ABSTRACT

One factor that is crucial for the survival of a small electronic commerce web retailing business is the trustworthiness of the company in the eyes of its customers. Lack of trust is the number one reason for not purchasing in such websites.

This thesis is aimed to study three factors that influence initial trust when a customer visits a website for the first time: the ease of navigation within the website, the presence of some logos certifying the security and privacy of the website (seals of approval), and the clarity of website’s purchase policies.

The data are gathered by asking volunteers to simulate buying products from websites with varying degree of ease of navigation, seals of approval, and clarity of policies. The volunteers’ judgments are recorded in questionnaires.

The results of the analyses are clarity of policies is very influential in building trustworthiness, ease of navigation is less important, but connected to the clarity of policies, and seals of approval are not yet influential to trust building.

Web retailers are encouraged to create comprehensive and easy to understand purchase policies, complemented with easy website navigation in order to increase the perceived trustworthiness of their websites.

Keywords: electronic commerce, web retailing, small business, trust, navigation, seal of approval, purchase policy