"You'll find it at Fred Meyer" – a case study for strategic online-marketing

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From a marketing point of view electronic commerce (e-commerce) is far more than a mere selling and distributing medium. It is a platform for an integrated marketing that takes consumer's needs into consideration while at the same time can help to enforce customer orientation. However, as to the current date, there are hardly any findings about important factors for acceptance, or about possible obstacles or advantages. This holds true for both the dealer's and the customer's perspective.

From a customer's view, it is relatively obvious that advantages (such as the shopping paradise that can comfortably be reached without restrictions of time and space) are opposed by specific disadvantages (such as insecure payment, but also personal risks, unreliable delivery etc). These insecurities are a crucial reason why the majority of (potential) consumers does not buy yet, but is only interested in information concerning products and services instead (the socalled "browsers"). They visit websites of manufacturers and dealers to acquire information in order to confirm their buying decision processes (pre- and post-consumer-behavior). Yet, even if the actual purchase of a product and services today is still relatively rare, for a company's marketing communication the internet may be an important medium for providing information. "Browsers" and "non-shoppers" are potential target groups which must be reached the same way as "purchasers" must be kept.

By referring to a specific example (the supermarket chain "Fred Meyer", in Portland, Oregon) the present study demonstrates which strategies can be used to optimize "business-to-consumer" relations. This relation is examined in all three relevant phases: pre-purchase interaction, purchase consummation and post-purchase interaction. "Fred Meyer" is the fourth largest supermarket chain in the USA with more than 800 stores in 11 states. Their slogan "You'll find it at Fred Meyer" underlines the variety of products available in their stores: drugstore, home improvement center, grocery store, garden center etc. - everything integrated in one comprehensive building. Currently, Fred Meyer's website (http://www.fredmeyer.com) is used as a marketing tool only - with limited possibilities to actually shop, but with a lot of information being provided and with a virtual job market to apply for vacancies online.

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The goal of this study is to develop a "business to customer electronic commerce concept" for that company, to test the market and to identify potential products, customers and strategies. 300 computer based telephone interviews build the databasis to derive costumer profiles and online-market-segments. The survey was performed in late 1998, all persons in the sample had internet access, some of them were already online-shoppers, others were previous Fred Meyer costumers.