreign internet vendors are reliable people.

Perception of Language Problems	0,892	I think I am going to have a hard time to solve a probable problem with foreign vendors due to the language differences.
		While doing cross-border online shopping, I may experience problems due to the fact that the web site is in foreign language.
Perception of Regulatory and Administrative Problems	0,376	I don't know whether I can take the advantage of my consumer rights or not when I engage with cross-border online shopping.
		Because of some legal regulations in Turkey, I can experience some problems when I engage with cross-border online shopping.
Perception of Problems Related with Cross-Border Logistics	0,765	The probability of damage on the way is high for the products that are purchased via cross-border online shopping.
		When I purchase something by engaging in cross-border online shopping, the product will arrive late.
		If I purchase something via cross-border online shopping, I would experience hard times while taking after sales service.
		When I engage with cross-border online shopping, I would have some suspects regarding the product arrival.

Perception of Problems Related with Cross-Border Payments	0,598	If I engage with cross-border online shopping and return the product, I will experience problems in refund of my money.
		If I engage with cross-border online shopping, I will experience problems in payment.
		If I engage with cross-border online shopping, the amount that I am going to pay is ambiguous due to the items such as cargo, exchange rate differences, customs costs etc.

4.4.6.2. Hypotheses Testing

The hypotheses 1 to 10 are tested via bivariate Pearson correlation analysis; 11-19 via simple regression analysis, 20-26 are tested via independent samples t-test.

Hypothesis 1 predicted that there is a relationship between prior negative experiences of individuals regarding CBOS's reliability and security and their perception of unreliability and insecurity of CBOS. To test Hypothesis 1, the perception of unreliability and insecurity and prior negative experiences of individuals regarding CBOS's reliability and security are tested for Pearson Correlation. The results revealed that there is a significant positive relationship between the prior negative experiences and perception of unreliability and insecurity of CBOS ($r=0,270$, $p<0,01$). Indicating as the prior negative experiences of individuals regarding cross-border online shopping's reliability and security increases, their perception of unreliability and insecurity of cross-border online shopping increases as well. Therefore, Hypothesis 1 is supported.

Hypothesis 2 proposed that, there is a relationship between prior negative experiences regarding language differences and their perception of language problems of CBOS. The result of correlation analysis between these two variables showed the existence of a

significant positive relationship ($r=0,354$, $p<0,01$), indicating that the 35,4% of the variance in perception of language problems is explained by the prior negative experiences regarding to this issue. Thus, Hypothesis 2 is supported.

Hypothesis 3, suggested the existence of a relationship between prior negative experiences of individuals regarding payments and their perception of payment problems in CBOS. Correlation analysis results showed a significant positive relationship ($r=0,472$, $p<0,01$) between the variables and that can be concluded that the 47,2% of the variability in perception of payment problems is explained by the prior negative experiences regarding to this issue. And, Hypothesis 3 is supported.

The relationship between prior negative experiences of individuals regarding logistics and their perception of logistics problems in CBOS is proposed in Hypothesis 4. The result of correlation analysis between these variables supported the significant positive relationship ($r=0,314$, $p<0,01$), and Hypothesis 4 is supported as well.

Hypothesis 5 predicted that there is a relationship between prior negative experiences regarding regulatory and administrative issues and perception of regulatory and administrative problems in CBOS. The Pearson correlation between these variables showed that there is significant positive relationship ($r=0,242$, $p<0,01$), and therefore Hypothesis 5 is supported.

Hypothesis 6 predicted that there is a negative relationship between the consumers' perception regarding the unreliability and insecurity of CBOS and their attitudes towards CBOS. Correlation analysis revealed that there is a significant negative relationship between the variables ($r=-0,679$, $p<0,01$), so that the Hypothesis 6 is supported.

The negative relationship between the perception of language problems and consumers' attitudes towards CBOS is predicted by Hypothesis 7, and significant negative correlation between the variables is found ($r=-0,193$, $p<0,01$), supporting the Hypothesis 7.

Moreover, Hypothesis 8 proposes a significant negative relationship between perception of problems related with cross border payments and consumers' attitudes towards

CBOS. The analysis proved the significance of negative relationship between the variables ($r=-0,254$, $p<0,01$), thus Hypothesis 8 is supported

Hypothesis 9 predicted that the problems related with cross-border logistics affects consumers' attitudes towards CBOS negatively, therefore the existence of the negative relationship between these two variables. According to the analysis, negative significant relationship is supported ($r=-0,264$, $p<0,01$), so does Hypothesis 9.

The existence of a negative significant relationship between perception of regulatory and administrative problems and consumers' attitudes towards CBOS is proposed by Hypothesis 10, so that it is predicted perception of regulatory and administrative problems affects consumers' attitudes towards CBOS negatively. The significant and negative relationship is found via analysis ($r=-0,243$, $p<0,01$); therefore Hypothesis 10 is supported.

In order to test Hypothesis 11, which predicts that if the consumers' attitudes towards CBOS increases in a positive way, then their behavioral intention to engage CBOS will be affected positively, the behavioral intention to engage in CBOS is utilized as the dependent variable, whereas consumers' attitudes towards CBOS was the independent variable. Analysis results showed that the attitude towards CBOS is significantly affecting the behavioral intention to engage CBOS ($F=165,229$, $p<0,01$), and the R^2 value of 0,476 indicates that 47,6% of the variance in behavioral intention to engage in CBOS is explained through the attitude towards CBOS. Unstandardized coefficients of constant and attitudes towards CBOS are 0,141 and 0,630 respectively. The equation of regression can be given as:

$$\textit{Behavioral Intention to Engage CBOS} = \textit{Attitudes towards CBOS} * 0,63 + 0,141$$

Hypothesis 12 predicts if the consumers' behavioral intention to engage in cross-border online shopping increases, then their actual usage of cross-border online shopping will be affected positively. Taking behavioral intention to engage in cross-border online shopping as independent variable and actual usage of cross-border online shopping as dependent (which is demonstrated by the degree of agreement/disagreement to the statement of "I use internet for doing cross-border shopping"), analysis revealed that actual usage of cross-border online shopping is significantly related to behavioral intention to engage in cross-border online

shopping ($F=47,903$, $p<0,01$), and the R^2 value of 0,208 indicates that 20,8% of the variance in actual usage of cross-border online shopping is explained through the behavioral intention to engage in cross-border online shopping. This explanation level is rather low, and other explanatory variables can be added to the model to increase the explained variability. Unstandardized coefficients of constant and behavioral intention to engage cross-border online shopping are 3,909 and 0,412 respectively; the equation of regression can be given as:

$$\text{Actual Usage of CBOS} = \text{Behavioral Intention to Engage CBOS} * 0,412 + 3,909$$

Hypothesis 13 proposes that if the consumers' behavioral intention to engage in cross-border online shopping increases, then their amount of spending in previous 12 months for cross-border online shopping will be affected positively. Taking behavioral intention to engage in cross-border online shopping as independent variable and amount of spending in previous 12 months for cross-border online shopping as dependent, analysis revealed that amount of spending for cross-border online shopping is significantly related to behavioral intention to engage in cross-border online shopping ($F=9,230$, $p<0,01$), thus Hypothesis 13 is supported. R^2 value of 0,048 indicates that 4,8% of the variance in amount of spending in previous 12 months for cross-border online shopping is explained through the behavioral intention to engage in cross-border online shopping. This explanation level is very low, and other explanatory variables can be added to the model to increase the explained variability. Unstandardized coefficients of constant and behavioral intention to engage cross-border online shopping are 3,574 and 1,323 respectively; the equation of regression can be given as:

$$\text{Amount of spending in previous 12 months for CBOS} = \text{Behavioral Intention to Engage CBOS} * 1,323 + 3,574$$

Hypotheses between 14 and 20 are proposed for the individuals who had never engaged with cross-border online shopping before.

In order to test Hypothesis 14, which proposes that, if the consumers' perception regarding the unreliability and insecurity of cross-border online shopping is positive, then their attitudes towards cross-border online shopping will be affected negatively, simple linear regression analysis is conducted by taking perception regarding the unreliability and

insecurity of cross-border online shopping as the independent variable. The results revealed that the 40,8% of the variance in attitudes towards cross-border online shopping is explained by the consumers' perception regarding the unreliability and insecurity ($F=98,440$, $p<0,01$). Hypothesis 14 is supported, and the unstandardized coefficients indicate the equation as:

$$\begin{aligned} & \textit{Attitudes towards CBOS} \\ & = \textit{Perception regarding the Unreliability and Insecurity of CBOS} \\ & * -0,588 - 0,314 \end{aligned}$$

Hypothesis 15 predicts that the perception of language problems affects consumers' attitudes towards cross-border online shopping negatively. To test this hypothesis, simple regression is conducted by assigning perception of language problems as independent variable. Analysis results rejected the negative relationship ($F=0,643$, $p>0,05$), and Hypothesis 15 is rejected.

“Perception of problems related with cross border payments affect consumers' attitudes towards cross-border online shopping negatively” is the proposition of Hypothesis 16. Simple regression analysis supported that as the perception of problems regarding cross-border online shopping payments increase, the attitudes towards cross-border online shopping is affected negatively ($F=15,816$, $p<0,01$). Although the explanatory power of perception of problems related with cross border payments on the attitudes towards the concept is rather low as 10%, since the relationship is approved by analysis, Hypothesis 16 is supported. The equation can be written as:

$$\begin{aligned} & \textit{Attitudes towards CBOS} \\ & = \textit{Perception of problems related with cross border payments} \\ & * -0,308 - 0,488 \end{aligned}$$

The Hypothesis 17, which proposed that the perception of problems related with cross-border logistics affects consumers' attitudes towards cross-border online shopping negatively, is rejected as a result of simple regression analysis ($F=1,797$, $p>0,05$).

Similarly, Hypothesis 18, proposing that perception of regulatory and administrative problems affects consumers' attitudes towards cross-border online shopping negatively, is also rejected ($F=3,240$, $p>0,05$).

Hypothesis 19, which predicts that attitudes towards cross-border online shopping affect behavioral intention to engage in cross-border online shopping positively is supported as a result of simple regression analysis, and it is found that 58,7% of the variance in behavioral intention to engage in cross-border online shopping is explained by attitudes towards cross-border online shopping ($F=203,342$, $p<0,01$). Taking the unstandardized coefficients of constant and independent variable of attitudes towards cross-border online shopping, the regression equation can be given as:

$$\text{Behavioral Intention to Engage in CBOS} = \text{Attitudes towards CBOS} * 0,862 - 0,037$$

Based on the difference of whether the individuals had previously engaged cross-border online shopping or not, Hypothesis 20 proposed that "There is a difference between individuals' perception of unreliability and insecurity of cross-border online shopping based on their previous engagement with the concept."

Table 23 indicates that the individuals who have had previously engaged in cross-border online shopping has lower perception of unreliability and insecurity regarding to the concept, whereas the individuals who have never engaged in cross-border online shopping have higher perception for unreliability/insecurity dimension. Independent samples test supported the existence of difference between two groups ($t=-7,838$, $p<0,01$) and the individuals who had previously engaged with cross-border online shopping do not agree that the cross-border online shopping is unreliable/insecure. Therefore, Hypothesis 20 is supported.

Table 11: Group Statistics for the Perception of Unreliability and Insecurity

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Perception of unreliability/ insecurity	YES	171	2,76	0,51	0,04
	NO	136	3,30	0,66	0,06

Table 12: Independent Samples t-test for Perception of Unreliability/ Insecurity

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Perception of unreliability/ insecurity	Equal variances assumed	7,030	0,008	-8,0708	305	0,00
	Equal variances not assumed			-7,8383	248,50	0,00

The existence of a significant difference between the individuals' who had previously engaged and who had not engaged in cross-border online shopping from the aspect of perception of language problems is proposed by Hypothesis 21.

Table 25 depicts that the individuals who had previously engaged with cross-border online shopping has lower perception of language problems regarding to the concept, when compared to the individuals who have never engaged in cross-border online shopping. Independent samples t-test given in Table 26 supported the existence of difference between two groups ($t=-3,919$, $p<0,01$) and the individuals who had previously engaged with cross-border online shopping have lower perceptions regarding to the language problems. So, Hypothesis 21 is supported.

Table 13: Group Statistics for Perception of Language Problems

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Perception of language problems	YES	177	2,13	1,03	0,08
	NO	140	2,64	1,22	0,10

Table 14: Independent Samples t-test for Perception of Language Problems

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Perception of language problems	Equal variances assumed	13,986	0,000	-3,996	315	0,00
	Equal variances not assumed			-3,919	272,06	0,00

Hypothesis 22 predicts that there is a difference between individuals' perception of cross-border payments problems based on their previous engagement with the concept.

Table 27 indicates that the individuals who had previously engaged cross-border online shopping do not agree the existence of payment problems, whereas the inexperienced group has agreed that payment problems will occur.

Moreover Levene's Test for Equality of Variances resulted that the variances of the two groups can be assumed as equal ($F=0,032$, $p>0,05$) and independent samples t-test supported the difference between two groups from the aspect of perception of payment problems ($t=-7,175$, $p<0,01$); therefore Hypothesis 22 is supported.

Table 15: Group Statistics for Perception of Payment Problems

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Perception of cross border payment problems	YES	169	2,64	0,720	0,055
	NO	131	3,24	0,729	0,064

Table 16: Independent Samples t-test for Perception of Payment Problems

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Perception of payment problems	Equal variances assumed	0,032	0,858	-7,175	298	0,00
	Equal variances not assumed			-7,163	277,901	0,00

Hypothesis 23 proposed the existence of difference between individuals' perception of cross-border logistics problems based on their previous engagement with the concept. The group statistics are given in Table-29, which indicate that the individuals who had previously engaged with cross-border online shopping perceived lower logistics problems in comparison to the individuals who had never engaged with the cross-border online shopping experience.

Levene's Test for equality of variances denoted that the variances of two groups can be assumed equal ($F=0,101$, $p>0,05$), whereas independent samples t-test showed that there is

a significant difference between these two groups from the aspect of logistics problems' perception ($t=-5,347$, $p<0,01$). So, Hypothesis 23 is supported.

Table 29: Group Statistics for the Perception of Logistics Problems

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Perception of logistics problems	YES	168	2,94	0,789	0,061
	NO	130	3,43	0,756	0,066

Table 17: Independent Samples t-test for the Perception of Logistics Problems

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Perception of logistics problems	Equal variances assumed	0,101	0,751	-5,347	296	0,00
	Equal variances not assumed			-5,375	282,811	0,00

The existence of difference between the individuals who had previously engaged with cross-border online shopping and the ones who had never experienced from the aspect of perception of regulatory and administrative problems is proposed by Hypothesis 24.

Group statistics in Table-31 indicated that both of the groups agree that they perceive regulatory and administrative problems regarding cross-border online shopping; besides the individuals who had never engaged in cross-border online shopping perceive a higher level of problems regarding regulatory and administrative issues.

In order to understand whether the difference between two groups is significant or not, independent samples t-test is conducted. Test results pointed out that the difference is not significant ($t=-1,938$, $p>0,05$), and Hypothesis 24 is rejected.

Table 18: Group Statistics for Perception of Regulatory and Administrative Problems

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Perception of regulatory and administrative problems	YES	177	3,29	0,816	0,061
	NO	134	3,47	0,863	0,075

Table 19: Independent Samples t-test for Perception of Regulatory and Administrative Problems

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Perception of regulatory and administrative problems	Equal variances assumed	0,191	0,662	-1,938	309	0,054
	Equal variances not assumed			-1,923	277,793	0,06

The difference in attitudes between the individuals' who had engaged in cross-border online shopping and the individuals who had never engaged is proposed in Hypothesis 25. Table 33 indicates that the first group holds more favorable attitudes towards cross-border online shopping when compared to the latter. Levene's test for equality of variances revealed unequal variances for the groups ($F=6,894$, $p<0,01$), and independent samples t-test results supported Hypothesis 25, indicating that there is a significant difference between two groups from the aspect of attitudes towards cross-border online shopping ($t=10,018$, $p<0,01$).

Table 20: Group Statistics for Attitudes towards CBOS

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Attitudes towards Cross-Border Online Shopping	YES	169	3,46	0,528	0,041
	NO	128	2,76	0,640	0,057

Table 21: Independent Samples t-test for Attitudes towards CBOS

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Attitudes towards Cross-Border Online Shopping	Equal variances assumed	6,894	0,009	10,286	295	0,00
	Equal variances not assumed			10,018	242,85	0,00

The behavioral intention differences between the experienced and inexperienced groups are tested via one sample t-test. Given in Table-35, the individuals' behavioral intention to engage in cross-border online shopping is higher for the ones who had previously engaged with cross-border online shopping. Levene's test for equality of variances indicated the variances of the two groups are not equal, and independent samples t-test signified that there is significant difference between two groups ($t=9,723$, $p<0,01$); which higher behavioral intention for the individuals that had previously engaged in cross-border online shopping. So, Hypothesis 26 is supported.

Table 22: Group Statistics of Behavioral Intention to Engage in CBOS

Group Statistics	Previous CBOS Experience	N	Mean	Std. Deviation	Std. Error Mean
Behavioral Intention to Engage in Cross-Border Online Shopping	YES	174	3,87	0,676	0,051
	NO	138	2,90	0,995	0,085

Table 23: Independent Samples t-test for Behavioral Intention to Engage in CBOS

Independent Samples Test		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
Behavioral Intention to Engage in Cross-Border Online Shopping	Equal variances assumed	26,974	0,000	10,147	310	0,00
	Equal variances not assumed			9,723	231,192	0,00

CONCLUSION

Cross-border online shopping is beneficial from many aspects including individuals' easy access of goods/services that cannot be found in the home market; but research results show that nearly half of the respondents had never made any purchases from foreign countries although their socio economic status and language level is convenient. Finding out about the factors that negatively affect the attitudes and behavioral intention towards cross-border online shopping is important since preventing the negative effect is only possible when the foreign firms realize the actual reasons.

Research results revealed that the negative experiences of respondents who had previously engaged with cross-border online shopping has a positive relationship with their perceptions regarding the potential problems such as unreliability, language, payment, logistics and and regulations. Moreover these problem perceptions have a negative relationship with respondents' positive attitudes towards cross-border online shopping. And attitude affects their behavioral intention to engage in cross-border online shopping; which in turn affects the actual usage of cross border shopping operationalized with the previous twelve months' shopping amount from foreign sites.

On the other hand, the attitudes of consumers who had never engaged with cross-border online shopping are affected from their perceptions of potential payment and trust problems, and their attitudes do affect their behavioral intention to engage in cross-border online shopping. The other potential problems except language (logistics, regulatory and administrative issues) are perceived by the respondents but their attitudes are not affected by them, a possible reason for that can be suggested as the non-engagement with the concept. Since these individuals have never purchased anything online from a foreign web site they might never considered the language, logistics and regulatory problems as important; but the reliability problems and payment problems seems to be the primary concerns for not engaging in cross-border e-commerce. Thus, any firm that would like to attract consumers from Turkey should better identify its focus as clarifying the question marks in consumers' minds regarding the reliability and payment problems. By doing so, the firms can help the individuals to develop better attitudes towards the concept of cross-border online shopping, have a positive intention for the concept and purchase more.

One of the interesting results reached via the research is that the perceptions regarding the problems of cross-border online shopping is significantly lower for the ones who had previously engaged with the concept, except the problems regarding the regulatory and administrative issues. So, it can be said that as the individuals get experienced about cross-border online shopping, their perceptions regarding the possible problems decrease. Additionally, the attitudes and behavioral intention towards cross-border online shopping improves as the individuals engage in the concept.

One of the major limitations of this research is being carried on a limited population of academicians. This can be both considered as an advantage and a drawback, since the academicians are among the groups that can engage in cross-border online shopping with their knowledge of foreign languages; on the other hand the population can be enlarged by including the faculties other than economics and administrative sciences. Moreover, at this point the level of foreign language knowledge can be discussed, in other words whether the customers' problem perceptions are related with or independent from their foreign language knowledge level.

In further studies, the attitudes, behavioral intentions and actual behaviors of cross-border online shopping can be compared in the context of conventional shopping or online shopping behavior. By the way, an insight regarding the future cross-border shopping profile of the consumers can be obtained.

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APPENDICES

APPENDIX A. QUESTIONNAIRE FORM

CONSUMER ATTITUDES TOWARDS DOING CROSS-BORDER ONLINE SHOPPING

Dear participant,

This research is being conducted in order to measure consumers' attitudes towards **cross-border online shopping**.

To answer the questionnaire, **there is no need** to make any cross border purchases before.

The time needed to answer the questionnaire is about 10 minutes.

Reserch results will be used for academic purposes.

Thanks for your participation.

Res. Assist. Miray Baybars

1. Please specify the extent you agree or disagree with the given statement.

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
I use internet for doing cross-border shopping.					

2. How many years have you been using internet for cross-border online shopping?

0-2

3-4

5 and more

3. How much have you spend in the previous twelve months for your cross border online purchases?

• I hadn't made any purchases

• \$101-\$150

• \$301-\$350

• \$501-\$550

• \$151-\$200

• \$351-\$400

• \$551 and more

• \$1-\$50

• \$201-\$250

• \$401-\$450

• \$51-\$100

• \$251-\$300

• \$451-\$500

4. What is the maximum amount you have paid for your cross border purchases in the previous twelve months?

• I hadn't made any purchases

• \$101-\$150

• \$301-\$350

• \$501-\$550

• \$151-\$200

• \$351-\$400

• \$551 and more

• \$1-\$50

• \$201-\$250

• \$401-\$450

• \$51-\$100

• \$251-\$300

• \$451-\$500

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
It secure to make cross-border online purchases.					
Doing shopping from foreign countries by using internet is easy.					
Using the foreign web sites for shopping is compatible with my purchasing style.					
Doing shopping from foreign countries by using internet is compatible with my understanding of purchasing.					
Doing shopping from foreign countries by using internet enhances my effectiveness in shopping.					
People who use the Internet for shopping from foreign countries have more prestige than those who do not.					
Shopping from foreign countries over the internet is a status symbol.					
The process of using the internet to purchase products or services from foreign countries is clear and understandable.					
Using internet for shopping from foreign countries is a good idea.					
I like using internet for shopping from foreign countries.					
In the near future, I am willing to do shopping from foreign countries by using internet.					
I recommend my friends doing shopping from foreign countries by using internet.					
If a come across with a good opportunity, I do not hesitate to buy even though the web site is foreign (foreign originated).					
The foreign internet vendors are reliable people.					
When compared to foreign companies of e-commerce, I rely on the local e-commerce companies more					
While doing cross-border online shopping, I may experience problems due to the fact that the web site is in foreign language.					
I think I am going to have a hard time to solve a probable problem with foreign vendors due to the language differences.					
Because of some legal regulations in Turkey, I can experience some problems when I engage with cross-border online shopping.					
I don't know whether I can take the advantage of my consumer rights or not when I engage with cross-border online shopping.					
When I engage with cross-border online shopping, I would have some suspects regarding the product arrival.					
When I purchase something by engaging in cross-border online shopping, the product will arrive late					
The probability of damage on the way is high for the products that are purchased via cross-border online shopping.					
If I purchase something via cross-border online shopping, I would experience hard times while taking after sales service.					

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
If I engage with cross-border online shopping, I will experience problems in payment.					
If I engage with cross-border online shopping and return the product, I will experience problems in refund of my money.					
If I engage with cross-border online shopping, the amount that I am going to pay is ambiguous due to the items such as cargo, exchange rate differences, customs costs etc.					
Doing cross-border shopping is important to me.					
Doing cross-border shopping is boring for me.					
Doing cross-border shopping is exciting for me.					
Doing cross-border shopping is appealing for me.					
Doing cross-border shopping is mundane for me.					
Doing cross-border shopping is a valuable experience for me.					
Doing cross-border shopping is unneeded for me.					
Doing cross-border shopping is a useful for me.					
Doing cross-border shopping is safe.					
I lost my confidence in cross-border online shopping as a result of experiences that I had.					
When I engaged in cross-border online shopping, I've experienced problems due to insufficiency of my foreign language.					
When I engaged in cross-border online shopping, I've experienced problems due to the legal regulatory differences between my country and the foreing country that I have shopped.					
When I engaged in cross-border online shopping, I've experienced problems at least one of the issues regarding to product arrival, damaged product, after sales service.					
In my cross-border purchases, I have paid more than I expected due to the exchange rates or transportation costs.					
In my cross-border purchases, I've experienced problems regarding payment.					
In my cross-border purchases, I've experienced problems regarding refund even though I returned the product.					

5. Academic Title:

- Professor
- Associate Professor
- Assistant Professor
- Instructor
- Lecturer
- Expert
- Research Assistant

6. Age:.....

7. Gender:

- Female
- Male

8. Monthly household income? (TL) (Aggregate income of individuals living at your home)

- 1000-1500
- 1501-2000
- 2001-2500
- 2501-3000
- 3001-3500
- 3501-4000
- 4001-4500
- 4501-5000
- 5001-5500
- 5501-6000
- 6001-6500
- 6501-7000
- 7001-7500
- 7501 and more

9. Marital Status?

- Single without child(ren)
- Single with child(ren)
- Married without child(ren)
- Married with child(ren)

10. Your department?

- Business Administration
- Economics
- International Relations
- Public Administration
- Finance
- Labor economy and Industrial relationships
- Econometrics
- Other.....

11. The city you live?.....

APPENDIX B. QUESTIONNAIRE FORM (TURKISH)

YURTDIŞINDAN ONLINE ALIŞVERİŞ YAPMAYA YÖNELİK TÜKETİCİ TUTUMLARI

Sayın Katılımcı,

Bu çalışma tüketicilerin **interneti kullanarak yurt dışından (online) alışveriş** yapmaya yönelik tutumlarını ölçmek amacıyla yapılmaktadır.

Anketi yanıtlamak için katılımcıların daha önceden yurtdışından interneti kullanarak alışveriş yapmış olmaları **gerekmemektedir**.

Anketi yanıtlamak için gereken süre yaklaşık 10 dakikadır.

Çalışma sonuçları akademik amaçla kullanılacaktır.

Katılımınız için teşekkür ederim.

Araş. Gör. Miray Baybars

1. Aşağıdaki ifadeye ne derece katılıp katılmadığınızı işaretleyiniz.

	Kesinlikle Katılmıyorum	Katılmıyorum	Kararsızım	Katılıyorum	Kesinlikle Katılıyorum
İnterneti kullanarak yurt dışından alışveriş yapmaktayım.					

2. Kaç yıldır interneti yurtdışından alışveriş yapmak için kullanıyorsunuz?

0-1

2-3

4 ve üzeri

3. Geçtiğimiz on iki ay zarfında interneti kullanarak yurtdışından yaptığımız alışverişler için ne kadar harcama yaptınız?

• Hiç harcama

yapmadım

• \$1-\$50

• \$51-\$100

• \$101-\$150

• \$151-\$200

• \$201-\$250

• \$251-\$300

• \$301-\$350

• \$351-\$400

• \$401-\$450

• \$451-\$500

• \$501-\$550

• \$551 ve üzeri

4. Geçtiğimiz on iki ay zarfında interneti kullanarak yurtdışından yaptığımız maksimum alışveriş tutarı nedir?

• Hiç harcama

yapmadım

• \$1-\$50

• \$51-\$100

• \$101-\$150

• \$151-\$200

• \$201-\$250

• \$251-\$300

• \$301-\$350

• \$351-\$400

• \$401-\$450

• \$451-\$500

• \$501-\$550

• \$551 ve üzeri

	Kesinlikle Katılmıyorum	Katılmıyorum	Kararsızım	Katılıyorum	Kesinlikle Katılıyorum
İnterneti kullanarak yurt dışından alışveriş yapmak, emniyetlidir.					
İnterneti kullanarak yurt dışından ürün satın almak kolaydır.					
Alışveriş için yabancı alışveriş sitelerini kullanmak benim satın alma tarzıma uygundur.					
İnterneti kullanarak yurt dışından alışveriş yapmak, benim satın alma anlayışımla uyumludur.					
İnterneti kullanarak yurt dışından alışveriş yapmak alışveriş etkinliğimi artırır.					
İnterneti kullanarak yurt dışından alışveriş yapan kişiler, yapmayanlara göre daha fazla prestij sahibidir.					
İnterneti kullanarak yurt dışından alışveriş yapmak statü göstergesidir.					
Yurt dışından ürün satın almak için interneti kullanma süreci oldukça açık ve anlaşılırdır.					
Yurt dışından alışveriş için interneti kullanmak iyi bir fikirdir.					
Yurt dışından alışveriş için interneti kullanmaktan hoşlanırım.					
Yakın gelecekte, yurt dışından interneti kullanarak alışveriş yapmak için istekliyim.					
İnterneti kullanarak yurt dışından alışveriş yapmayı arkadaşlarıma öneririm.					
İyi bir fırsatla karşılaştığımda site yabancı (yurt dışı kaynaklı) bile olsa satın almakta tereddüt etmem.					
İnternetteki yabancı satıcılar güvenilir kimselerdir.					
İnternette alışveriş yaparken yurt dışındaki firmalara yurt içindeki firmalardan daha çok güvenirim.					
Yurt dışından interneti kullanarak alışveriş yaparken sitenin yabancı dilde olmasından dolayı problem yaşayabilirim.					
Yurt dışındaki satıcılar ile yaşanabilecek sorunların çözümünde, dil farklılığı sebebiyle zorlanacağımı düşünüyorum.					
Türkiye'deki kimi yasal düzenlemelerden dolayı, yurt dışından interneti kullanarak alışveriş yaptığımda problem yaşayabilirim.					
İnterneti kullanarak yurt dışından alışveriş yaptığımda, tüketici haklarımdan yararlanıp yararlanamayacağımı bilmiyorum.					
Yurt dışından interneti kullanarak alışveriş yaptığımda, satın aldığım ürünün elime ulaşıp ulaşmayacağı ile ilgili endişe taşıyorum.					

	Kesinlikle Katılmıyorum	Katılmıyorum	Kararsızım	Katılıyorum	Kesinlikle Katılıyorum
Yurt dışından interneti kullanarak alışveriş yaptığımda, ürün elime geç ulaşır.					
Yurt dışından interneti kullanarak aldığım ürünlerin yolda hasar görme olasılığı yüksektir.					
Yurt dışından interneti kullanarak alışveriş yaptığımda satış sonrası hizmet alırken zorluk yaşarım.					
İnterneti kullanarak yurt dışından alışveriş yaptığımda ödemede problem yaşarım.					
İnterneti kullanarak yurt dışından alışveriş yaptığımda ürünü iade etmem halinde paramı geri almakta sorun yaşarım.					
Yurt dışından interneti kullanarak alışveriş yaptığımda ödeyeceğim bedel, -kargo, kur farkı, gümrük vb. maliyetlerin sonradan eklenmesi nedeniyle- belirsizdir.					
İnterneti kullanarak yurt dışından alışveriş yapmak benim için önemlidir.					
İnterneti kullanarak yurt dışından alışveriş yapmak sıkıcıdır.					
İnterneti kullanarak yurt dışından alışveriş yapmak heyecan vericidir.					
İnterneti kullanarak yurt dışından alışveriş yapmak bana çekici gelir.					
İnterneti kullanarak yurt dışından alışveriş yapmak bana sıradan gelir .					
İnterneti kullanarak yurt dışından alışveriş yapmak değerli bir deneyimdir.					
Bana göre interneti kullanarak yurt dışından alışveriş yapmak gereksizdir.					
İnterneti kullanarak yurt dışından alışveriş yapmak faydalıdır.					
İnterneti kullanarak yurt dışından alışveriş yapmak güvenilirdir.					
İnterneti kullanarak yurtdışından alışveriş yapmaya yönelik güvenim, yaşadığım deneyimler sonucunda sarsıldı.					
Yurtdışından interneti kullanarak alışveriş yaptığımda, yabancı dilimin yetersizliğinden dolayı problem yaşadım.					
İnterneti kullanarak yurt dışından alışveriş yaptığımda, alışveriş yaptığım ülke ile kendi ülkemdeki yasal düzenleme farklarından dolayı sorun yaşadım.					
Yurtdışından interneti kullanarak yaptığım alışverişlerde, ürünün elime ulaşması, hasarlı olması, satış sonrası hizmet gibi konuların en az birinde sorun yaşadım.					

	Kesinlikle Katılmıyorum	Katılmıyorum	Kararsızım	Katılıyorum	Kesinlikle Katılıyorum
Yurtdışından interneti kullanarak yaptığım alışverişlerde, kur farkı ya da nakliye bedeli dolayısıyla beklediğimden daha fazla ödeme yaptım.					
Yurtdışından interneti kullanarak yaptığım alışverişlerde, ödeme ile ilgili problemler yaşadım.					
Yurtdışından interneti kullanarak yaptığım alışverişlerde, ürün iade ettiğim halde paramı geri alma ile ilgili problemler yaşadım.					

5. Akademik Unvanınız:

- Profesör
- Doçent
- Yardımcı Doçent
- Öğretim Görevlisi
- Okutman
- Uzman
- Araştırma Görevlisi

6. Yaşınız:.....

7. Cinsiyetiniz:

- Kadın
- Erkek

8. Aylık hanehalkı geliriniz?(TL) (Hanenizde yaşayan bireylerin gelirleri toplamı)

- 1000-1500
- 1501-2000
- 2001-2500
- 2501-3000
- 3001-3500
- 3501-4000
- 4001-4500
- 4501-5000
- 5001-5500
- 5501-6000
- 6001-6500
- 6501-7000
- 7001-7500
- 7501 ve üzeri

9. Medeni durumunuz?

- Bekar, çocuksuz
- Bekar, çocuklu
- Evli, çocuksuz
- Evli, çocuklu

10. Bölümünüz?

- İşletme
- İktisat
- Uluslararası İlişkiler
- Kamu Yönetimi
- Maliye
- Çalışma Ekonomisi ve Endüstri İlişkileri
- Ekonometri
- Diğer.....

11. Bulduğunuz şehir?.....