

Internet Adoption among Retailers in City Centres in The Netherlands

Towards a Continuum of Internet Strategies

Jesse Weltevreden

**Urban & Regional research
centre Utrecht (URU)**

GOR 2004, Duisburg, Germany, 30 March 2004

Outline Presentation

Outline

The Dutch
Retail
Context

- The Dutch Retail Context: The Importance of City Centres

Data
Collection

- Data Collection

Results

- Results

Examples

- Examples

Continuum

- A Continuum of Internet Strategies

Future
Research

- Future Research

The Dutch Retail Context

Outline

The Dutch
Retail
Context

Data
Collection

Results

Examples

Continuum

Future
Research

- Large number of small scale shops per capita concentrated in urban areas;
- Inner cities are on top of the retail hierarchy;
- A large number of “e-commerce sensitive” sectors is located in city centres.

Inner City Presence & E-commerce

Sensitiveness of Dutch Retail Sectors (2002)

Outline

The Dutch
Retail
Context

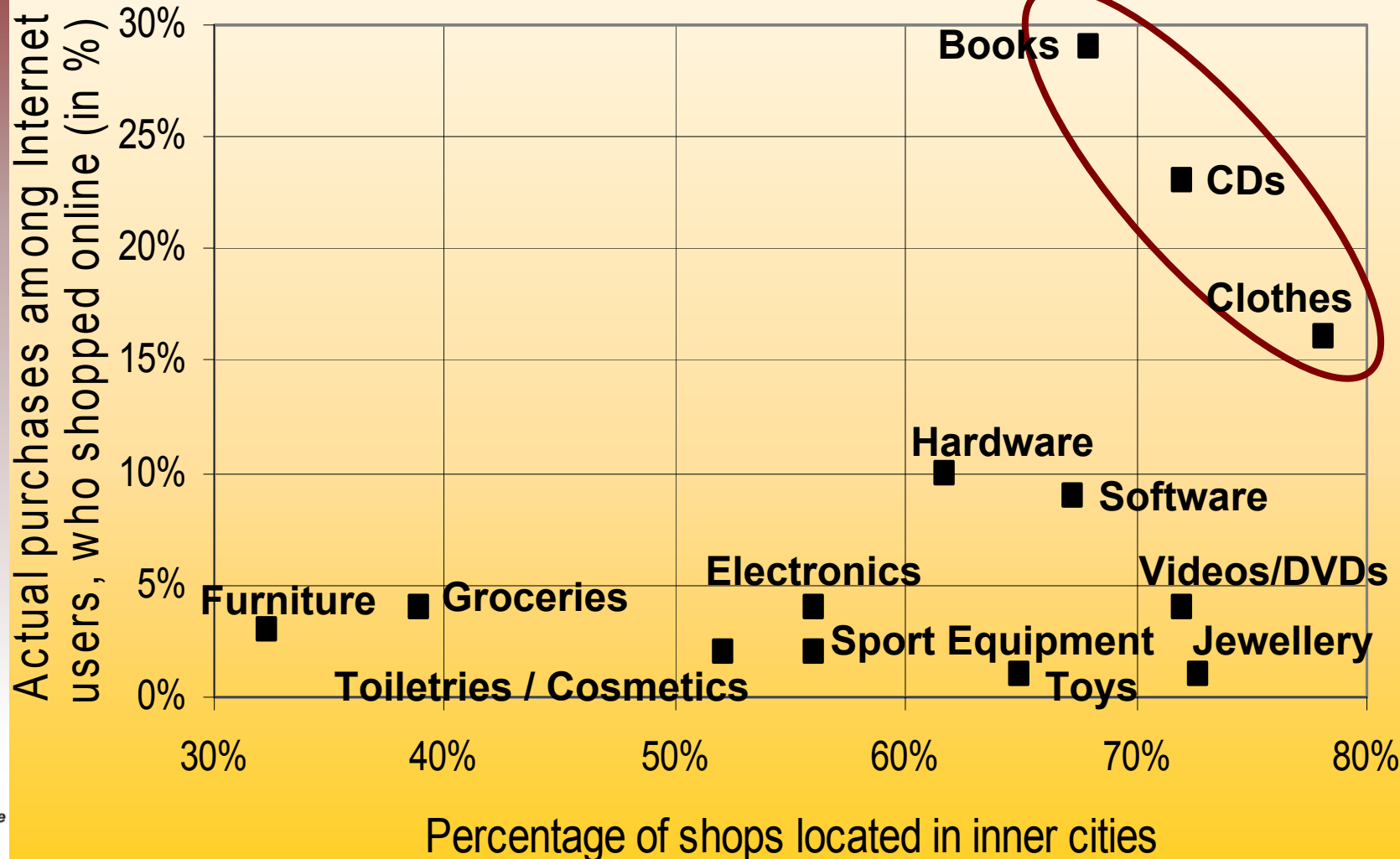
Data
Collection

Results

Examples

Continuum

Future
Research



(Source: Boschma & Weltevreden, 2004)

Data Collection

Outline

The Dutch
Retail
Context

**Data
Collection**

Results

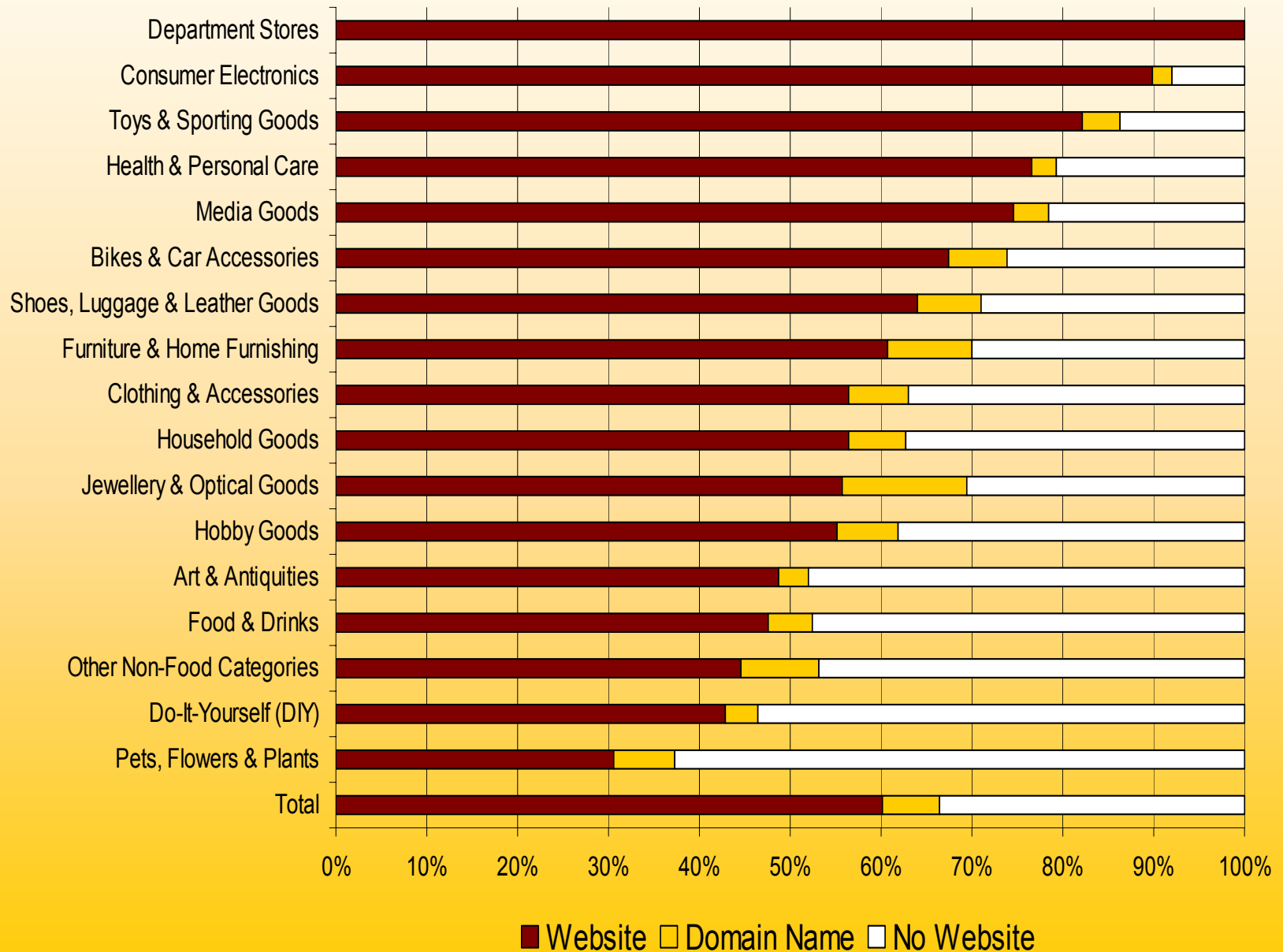
Examples

Continuum

Future
Research

- 1. Examination of the retail composition of 8 city centres (October-November, 2003) (N= 3369 shops);**
- 2. Searching for a retailer's Website via a Search Engine (November, 2003);**
- 3. Brief Interviews about Web presence and promotion of Website (December-February, 2004) (N= 3274 shops, Response of 97.2%);**
- 4. Analysing the Internet strategy of each retailer (March, 2004).**

(I) Website Adoption by Sector (N= 3274)



Outline

The Dutch
Retail
Context

Data
Collection

Results (I)

Examples

Continuum

Future
Research

(II) Website Adoption by Size (N= 3263)

Size	Website	Domain Name	No Website
1-5 Stores	39.7% (767)	8.3% (161)	52.0% (1004)
6-50 Stores	84.1% (576)	4.2% (29)	11.7% (80)
> 50 Stores	96.7% (625)	1.5% (10)	1.7% (11)

Outline

The Dutch
Retail
Context

Data
Collection

Results (II)

Examples

Continuum

Future
Research

(III) Website Adoption by Type (N= 3258)

Outline

The Dutch
Retail
Context

Data
Collection

Results (III)

Examples

Continuum

Future
Research

Type	Website	Domain Name	No Website
Independent	37.4% (669)	8.4% (150)	54.3% (972)
Chain Retailer	85.0% (652)	4.8% (37)	10.2% (78)
Franchiser	92.0% (529)	2.1% (12)	5.9% (34)
Other	88.8% (111)	0.8% (1)	10.4% (13)

(IV) Online Sales by Sector (N= 1908)

Outline

The Dutch
Retail
Context

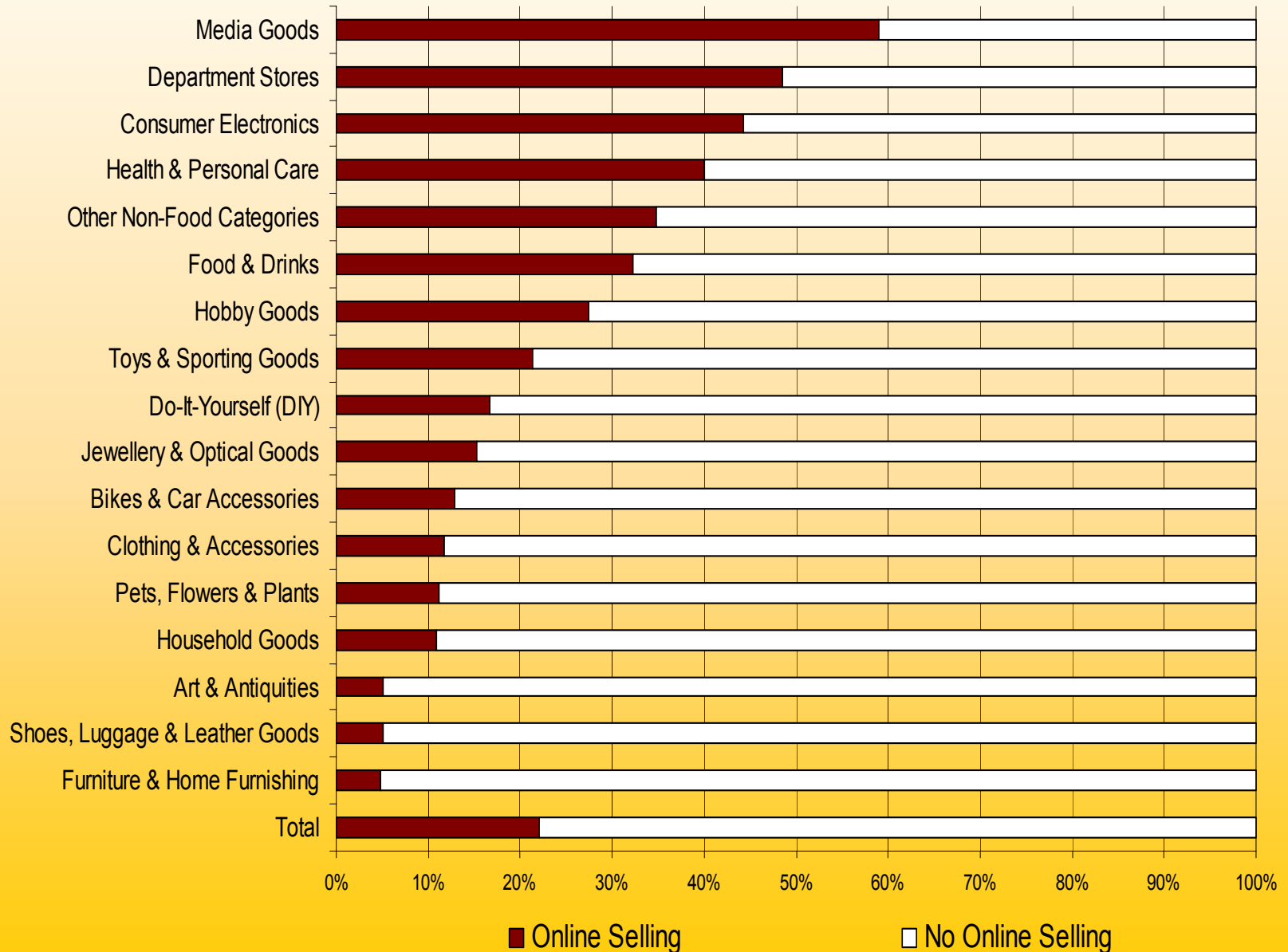
Data
Collection

Results (IV)

Examples

Continuum

Future
Research



(V) Online Sales by Size & Type

Outline

The Dutch
Retail
Context

Data
Collection

Results (V)

Examples

Continuum

Future
Research

	Online Sales	No Online Sales
Organisation Size (N= 1908)		
1-5 Stores	16.1% (119)	83.9% (739)
6-50 Stores	20.7% (118)	79.3% (451)
> 50 Stores	30.7% (184)	69.3% (416)
Organisation Type (N= 1900)		
Independent	15.6% (101)	84.4% (546)
Chain retailer	22.5% (142)	77.5% (488)
Franchiser	29.4% (151)	70.6% (362)
Other	23.6% (26)	76.4% (84)

(VI) Website Promotion by Sector

(N= 1908)

Outline

The Dutch
Retail
Context

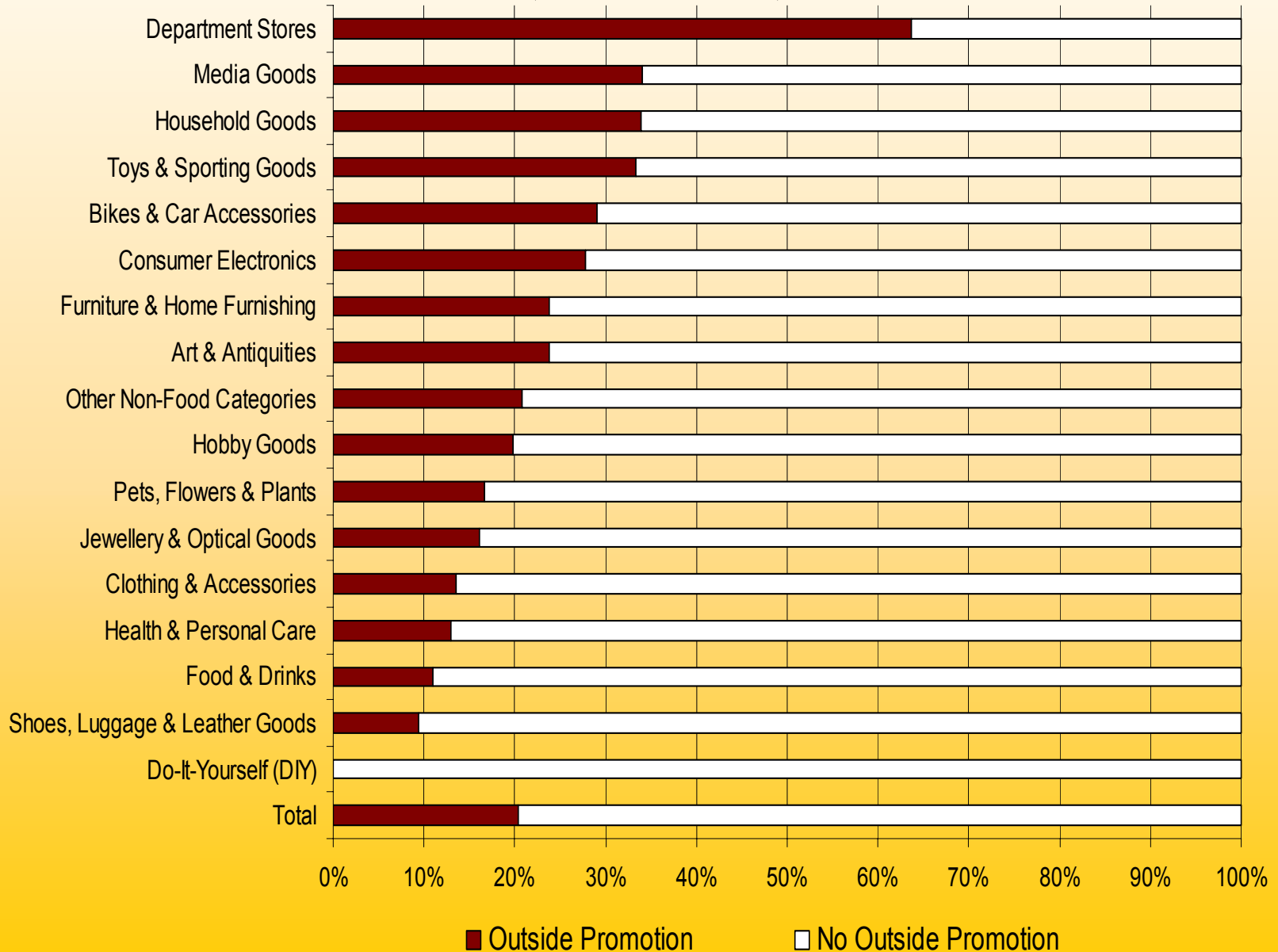
Data
Collection

Results (VI)

Examples

Continuum

Future
Research



Example (I)

Outline

The Dutch
Retail
Context

Data
Collection

Results

Examples
(I)

Continuum

Future
Research



Kijkshop, Amersfoort (Mini Department Store)

Example (II)

Outline

The Dutch
Retail
Context

Data
Collection

Results

Examples
(II)

Continuum

Future
Research



Micro Direct, Amersfoort (Computer Store)

Example (III)

Outline

The Dutch
Retail
Context

Data
Collection

Results

Examples
(III)

Continuum

Future
Research



Free Record Shop, Alkmaar (CD Shop)

A Continuum of Internet Strategies

Outline

The Dutch
Retail
Context

Data
Collection

Results

Examples

Continuum

Future
Research

I No active Website:

- 1. Pre-Internet passive;**
- 2. Pre-Internet proactive (URL only);**
- 3. Under Construction;**

III Online selling:

- 8. Export;**
- 9. Mirror;**
- 10. Synergy;**
- 11. Anti-mirror;**

II Active Website:

- 4. Billboard;**
- 5. Brochure;**
- 6. Catalogue;**
- 7. Service Strategy;**

IV No physical outlets:

- 12. Virtual Strategy.**

(Sources: Venkatesh, 1999; De Kare-Silver, 2001; Hoevenagel & Melchior, 2003)

Future Research

Outline

The Dutch
Retail
Context

Data
Collection

Results

Examples

Continuum

**Future
Research**

- **Analysing the data of a questionnaire among 3218 Internet users, who mainly shop in the 8 city centres (April, 2004);**
- **Extensive interviews among retailers about their Internet adoption and its effect on their physical outlets (May-June, 2004);**
- **A second questionnaire among the 3218 Internet users (January, 2005);**

End of Presentation