Three is the magic number, or is it?

Payment facilitators and their role in modernized value propositions

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Hereby we certify that this thesis has been conducted together and that we have been equally involved during the process.

June 2018, Karlstad.

Erik Mellring  Mikaela Stalén
Abstract

Purpose - The purpose of this paper is to explain and to create an understanding how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer.

Design/methodology/approach - The study adopts a qualitative approach, since the purpose is to explain and gain understanding about how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer. The data has been collected through 13 interviews conducted with respondents from the consumer-, service provider- and payment intermediary segments.

Findings - The results from the study illustrates that payment intermediaries do have an effect on the value propositions offered to consumers. However, since value is subjectively interpreted, the findings of this study indicate that incorporating a payment intermediary does not always result in a contribution of value. Furthermore, it is clear that it could influence consumer purchasing decision drastically in specific contexts.

Research limitations - The study is conducted on Swedish e-commerce, which means generalizations between the countries cannot be made. Future research for other countries are needed for the findings to be applicable.

Practical implications - Findings of this study indicate that incorporating a payment intermediary could influence consumer purchasing decision drastically, in a positive as well as in a negative manner, dependent on the context. Consumers prefer and expect to have a number of payment alternatives with the option to include or exclude an external actor if desired.

Keywords - E-commerce, value proposition, payment intermediary, customer relationship management
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1. Introduction

The introductory section begins with presenting the background of the problem, followed by a problem discussion to put the purpose in context. In addition, it contains a discussion about previous research in the area. The chapter concludes by presenting the purpose of the study.

1.1. Background

Imagine that you want to buy clothes and after scouring the internet you finally find an internet vendor you feel comfortable with and that is providing a wide range of clothes. After spending hours to carefully pick out the clothes you want you are confronted at the checkout with a payment intermediary you have never heard of. You investigate if there is any way you could avoid paying with this unknown payment intermediary or at least choose another one you are familiar with, but you realize that so is not the case. Now you face the decision to either trust the unknown payment intermediary and go through with the purchase or abandon your carefully picked out shopping cart. Do you risk your personal information and credit details to be handled by an unknown part or do you abandon the specially picked out clothes and shop at a website where you are familiar with the payment process?

A scenario like this is becoming more and more common as in the recent decades, the e-commerce has taken the world by storm. In recent years e-commerce has outpaced traditional channels of retailing (Izogo & Jayawardhena 2018). In fact, Swedish e-commerce grew by 16 percent in 2017 alone, with a turnover of 67 billion SEK and is expected to continue on its meteoric trajectory the following years (Postnord, Svensk Digital Handel & HUI Research 2018). The e-commerce has changed the way people consume, today's consumers have other shopping conditions and habits than they had a decade ago as well as an increased number of retailers to choose from (Fang et al. 2014; Oliveira 2016). It is the changing consumer behavior and new technologies that have promoted innovation for new payment services, but also increased the need for individuals and service providers to receive payments in different ways (Arvidsson 2016). This new trend of consumption has opened up for a new type of company, which primary task is offering different payment services between service providers and online consumers. Many of today’s biggest online service providers outsource payment services to an intermediary in order to be able to solely focus on their core service and
increase their overall service offering. It creates a win-win situation for the two parties, where not only the service provider can focus on improving their overall service, but the payment intermediary can focus on providing the best possible payment service.

As e-commerce cater to a digital landscape, interactions between service provider and consumer differ from traditional retail stores (Gefen 2000; Oliveira et al. 2016; Kim & Peterson 2017). Since the environment and purchase experience differ drastically when shifting from a traditional store to an online store, with traditional stores having an easier time establishing trust via two-way interactions, e-commerce vendors need to bridge this gap in a different way. One way to diminish uncertainties is to establish familiarity (Luhmann 1979 referred in Gefen 2000; Gefen 2000). Although trust and familiarity are fundamentally different, they are still related and relevant as they complement each other. Familiarity refers to the understanding of current actions while trust refers to the beliefs of future actions (Gefen 2000).

By incorporating a financial intermediary, payments can be processed quicker, safer, easier and more flexible (Klarna 2018; Ecster 2018; Dibs 2018; Collector 2018; Qliro 2018). However, it is not only solely payment processes that can be benefited by this. It can also bring a sense of validity to the service provider, thus enabling larger quantity of transactions to take place, rather than if the service provider managed their own payments on a more limited scale. Furthermore, the consumers are provided with additional alternatives regarding their payment options. This could be in the shape of delaying the payment until the consumer has received the good or service, dividing up the payments over a number of months or postpone payment to a later date (Klarna 2018; Ecster 2018; Dibs 2018; Collector 2018; Qliro 2018). These add-on services have the potential to increase consumer value. However, since value is subjectively and contextually interpreted by the consumer (Grönroos 2008), some consumer segments might find these criteria and payment services obsolete, making this business configuration a potential threat for the value creation process.

Previous research has shown how organizations work in the most common business constellations, being either business to business (B2B) or business to customer (B2C) (Vargo & Lusch 2011). Even though there has been prior research regarding value propositions, it has not previously been explored in a context with a financial intermediary between service provider and consumer. Former studies have been conducted to mainly study value and its creation
within dyadic business relationships which arguably can be considered rather inadequate regarding modern business configurations (Ford & Håkansson 2013; Nätti et al. 2014). Frow & Payne (2011) also argues for that there is a need for more data, both qualitative and quantitative data, to be able to support the perspective on value propositions. There is a need for research on this topic to be able to better understand how service providers can create competitive advantages by combining resources into new value propositions. Hence, there is a lack of knowledge about which role a financial intermediary play in the value proposition presented to the consumer in modern business configurations. Therefore, the triadic service business relationships need to be explored further to get a more comprehensive understanding of the value proposition offered in these configurations. Thus, this study will contribute theoretically to an increased understanding of how payment intermediaries influence modernized value propositions.

1.2. Problem discussion

Incorporating a third actor induces a change in business landscape and has made B2B and B2C constellations inadequate. Service providers can use the payment intermediaries as part of the value propositions to their consumers, effectively making it a business triad. Although, payment intermediaries do not necessarily view themselves as part of the service providers’ value proposition but rather as an own entity contributing their own value propositions towards consumer in the overall service offering. Regardless of perspective on value propositions, incorporating a payment intermediary creates the scenario where the consumer has to become a customer with the payment intermediary in order to purchase goods or services from the service provider. Kumar and Reinartz (2016) argue that the upsides with a certain configuration must exceed the downsides, so in order for consumers to value a triadic business relationship over a dyadic one, the benefits from a triadic relationship must outweigh the disadvantages associated with such an arrangement. The benefits with incorporating a payment intermediary could be, as mentioned earlier, the possibility of delaying the payment until the consumer has received the good or service, dividing up the payments over a number of months or postpone payment to a later date as well as smoother and safer payments overall (Klarna 2018; Ecster 2018; Dibs 2018; Collector 2018; Qliro 2018).
A challenge associated with the online environment is to overcome consumer doubt in the digital landscape (Gefen 2000; McKnight et al. 2002; Kim & Peterson 2017; Fang et al. 2014) as well as the separation that arises in the service provider, payment intermediary and consumer relationship dialogue when the communication is moved to a digital medium (Jarach 2002). In addition, the consumer could have difficulty assessing certain aspects related to the online purchase, such as security regarding their privacy or personal information, as they do not have access to all information and might not have the technical knowledge required (McKnight et al. 2002; Kim & Peterson 2017). Therefore, it could be difficult for users to comprehend and evaluate security aspects themselves, leaving users to base their conclusions off of aspects such as familiarity and trust towards the supplier, effectively making elements such as website layout and logotype design essential to negate consumer doubt.

Since trust is needed for e-commerce to prosper and consumer perception of value is subjectively interpreted and context dependent (Grönroos 2008), the benefits of having a payment intermediary might be obsolete to certain consumers and in that case only pose a potential risk for failure to occur. This motivates the importance for further research on value propositions and could be particularly important for value propositions that are offered in an online environment. With e-commerce growing in a rapid pace, companies have the alternative to either develop a system to handle payments internally or outsource this facilitating service to a payment intermediary. Therefore, there is a need to investigate further how an external payment intermediary might affect the value proposition in the perception of the consumers. The findings in this study will have managerial implications and contribute to a better understanding of the payment intermediaries’ role in the value proposition and potential risks associated with a triadic business relationship.

1.3. Purpose

The purpose of this paper is to explain and to create an understanding how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer.

1.4. Disposition

The thesis will be disposed as followed. First, a review of previous research regarding development of digitalization, value creation as well as value
proposition is presented. After that, the methodology of the thesis is defined. To analyze the data, an empirical analysis is presented followed by a discussion of the findings. To conclude the study, theoretical insights and limitations are given and future research and managerial implications are suggested.
2. Theoretical framework

The theoretical framework presents previous research and theories. This chapter includes the development of e-commerce through digitalization, as well as value creation and value propositions through different perspectives. This section also includes a review of current research regarding customer relationship management.

2.1. Digitalization

Digitalization of society has largely affected many parts of everyday life for both businesses and individuals and today it is difficult to imagine a world without the internet and various forms of technological innovations (Arvidsson 2016). With the growth of internet usage amongst society, e-commerce has naturally followed suit and as a result the retailing industry is undergoing dramatic changes as consumer behavior is evolving alongside our technical advancements (Verhoef et al. 2015). This transformation that vendors and service suppliers are experiencing, to effectively meet consumer demands, can be described as Digitalization. Westerman et al. (2011) states that digitalization can be described as drastically enhancing the performance or reach of enterprises through the use of technologically advancements. This correlates with Parviainen et al. (2017) and their take on how ordinary tasks are being processed with the help of digital tools at a larger scale in different organizations. This is also in line with Arvidsson (2016) that states that digital communication and interaction between people and businesses changes how things are done, experienced and how tasks are handled and solved. The use of new technology changes the conditions for people and businesses and transforms the most important parts of society, growth and sustainability, welfare, equality, security as well as democracy.

Lenka et al. (2017) argue that digitalization capabilities produce new ways for organizations to interact with consumers which influences consumer perception of value propositions. Today, most people and businesses can interact and communicate with each other over digital platforms as long as they have internet access. It is through digitalization that a need for payment intermediaries has been created and the role of payment intermediaries has become integral in today's new business landscape. According to Jarach (2002) this increasing digitalization within organizations alters the way business is
conducted and enables it to evolve as new communication channels are
developed as well as new ways of sharing and storing information is
established. The digitalization has enabled more ways to pay than ever before.
According to Åkerblom (2017) card payments are the dominating payment
method, followed by invoice and direct payment through bank. Postnord,
Svensk Digital Handel & HUI Research (2018) states that the most important
thing for the consumer in an e-commerce payment process is to be able to
choose payment options. In addition, most consumers do not want to register
at the time of payment and if they are forced to register it increases the
proportion of discontinued purchases (Åkerblom 2017). Consumers using
payment intermediaries increase every year since payment intermediaries
becomes more common, but there is still doubt among some consumers. The
biggest obstacles beginning to use a new service were that the consumers did
not see any benefits or value (47 percent), feeling insecure (28 percent), being
too complicated to use (15 percent) and lack of standardization (11 percent)
(Åkerblom 2017).

2.2. Service Logic perspective

Over the past few decades there has been a paradigm shift and the global
markets have changed from focusing on the production of goods towards a
more service-oriented market (Grönroos 2008). Today there is more services
produced than products, thus creating a need for change in the production
and marketing strategies in order to match the current service production
requirements. In the previous leading perspective, the Goods Dominant
Logic, from now on GD-logic, goods and services were viewed as separate
things. The Service Logic perspective does not separate goods and services
(Grönroos 2008). The Service Logic perspective originated from the article
“Service Dominant Logic revisited: Who create value? And who co-creates?”
by Grönroos (2008). As the title purposes, it was a review of the Service
Dominant-logic, from now on SD-logic, perspective and who is actually
creating value. Grönroos (2011) has since then released more articles on the
subject where he argues for that the SD-logic perspective can be viewed as too
abstract and overly optimistic not recognizing potential service failures, where
the outcome is not always value co creation (Grönroos 2011). This is in line
with Echeverri and Skålén (2011) that argues for that value is not the only
possible outcome from interactions between the consumer and the service
provider and that value destruction also can emerge from service failure.
Instead of companies being limited to only offer value propositions, Grönroos
(2011) believes that the companies have the opportunity to influence the consumers value fulfillment actively and directly. For instance, incorporating a payment intermediary to handle payments could influence the consumers perception of value fulfillment. This gives the service provider an opportunity to interact with consumers on the value co-creation platform and actively influence the consumers value generating process (Grönroos and Gummerus 2014; Grönroos 2008). The service logic perspective has five foundational premises, which is described below.

**The goal for marketing is to support customers processes of value creation**

It is natural that the goal for marketing should be value creation for consumers since this has been considered the ultimate outcome for businesses (Grönroos & Ravald 2011).

**Creation of reciprocal value is the basis of business**

Grönroos & Ravald (2011) states that service is not provided to consumers for the sake of service, but rather to make it possible for consumers to create value for themselves. In a successful process, the service provider should also be able to create value for themselves. Thus, the ultimate basis of service logic is to enable reciprocal value creation (Grönroos & Ravald 2011).

**The customer is the value creator**

The consumer is considered the value creator and the creation of value comes from the consumer using the product or service (Grönroos 2008). Resources from the company are integrated by the consumer with other resources already available to the consumer, and value is then created out of the use, i.e. value-in-use. As a result, there can be no other value creator than the consumer (Grönroos & Ravald 2011).

**The supplier is fundamentally a value facilitator, but during interactions with consumers, the supplier may, in addition, become a co-creator of value as well.**

The company creates resources to make it possible for the consumers to create value, hence the company is an indirect support of value creation. If the company have direct interaction with the consumer, the company have the opportunity to influence their consumers value creation process (Grönroos & Ravald 2011). Thus, the co-creation process only happens when the actors...
directly combine their value co-creation process through interaction at one platform (Grönroos 2008).

**Service providers do not only make value propositions. During silent interactions with consumers, they also contribute to their value fulfilment.**

The company entering the consumers process of value creation to actively influence, make the processes merge into one integrated process of joint value creation. This creates unique marketing alternatives to service provisions (Grönroos & Ravald 2011).

2.3. Value creation

The concept of value creation is diffuse and lacks a clear definition and according to Grönroos (2011) value creation is one of the most unclearly formulated concepts of service marketing. This is in line with Gummerus (2013) that states that there is no common ground for what value creation is, which makes it difficult to establish the value creation process in an e-commerce setting. What makes the definition so unclear is that value creation is subjective and individual for each consumer, what one person value, someone else might not (Grönroos 2011). In addition, the value creation concept is not considered a phenomenon on its own but includes many definitions and the concept can include many different meanings depending on who the recipient is (Grönroos 2011). The concept of value creation also gives the impression of being a conscious process, but in many situations the value is perceived unconsciously through the use of products and services (Korkman 2006). This is further illustrated in a payment process, even if the payment process has the potential to create consumer value through smooth and flexible payments, consumers often take the payment process for granted and only reflect upon it when confronted with an issue. Even if the definition is a bit unclear, Grönroos (2011) defines it by saying:

“Value for customers means that after they have been assisted by a self-service process (cooking a meal or withdrawing cash from an ATM) or a full-service process (eating out at a restaurant or withdrawing cash over the counter in a bank) they are or feel better off than before (Grönroos 2008, S. 303)”.  

This means that in order for consumers to value a triadic business relationship over a dyadic one, the benefits from a triadic relationship must outweigh the disadvantages associated with such an arrangement. This is coherent with
Kumar & Reinartz (2016) which states that value is the benefits from the service after the costs have been subtracted. According to Browning (2002) the perceived value depends on two conditions: the core value of the service or product being offered as well as how the characteristics compare against the consumers’ needs and wants and secondly, how the perceived value of the service or product is perceived in relation to competing solutions and substitutes. To make the service provider actualize the value proposition they must co-create value with their consumers by interaction at one platform (Grönroos & Voima 2013), making the consumer better off than before (Grönroos 2008). This could for instance mean instructing the consumers how to use the payment service. Through interaction the value proposition can be explained, how it should be used and how it can be used together with other value propositions, thus trying to adjust service provider, payment intermediary and consumer processes (Grönroos 2008).

The model describes how the perceived value from the consumer perspective depends on the value creation that the service provider offers and how these two are related to each other (Landroguez et al. 2013). The value cycle begins with that a service provider or payment intermediary, depending on if they are viewed as one unit or separate parts, offers a value proposition (a). The value proposition must create value for the consumer (b) through the resources they have to differentiate themselves from others (Landroguez et al. 2013). However, it does not matter how much value the service provider or payment intermediary creates if the consumer does not perceive it (c). Regardless of how the value proposition is perceived by the consumer, the consumer can interact with the service provider so that they can update, configure and improve their value proposition (Landroguez et al. 2013).
As mentioned earlier the view on how value is created and who creates value has changed perspective during the last decade. In the GD-logic perspective, service providers created value and embedded it in the products that they sold. The service logic view on it is that service providers make it possible for the consumers to create value themselves, however, there can also be value co-creation when there is a direct interaction between the service provider and the consumer (Grönroos 2011). This indicate that value is not added during a separated production process but rather created either by the consumer alone or together with the service provider through co-creation.

![Figure 2. The difference between value creation as a reciprocal process and the consumers value-in-use process. Grönroos (2011). Value co-creation in service logic: A critical analysis, p.283.](image)

The model describes that value is created either as a common process or through the consumers use. In the joint process the company and the consumer create the perceived value together (Grönroos 2011), for instance, when the consumer wants to pay and uses a payment intermediary to meet this need. The consumer then creates value together with the payment intermediary as they both design the final version of the service, i.e. establishing what type of payment method is going to be used. The service is produced and consumed simultaneously. The payment intermediary performs the actual service and the consumer gives feedback on how the service should be performed.

There is also the possibility that the benefits of having a payment intermediary might be obsolete to certain consumers and in that case only pose a potential risk for failure and co-destruction of value to occur (Echeverri & Skålén 2011). Echeverri & Skålén (2011) states that value co-destruction can occur in the
interaction between the service provider and the consumers when value of the service is destroyed. If the consumer is not able to choose the type of payment method preferred, previously created value is at risk of being destroyed. Another example could be if the consumer is introduced to, for them an unknown payment intermediary, the potential risk associated with letting the payment intermediary handle their card details can cause co-destruction of value.

2.4. Value propositions

Value propositions are the unique mix of product, price, service, relationship and image that the service provider offers and can be defined as “... how the organization differentiates itself from competitors to attract, retain and deepen relationships with targeted customers” (Kaplan & Norton 2001, p.18). Scherer et al. (2015) states that it is not the service provider that create nor deliver the value, but rather the value propositions that the service provider present. The concept of value propositions was originally formulated by the management consultancy Mckinsey & Co which used the concept as a part of a three-step value system. In research, the concept first emerged in Lanning & Michaels (1988) article where the concept is defined as followed: “A clear, simple statement of the benefits, both tangible and intangible, that the service provider will present, along with the approximate price it will charge each customer”. Landoroguez et al. (2013) describes how the perceived value from the consumer perspective depends on the value creation that the service provider offers and how these two are related to each other. According to Landoroguez et al. (2013) the value cycle begins with a service provider offering a value proposition. This offer must create value for the consumers through the skills they have to differentiate themselves from the other companies. It does not matter how much value the service provider or payment intermediary creates for the consumer if the consumer does not experience it. If the service providers value proposition is perceived positively by the consumer, this can be notified to the service provider so that they can update and configure the value offer (Landroguez et al. 2013). Rintamäki et al. (2007) divides value propositions into four different categories based on the consumers experience. These categories are 1) economic needs that are primarily influenced by the price of the service or product 2) functional needs, where the products practical utility decides the current value 3) emotional needs based on consumers previous self-perceived experience 4) symbolic
needs where the value proposition reflects the consumer's need for self-realization.

According to Gefen (2000) and Fang et al. (2014) a major factor that influences the success of e-commerce businesses is the trust consumers have towards internet vendors. McKnight et al. (2002) and Kim & Peterson (2017) argue that trust is essential in assisting consumers to overcome perceptions of risk associated with purchases on a digital platform. These trust aspects could refer to overcoming insecurities regarding online payments, reliability that the company will fulfill their end of the agreement, and uncertainties about the service providers policies regarding consumers privacy and personal information (Gefen 2000; McKnight et al. 2002; Fang et al. 2014; Kim & Peterson 2017). Therefore, measures taken to enhance the perception of trust for the consumers, such as incorporating a payment intermediary, could be considered contributing and potentially influence the value propositions provided by the service provider. According to Gefen (2000), Oliveira et al. (2017) and Gulati (1995) familiarity provides a framework for future expectations based on previous interactions which enables trust to be established. Accordingly, incorporating a payment intermediary which is considered familiar to the consumer, could compensate for the lack of trust the consumer has towards the service provider. Conclusively, trust and familiarity are two important components to successfully deter consumer doubt in an online environment making them important elements of the value propositions offered to consumers.

2.5. Customer Relationship Management

The key to a profitable business is that the service providers offering enables value to be created for the consumers. To enable value to be created for the consumer, the companies must know what the consumer want in order to be satisfied. This is also applicable when evaluating facilitating services such as payment services. If the consumers have certain preferences regarding payments, fulfilling consumer needs is crucial in order for purchases to take place. By building relationships with their consumers, the service provider can get to know their client base and provide customized services to maximize the consumers value experience (Winer 2001). The strategy to maintain relationships with consumers, increase consumer loyalty and develop consumer value is called Customer Relationship Management, hereafter CRM. A CRM strategy is a framework that will act on the basis of a cross-functional
process, which means it will generate profitability for companies and added value to the consumer, a well-functioning and satisfying payment alternative will accomplish that. CRM systems are especially useful when companies have a large number of consumers across many service delivery channels (Wirtz et al. 2012).

Winer (2001) states the internet has allowed companies to build even better relationships with consumers than what has previously been possible. The ability to build better relationships with consumers has made it possible for payment intermediaries to create valuable relationships with their consumers as well. Previous research has shown that if the consumer perceives the relationship with the service provider to be beneficial it is more likely that the consumer chooses to retain the same service provider again. If the relationship is bad or non-existing, there is a high risk for the service provider to lose the consumer (Scherer et al. 2015). Consequently, a long-term relationship is important in terms of generating value for the individual consumer (Rajola 2013). Furthermore, a long-term relationship has the advantage of contribution with loyalty, which in return increase the business activity. A mutually beneficial long-term relationship with the consumer also have the advantage of accumulated knowledge about the consumer, which will provide more productive and efficient customized service (Rajola 2013). Wirtz et al. (2012) states that the longer consumers remain with a service provider, the more profitable they become. The increased profit comes from both increased purchases by that specific consumer but also from reduced operating costs, referrals to other consumers as well as price premium (Wirtz et al. 2012). In addition, the cost for acquiring new consumers often exceeds the cost of maintaining existing consumers (Rajola 2013).

From the consumers perspective, the benefits of a long relationship with a service provider can be divided into three groups. The first one is confidence benefits which is about that the consumer know what to expect. The consumer trusts the provider and believe it would be less likely of something going wrong (Wirtz et al. 2012). This is also applicable in the payment process as previous encounters with payment intermediaries could influence how much the consumer trust the payment intermediary. The second one is social benefits which includes being known by their name and sometimes even friendship with the service provider (Wirtz et al. 2012). This is less applicable in the e-commerce context since the social contact is limited. However, it can occur if a consumer is for instance, greeted by name in the checkout process.
The last one is special treatment benefits which could be better prices, discounts unavailable for other consumers as well as extra service or higher priority than other consumers (Wirtz et al. 2012). It is fairly common that service providers offer special treatments and discounts to their most loyal consumers and for instance give them a discount code to use on their birthday.

**2.6. Privacy concerns**

The concept of privacy can be defined in many different ways but among scholars the concept is often defined as the right to be left alone (Brown & Muchira 2004) and is accepted as one of the basic human needs (Mesch & Beker 2010). Another aspect of privacy is the right to control the gathering and usage of information about oneself. If the service provider chooses to incorporate a payment intermediary to handle the payment process, it can create value for the consumer by giving the consumer the possibility of delaying payments, dividing up the payments or postpone payments to a later date as well as smoother and safer payments overall. Although, incorporating a payment intermediary gives a third-party access to information about both the consumer as well as the purchase. Kokolakis (2017) claims that data such as health, weight a search history can be extra sensitive to be collected. The payment intermediary collects a vast amount of information in the payment process such as personal information about the consumer, which service provider is used, which products that are being purchased as well as when the purchase takes place (Aguirre et al. 2016). Although, in May 2018 the General Data Protection Regulation (GDPR) was established, the effect of its implementation is hard to define but the ambition is for consumers to be more in control of their own data (European Commission, n.d).

The information is used to learn about consumer patterns and predicting the consumers actions (Awad & Krishnan 2006). With this information the payment intermediary can determine for example when a consumer is most likely to buy a specific product. This collection of information has the potential to cause value co-destruction as some consumers are concerned about their privacy and how their information is used by the third-party actors (Jung 2017). According to Koohikamali et al. (2017) consumers become more aware and suspicious about this as e-commerce grows. Brown & Muchira (2004) states that the consumers are concerned about what the service providers know about them, how they get access to the information and what
they do with the information that is collected. Aguirre et al. (2016) argues for that consumers who value their privacy are less likely to share information online and try to take more security precautions to prevent service providers to collect information about them. Even though integrity is a vital part for the consumer, many consumers continue to share their information. Hallam & Zanella (2017) mentions that the reason for this is because consumers expect the benefits to be greater than the risk.
3. Methodology

This chapter of the thesis describes how the empirical study has been conducted, including research design, the research methods used to gather data and information and data analysis. This chapter also contains an account of the ethical considerations as well as the trustworthiness and authenticity of the study.

3.1. Research topic

As stated in the introduction, the purpose of this paper is to explain and to create an understanding how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer. Since previous research mainly has studied how value propositions is perceived and created within dyadic business configurations, previous findings might be inadequate to apply in triadic business constellations (Ford & Håkansson 2013; Nätti et al. 2014). Previous research regarding payment services has primarily focused on the trust aspects associated with online purchases in e-commerce, however never in the context with a payment intermediary. Therefore, we believe that this study is necessary as it will bring new insights to how value propositions are affected by incorporating an external payment intermediary.

3.2. Research design

All investigations require some form of data collection, analysis, interpretation and presentation. The two most comprehensive methods to divide data in are quantitative method (numbers and amounts) and qualitative method (words, text and images) (Bryman & Bell 2015). As stated in the introduction, the purpose of this paper is to explain and to create an understanding how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer. Taking the purpose into account, the qualitative approach will be the most beneficial approach to achieving this aim. According to Bryman & Bell (2015) a qualitative method studies how people experience different things and is well suited to use when the purpose is to describe, explain and interpreting. In a qualitative study the perspective is that reality can be perceived in many different ways and that there is therefore no absolute and objective truth (Jacobsen 2002; Patton 1987). This was important since the intention with our study is to understand
individuals own perspective (Patel & Davidsson 2003). Value creation is subjective and individual for each consumer, what one-person value in regard to payment services, someone else might not. Therefore, this needs to be studied in context, which is possible through a qualitative research design. The qualitative method is also beneficial since there is little knowledge about the effect payment intermediaries have on the value propositions, which is in accordance with Bryman & Bells (2015) statement about the qualitative method. Qualitative studies are often concentrated on few people instead of many, but in return these people are studied deeper. Although, this makes the results from the study difficult to generalize (Bryman & Bell 2015; Patel & Davidsson 2003). Our process started with reviewing previous research to get some comprehension of existing theory since we believed some information was needed in order to understand the different concepts. We created, and interview guide based on the comprehension we received from existing theory and after testing the interview guide on a few consumer respondents, we started to interview respondents from the consumer-, service provider- and payment intermediary segment. Through this we tried to maintain an open mind and not create an understanding of reality that was influenced by predetermined assumptions (Jacobsen 2002). Together with the comprehension of existing theory, we let collected data generate theory as well, therefore, the reasoning used for this study is considered abductive.

### 3.3. Data Collection

According to Bryman & Bell (2015) interviews are the most used method in qualitative research. Since the focus of our thesis is fairly clear, semi-structured interviews are suitable since it allows the respondents to talk freely about the topic while simultaneously allow the authors to get the information needed on the subject (Patton 1987; Quinlan 2011). Bryman & Bell (2015) describe semi-structured interviews as interviews where the researcher uses a list with specific themes, referred to as an interview guide. Furthermore, semi-structured interviews are necessary in a study with multiple segments in order to be able to compare the information from the different segments with each other (Bryman & Bell 2015; Patel & Davidsson 2003). To conduct these semi-structured interviews, three interview guides have been created, for consumers (see appendix one), for service providers (see appendix two) and for payment intermediaries (see appendix three). The interview guide was characterized by themes that have been based on the theoretical framework which is collected from secondary sources.
First, test interviews were conducted on consumer respondents in order to see if any formulation of question needed to be changed or made clearer. After the test interviews some questions were changed, to be made clearer to the consumer respondents and some questions were added since additional interesting information could be obtained through this supplement. Due to limited access to the service provider and payment intermediary respondents further test interviews in these respondent groups were not possible. In addition, we believed that the test interviews made on the consumer respondents were sufficient since the layout of the interview guide were similar to the other groups. In the various interviews, the importance of the interview guide differed. Some respondents stayed within the structure while other answered somewhat outside the structure of the interview guide. This is coherent with Patton (1987) that argues for that semi-structured interviews allow flexibility in what the respondent can develop and generate detailed answers. The service provider respondents as well as the payment intermediary respondents were more prone to talk in the interviews than the consumer respondents. This is most likely since they work with this every day and have insight in the subject. Interviews were done both in person and through telephone, depending on what was most convenient for the respondents. In order to find a suitable time, it was necessary to have the interviews through telephone, due to the distance and that some of the respondents usually travels much in their work.

3.4. Sample and data selection

The data collected for this study emanates from respondents that were chosen by combining purposive selection and comfort selection. Purpose selection is described by Bryman and Bell (2015) as a selection strategy in which the researcher chooses specific candidates with significant information relating to the subject that is being studied, whilst comfort selection refers to selecting respondents that are easily accessible. The respondents chosen by comfort selection were not easily accessible by geographic location, but rather that they are people already within our contact network. The criteria when choosing the respondents were that they should have experience of e-commerce. When choosing the consumer respondents, we tried to get a broad diversity of ages, therefore the chosen consumer respondents were of the ages 19 to 57. For the service provider respondents, the criteria were that they should be well
established within the e-commerce, as in having a turnover over 100 million SEK, and use a payment intermediary to administer their payments. When choosing payment intermediary respondents, the criteria were that they were actively handling consumer payments in the Swedish e-commerce market. A more detailed description of the different respondents and a summarize of the interviews can be found in appendix 4.

To get a broader understanding of how an external payment intermediary is viewed throughout the triadic business relationship, respondents were chosen primarily from the consumer segment but also from the service provider segment and the payment intermediary segment. By incorporating views from all three concerned sectors the depth of the study increases and the purpose can be accomplished. In total, the respondents participating in the study consisted of eight consumers, four service providers and two payment intermediaries. Since the study is conducted through the perspective of the consumer, an emphasis was made towards interviewing respondents from the consumer segment. The respondents from the consumer segment consisted of consumers of different ages, ranging from the age of 19 to the age of 57, including both males and females, all located from various geographical locations in Sweden. Furthermore, in order for respondents from the consumer segment to be eligible to partake in this study, they would have to meet the criteria of having purchased goods or services online. Respondents from the service provider segment were chosen based on their usage of payment intermediaries to provide consumers with alternatives regarding payment services. The respondents are all well-known actors in Swedish e-commerce and are conducting business at a medium to large scale. The respondents from the payment intermediary segment were selected due to their on-going business with these e-commerce companies.

3.5. Data analysis

Bryman & Bell (2015) state that one of the major difficulties with qualitative studies is that they generate a large amount of data which can be time consuming to structure. All the interviews were recorded and transcribed which resulted in 98 pages of transcriptions, where 65 pages were from the consumer respondents, 19 pages from the service provider respondents and 14 pages from the payment intermediary respondents. The consumer interviews were between 20-50 minutes while the interviews with the service providers and payment intermediaries varied between 20-30 minutes. Patel &
Davidsson (2003) mentions that it is useful to conduct ongoing analyzes as this might lead to discovering new and unexpected information which can enrichen the study. Furthermore, it is of advantage to start the analysis while the interview is fresh in memory in order to remember details and not lose the context of what is said. Bryman & Bell (2015) also highlight the importance of starting with transcription and coding of data as early as possible. Therefore, the interviews were transcribed directly after the interviews were finished.

The analysis of the data continued with coding in two steps, as recommended by Bryman & Bell (2015). Initially the transcriptions were read through without making any notes or interpretations in the text and at the end some notes about interesting findings were made. Secondly, the transcription was read again and notes with keywords were made in the text. These keywords were then analyzed to find similarities, connections as well as differences between the different interviews and then finally sorted under themes and categories related to the purpose of the study. The themes were based on the interview guide and the categories and codes reflected the detailed answers from the respondents. As additional interviews were made, new categories and codes were added to get a clearer view of the data. To make sure we did not interpret the data in the wrong way, both of us coded and translated the data.

In this study the decision of not having a separate empirical chapter was made in order to not repeat the same information. Instead, data is presented as an empirical analysis were quotations from respondents is mixed with theory and analyzes. The structure of the empirical analysis is based on consumers perspective on online purchases, value, relationships and privacy concerns as well as the service provider and payment intermediaries’ perspective on payment services, value, relationship management and privacy concerns.

3.6. Trustworthiness and authenticity

In a qualitative research study, trustworthiness and authenticity are important in order to understand a socially constructed reality (Bryman & Bell 2015). To establish trustworthiness, it is important to fulfil four criteria: credibility, transferability, dependability and confirmability. Credibility is about reporting the results to the respondents in order to make sure that the researcher has perceived their social reality in the right way. This procedure is called respondent validation and is a popular tool to make sure that there have been no misunderstandings and that there is conformity between the results and the respondents experiences and perceptions (Bryman & Bell 2015).
disadvantage of respondent validation is that the respondents can retrieve or change data and thereby affecting the resulting conclusions (Bryman & Bell 2015). After a discussion about it, it was decided that the disadvantages of respondent validation were greater than the benefits and therefore this tool was not used. The interviews were conducted and transcribed in Swedish but translated into English when presenting the empirical findings. By doing the interviews in Swedish, the respondents were more likely to feel more comfortable answering our questions and consequently able to share more information than if the interviews would have been conducted in English. However, this could affect the trustworthiness of the study since the risk of mistakes in the translation process (Patel & Davidsson 2003). Although, the translation process has been conducted as carefully and correctly as possible to minimize this risk. In addition, all the quotations that are used in the study can be found in the original language Swedish in appendix 5.

Transferability is about how likely it is that the results can be generalized into other contexts. Transferability in qualitative studies are often low due to the specific context or low number of respondents (Bryman & Bell 2015). The comfort selection also affects the transferability of the study and therefore the transferability of the study is expressed in cautious speculation about whether the results can be transferred in similar contexts (Patton 1987). Dependability includes auditing, which is to ensure that a complete and accessible account of all phases of the research process is created (Bryman & Bell 2015). To further strengthen the dependability, all actors concerned were included in the study to make sure all the different perspectives were included. Lastly, confirmability, which mean it should be clear that the researchers did not deliberately let the personal values or theoretical orientation affect the performance and conclusions of the study (Bryman & Bell 2015; Patton 1987). To keep the objectivity during the coding process, we chose not to enter predetermined codes and instead let the data determine the codes, categories. However, the themes used in the coding process were based on the interview guide. Based on the insight that there is no complete objectivity on community research, the researchers have acted in good faith.

In addition to the trustworthiness, Bryman & Bell (2015) formulate a number of criteria for authenticity. These criteria are more of general questions related to research policy implication. The first criteria are the fair image criteria, which is about ensuring that the image that is presented is a fair image, and not just what a certain part of the population think (Bryman & Bell 2015;
Patton 1987). This could be for example that interviews are conducted with respondents with different ages. The ontological- and educational authenticity criteria asks the question if the study helps the respondents get a better understanding of their situation as well as how other people perceive the situation (Bryman & Bell 2015; Patel & Davidsson 2003). The fourth criteria, the catalytic authenticity asks the question if the study has made the respondents believe they can change their situation. The last criteria, tactical authenticity raises the question about if the respondents feel that they have a better opportunity after the study to take the action required to change (Bryman & Bell 2015).

3.7. Ethical considerations

It is fairly common in qualitative research that the study intrudes individuals on a personal level which creates the need for some ethical considerations (Patton 1987). Therefore, it was important to be ethical when introducing the research to the respondents and only use the collected data for the research purpose (Patel & Davidsson 2003). Patel & Davidsson (2003) presents four general requirements; information requirement, consent requirement, confidentiality requirement and the use requirement. The information requirement is about the purpose of the study being communicated to the respondents (Patel & Davidsson 2003; Quinlan 2011). The purpose of the thesis has been submitted at the request of the interview and has also been presented at the interview. The consent requirement includes that the respondent right to decide on whether or not they would like to participate in the study (Patel & Davidsson 2003). Participation is voluntary, and the respondent can cancel at any time. None of our respondents said they wanted to anonymous, however, we chose to keep them anonymous since that enables the respondents to become more honest and truthful (Bryman & Bell 2015).

In order to make it easier for the reader, fictional names and real age is used next to quotations to get a better overview which consumer respondent that said what. Approval has been given by the respective respondent at each interview. The confidentiality requirement means that details about the respondents involved in the study are treated with confidentiality. The last, requirement of use includes informing the respondents about how the data collected will be used (Patel & Davidsson 2003). The data collected will not be shared with other people or used in any other matter than for this thesis. The respondents are also offered to read the finished result.
4. Empirical analysis

In this section the empirical data is connected with the most relevant research presented in the theoretical framework. The chapter is divided into consumer perspective and company perspective, with subheadings below each. It is an empirical analysis with quotes from respondents in order to make the connections clearer. If the reader would like to get a more detailed description of each respondent, see appendix 4.

4.1. Payment services

4.1.1. Consumers

Nearly all consumer respondents mentioned that they purchase more things online today than a couple of years ago. Although the consumer respondents all maintained some shopping habits towards physical stores, more and more of their consumption were directed to digital alternatives. This is in keeping with Oliveira et al. (2017) that states that e-commerce is used more frequently. One of the reasons the consumer respondents choose to purchase products online were superior range of products, one respondent said when asked why she bought clothes online:

“It is because the inventory of clothes in these online stores does not exist in physical stores, so the range of products is much greater.” - Lotta, 28.

Another reason mentioned by the consumer respondents was the perceived smoothness and flexibility when shopping online. One consumer respondents said:

“It is because I do not have to get out, maybe take the car, park it and physically be there. Instead I could just be home and buy it online” - Calle, 30.

In addition, the consumer respondents expressed differences in price as another reason to why they choose to buy products online instead of a physical store. One respondent said:

“However, the skin-care products that I use are quite expensive and are often on sale online, so it is nice to get them while they are on a 20% sale as it is quite a significant saving.” - Ellen, 25.
This is in accordance with Rintamäki et al. (2007) and their value proposition category 1 and 2. Overall, these factors were highly emphasized by the consumer respondents and are coherent with the statement provided by Lenka et al. (2017) about digitalization, and its’ use of creating new ways of interacting with consumers. Thus, ultimately influence the consumers’ perception of value throughout the overall service offering. These aspects mentioned by the consumer respondents regarding their online purchases are also qualities that were desired in the payment process. If the payment process lacks qualities mentioned above it could negate previously perceived value and ultimately lead to co-destruction (Echeverri & Skålén 2011). For instance, if the consumer chooses to make a purchase online due to a cheaper price but encounter a fee associated with the payment, thus negating the perceived value from the cheaper price. As the frequencies and quantity of online purchases differed vastly between the consumer respondents, the one constant between them was the overall increase in usage of e-commerce businesses. For these reasons it is clear that e-commerce businesses need to recognize the advantages consumers associated with online shopping compared to traditional shopping to further strengthen consumer trust and encourage consumer adoption whilst taking into account the potential risks with incorporating a payment intermediary. This is in keeping with Jarach (2002) statement about how organizations must be agile in their way of conducting business and adapting to consumer needs.

4.1.2. Service providers and payment intermediaries

The service provider is offering a payment service on their website which is provided by a payment intermediary. The payment service is supposed to make the payment easier and smoother for the consumers by offering payment services for the consumer to use. This is in keeping with previous research stating that value can only be presented for the consumer to be determined (Grönroos 2008; Grönroos & Ravald 2011). All the companies included in the study mentioned that the reason that they chose to include a payment intermediary is because it is very expensive and resource demanding to provide payment services on their own. The service provider respondents also mentioned the benefits with a familiar check-out for the consumers which is in accordance with Gefen (2000) and Oliveira et al. (2017) and their take on trust and familiarity in an e-commerce setting. One service provider said:
“It is complicated to handle, to integrate payment method by payment method. When you have so many markets too, it is a big project, not just the IT-part but also to integrate and maintain. In the aspect of costs, including a payment intermediary was less expensive. In addition, it is smooth for the consumer; it is a checkout they are used to and are familiar with.” - Knick-Knack Company.

In addition, there is several rules that the service provider need to follow. For this reason, the payment intermediary is necessary for some service providers as illustrated by comments expressed by the interviewed service providers below:

“Since a number of years back it is necessary to be PCI-certified in order to be allowed to handle card information at all. In order to become that it is a gigantic process that is both time-consuming and economically tough.” - Clothing Company.

“You would need a very large department to handle all development and all the payment services and payment questions. You also need to collect debt. There is so many rules regarding payments and collecting debts. They take care of everything, so it is very smooth to leave it to them.” - Pharmacy.

Furthermore, the service provider perceives that there are very few consumers which are negative towards use of a third-party actor. The negative consumers are so few, so the service provider believe it gives them value and that the benefits that comes with a payment intermediary outweigh the few negative consumers. This is in accordance to Kumar & Reinartz (2016) which state that value is the benefits after the negative aspects have been subtracted. However, some consumer respondents in our study mentioned that if they have the option they would rather avoid a payment intermediary and pay directly to the service provider. One respondent stated:

“That is probably what I prefer… Because it is like no intermediary. I pay to the company and they give me the product.” - Cecilia, 19.

If the consumers and the service provider is not coherent in this area and the consumers have no option to avoid the payment intermediary, it could cause value co-destruction (Echeverri and Skålén 2011). All of the service provider respondents stated that on their site there is no option to avoid their payment intermediary which could indicate that the consumers ability to choose is only met halfway. Consumers are often offered multiple payment methods however all provided by the same payment intermediary which limits their sense of flexibility. To counteract this, the service provider could offer the option to
choose from multiple payment intermediaries, thus increasing consumer flexibility regarding payments. This would ultimately give the consumers a better overview of their purchases and the ability to gather all their purchases on one invoice thus enabling a smoother payment process.

4.2. Value propositions in a wireless environment

4.2.1. Consumers

Since all consumer respondents had experienced online shopping before, all of them had encountered different types of payment methods. Although their opinions regarding what payment method was the most sought after differed, all of the consumer respondents expressed that, even though they did not use all the payment methods available to them on the website, they wanted the possibility to freely choose from a wide range of payment methods. One respondent said the following when asked about only having the option to pay through one payment method;

“I would consider it rather poor if a website did not offer multiple payment alternatives considering how online shopping is done today, so it would definitely make me wonder… If the product is available at another website with more payment options, I would probably choose to go there instead.” - Lotta, 28.

This indicates, that even though multiple payment methods are not crucial for the consumer to actually purchase the good or service, the payment methods, or lack thereof, most certainly influences consumer purchasing decisions and therefore is a part of the value proposition offered. The ability to choose payment method could fulfill the value proposition category 4 as mentioned by Rintamäki et al. (2007) as the consumer is has the power to influence the payment process. In some scenarios, the consumer respondents stated that if they felt limited with the payment methods offered, it would contribute to them bringing their business elsewhere. As mentioned above by the consumer respondents, the consumers expect to have multiple payment methods to choose from in today's e-commerce setting, and when that is not the case the consumer might experience uncertainty about the purchase. This familiarity factor of what to expect in a checkout-scenario at a website, is coherent with Gefens (2000) and Oliveira et al. (2017) understanding of how familiarity can help diminish uncertainties for consumers which is also emphasized by Åkerblom (2017). This is also in keeping with Rintamäki et al. (2007) and their value proposition category 3. When asked further, there were a variety of
aspects mentioned that could contribute to a sense of familiarity for the consumer, such as layout of the checkout or affiliation to the service provider or payment intermediary by the consumer respondents. When asked why the respondent prefers to have multiple payment methods to choose from even though there is primarily one method the respondent uses, one respondent answered:

“Yes, I think it would give me a sense of security and professionalism from the counterpart, even if that might not be the case.” - Andreas, 54.

This suggests that, even though payment as a facilitating service might be considered secondary to certain consumers in the overall service offering, does play a significant role in the value proposition offered by the service provider. This could be observed through the Service Logic perspective as it signifies that the perception of value is ultimately decided by the consumer and can only be propositioned by the service provider and payment intermediary (Vargo & Lusch 2008, 2011; Grönroos 2008; Grönroos & Ravald 2011).

The payment method as a contributor to the value proposition was even more distinguished for the consumer respondents when asked how they would react in a scenario of purchasing a more expensive commodity or when purchasing from an unknown service provider. The consumer respondents were unanimous in stating that in an expensive purchase scenario it is expected for consumers to be able to choose from a variety of payment methods as it is considered the norm in today's e-commerce landscape. It was also easy to recognize that uncertainties regarding the payment rose as the price of the purchase increased, making invoice the more popular choice to negate consumer doubt which is coherent with Gefen (2000) and Oliveira et al. (2017). In such a situation, consumers are more or less paying for trust in the form of accepting costs associated with certain payment methods. This is further attested by the service providers participating in this study. Although the consumer respondents in this study tend to use direct payment or invoice almost exclusively, they all acknowledged the potential value contribution some of the other payment methods could benefit certain consumer which is in keeping with Grönroos (2008; 2011) and Landroguez et al. (2013). The alternative of “purchase now, pay later” was frequently mentioned as a form of enabling business exchanges to occur for consumers with different needs and preferences, ultimately negate consumer doubts regarding the purchase. This is in keeping with Gefen (2000) and Oliveira et al. (2017) and could lead to businesses, that are unable to provide a wide range of payment options on
their own, being more or less forced to use an external payment intermediary to nullify potential competitive disadvantages and stay relevant in the eyes of the consumer. Consequently, this could add to established market barriers for new organizations.

Bowman and Ambrosini (2000) mention that the value of a service depends on the consumers value against the financial sacrifice that it has to make. Most consumer respondents mentioned that they would not use a payment method that costs extra money. According to this equation, the consumers consider that the amount that has to be paid does not give them higher value than they receive from the other payment methods and thus will not pay the required amount. The service is thus considered not worth the amount that has to be spent. If the other payment methods work well, most consumer respondents believe that it is not necessary to pay more money to access a service they do not need. Thus, there is a substitute that creates value in a similar way. This fact can contribute to why they are not willing to pay a higher sum, as the other payment methods generally acts as equivalent substitutes. Browning (2002) argues for that substitute services are a contributing factor in value creation and if there are substitutes that generate the same value but at a lower cost, this service is unlikely to be selected.

4.2.2. Service providers and payment intermediaries

When the service provider is creating value propositions to the consumers it is crucial to be genuinely and actively interested in the consumers and their unique needs. All the service providers mentioned that they continuously work with improving the consumer experience and the payment process being a part of that. The service providers all expressed thoughts in the interviews about how they continuously work with consumer perception of value. All the service providers agreed on that it is important to know what the consumers want and understand their actual needs since by doing so, the service provider have the opportunity to meet the consumers’ needs and expectations, or even exceed them (Winer 2001). As the result from the study showed, and as Woodall (2003) confirms, there is no clear definition of what value creation is for the consumer, where many causes of value creation exist (Gummerus 2013), thus creating problems in the design of the service. All the service providers mentioned the importance of delivering what is promised since that is a big part of the mutual trust-building in the relationship.
The value propositions that the payment intermediary offers, in terms of a payment service, is an offered service that contains no value until it is used by the consumers. This is in line with Grönroos (2008) that states that the company creates resources to make it possible for the consumers to create value, but if the company have direct interaction with the consumer, the company have the opportunity to influence their consumers value creation process. As a result, there can be no other value creator than the consumer (Grönroos & Ravald 2011). The service provider and payment intermediary offer the payment service, but it is up to the consumer to decide when and where to use it for creating value (Grönroos 2008). The value is co-created together with the payment intermediary when the consumer uses the service. The payment service was recognized to make the payments smoother and easier by offering the consumers options how and when they want to pay (Klarna 2018; Ecster 2018; Dibs 2018; Collector 2018; Qliro 2018). Consumers can now purchase services or products regardless of what time it is and whether or not they have access to money at that specific time.

The value is experienced primarily when consumed (Grönroos 2011) as it is then that the consumers are most involved in the value creation and can be seen as one of the initiating stages of the value process. However, in some cases if information about that the option to pay with a specific payment intermediary is available it could initiate the process. The value creation process will probably terminate shortly after the service has been used. As both the service provider as well as the payment intermediary share a common interest in enabling consumers to create value, they do so in different ways by specializing in their respective fields. The two actors combine their resources to benefit the consumers purchasing experience, making the transition from service provider to payment intermediary crucial in the overall process. Since the service provider and its service offering is the initial proposition aimed to attract consumers, the role that the payment intermediary play becomes secondary in the eyes of the consumer, however still significant as a part of the offered value proposition which is in accordance with Scherer et al. (2015). This indicates that although focus should primarily be on the service or product provided, great importance lies with which payment intermediary is involved in the purchase. The service providers participating in this study tended to not market their payment intermediary all that much, due to the service providers being well established enterprises providing enough credibility and authenticity on their own. However, it was crucial for the service provider that the payment intermediary provided great service to the
According to the payment intermediaries they make the payment process easier for the consumer while simultaneously giving a smoother experience to the service providers (Klarna 2018; Ecster 2018; Dibs 2018; Collector 2018; Qliro 2018). However, the payment intermediaries participating in this study has chosen to market themselves differently from each other. Payment intermediary 1 have chosen a more low-profile approach to marketing where the service kind of speaks for itself. The payment service is seen more as a necessity than a value proposition. This is in contradiction to Grönroos & Ravald (2011) that argues for that it is natural that the goal for marketing should be value creation for consumers since this has been considered the ultimate outcome for businesses. Payment intermediary 2 on the other hand choose to market their payment service through showing the consumers the possibilities and how smooth and flexible their service is. They choose to communicate their offering as an easy, flexible and smooth service where the consumer has the choice to pay however and whenever they want to. They do not mention any details about the technical functions. By doing this the payment intermediary shows what value propositions they offer and the potential value of their service. Once the service is offered the payment intermediary does not control when the consumer uses it. Since the payment intermediaries have very little interaction with the consumers and therefore cannot construct the consumers how to use their service it is important that the service is easy to understand and use so the consumers are able to use it without any help.

4.3. Relationships

4.3.1. Consumers

As mentioned above, familiarity can help diminish uncertainties for consumers (Gefen 2000; Luhmann 1979 referred in Gefen 2000). Another thing that can reduce uncertainties is if the consumer has a long-term relationship with either the service provider, the payment intermediary or both. Some of the consumer respondents mentioned that if they have a good relationship with any of the
mentioned above this can result in loyalty and that the consumer chooses to retain the same provider again.

“If it has gone seamlessly and well before so absolutely, I would feel confident to use them again.” - Filip, 27.

This is in line with Scherer et al. (2015) which emphasize that if the consumer perceives the relationship with the company to be beneficial it is more likely that the consumer chooses to retain the same service provider again. Some consumer respondents even said that a good relationship with a specific payment intermediary could affect which service provider they choose to retain. One respondent expressed:

“If I visit two websites to buy makeup and one of them offers payment with a payment intermediary that I recognize and the other with a payment intermediary that I do not recognize, then I most likely would choose the one that I am familiar with” - Ellen, 25.

The same consumer respondents also expressed that a good relationship builds trust against the provider. That is coherent with Wirtz et al. (2012) which argues for that a long-term relationship with a provider makes the consumer know what to expect, trust the provider and believe it would be less likely of something going wrong. If something does go wrong, the long-term relationship can according to some consumer respondents make them more understanding. One respondent mentioned:

“If I have a favorite company or website, I primarily use them. I feel secure there, I purchased products there before, I know what to expect and that they have good products. Even if something feels more difficult or something goes wrong, I might still choose to purchase things with that company again” - Filip, 27.

By founding a good relationship between consumer, service provider and payment intermediary, short comings and service failures can be overcome due to the trust that has been established from former encounters. This is beneficial both for the consumer, who is familiar with the process of making a purchase, i.e. confidence benefits, as well as the service provider and payment intermediary who does not need to reallocate resources towards guidance and instructions for the consumer, thus making them more profitable (Wirtz et al. 2012). These confidence benefits perceived by the consumer has proven to be essential as most of the respondents would rather allocate their spending towards service providers whom provided a familiar payment process.
4.3.2. Service providers and payment intermediaries

As mentioned earlier, it is crucial for the service providers to take care of their consumer relationships in order to achieve consumer value, thus creating loyal consumers with long-term relationships. The service providers need to get to know their consumers in order to find out what gives value to the consumer, even so in regard to the payment process of the purchase. The respondents from the service provider and payment intermediary segment both recognize the importance of establishing relationships towards the consumer, although their approach towards doing so might differ slightly. The service provider respondents were unified in how they evaluated potential payment intermediaries as business partners, namely by how the payment intermediaries handle consumer interactions and how they manage their brand and its connotations. They also share a common awareness of the difference in consumer perception regarding their business constellation, which is in keeping with Grönroos (2011) that mentions that value is perceived individually by consumers and is also acknowledged by Woodall (2003) and Bowman and Ambrosini (2010). The long-term relationship is especially essential due to the technological-driven circumstances and the decreasing interest of face-to-face interaction as e-commerce continue to grow (Oliveira et al. 2017).

To be able to create these long-term relationships it is crucial that the service providers develop a relevant strategy for managing the consumers relationships, i.e. a CRM-strategy. Winer (2001) argues for that service providers should know the consumers on a deeper level in order to maximize the consumers value experience. Although, having a deepened relationship with all consumers is close to impossible for a large-scale service provider. Even if some of the payment intermediaries can be considered large-scale as well, they allocate resources and are interested in maintaining a long-lasting relationship with consumers throughout their many interactions over a variety of purchases through different service providers. This was emphasized by the respondents from the payment intermediary segment as they have recognized that their main focus and attention should be towards the consumer. One respondent from the payment intermediary segment said the following when asked about the benefits of using a payment intermediary, besides the economic and technical aspects;

"The big advantage of using our services is the network-effect you get as a user since almost 70% of all consumers using our checkout are consumers we have an existing relationship
with, meaning you do not have to state all your information every time. That type of network-effect would not be possible to maintain on your own.” - Payment intermediary 2.

This suggests that Payment intermediary 2 has managed to achieve a retention rate of their consumer of a staggering 70% through effective use of their existing relationship. These established relationships have proven to be fruitful as the consumers choose to use their services over a series of purchases which indicate that Payment intermediary 2 adds value for the consumer. This is in accordance with Winer (2001) and his take on CRM as well with Rajola (2013). This could also be an indicator that the services provided by Payment intermediary 2 contributes to the consumer’s perceived confidence benefits (Wirtz et al. 2012). Therefore, CRM is crucial for establishing long-term and profitable relationship as it induces familiarity for the consumers which enables trust to be established (Gefen 2000; Oliveira et al. 2017), even with service providers that are unfamiliar to the consumers, thus enabling exchange to occur. This is further attested by payment intermediary 2 since they, on an international market, have chosen to use multiple payment intermediaries since the payment intermediary they currently use on the Swedish market is not that well established in other countries, and thus feel the need to diversify their payment options with additional payment intermediaries.

4.4. Privacy concerns

4.4.1. Consumers

When it comes to privacy concerns there was significant differences depending on age in how the consumer respondents viewed privacy. The younger consumer respondents did not reflect significantly about what type of information is collected about them. Many of the consumer respondents were not suspicious at all and believed that with the digitalization and development of the internet it is so common these days that it is impossible to avoid. This is in contradiction to Koohikamali et al. (2017) who argues that consumers become more aware and suspicious about this as e-commerce grows. The consumer respondents said:

“It is not directly something that I think plays a particularly important role. You share so much any way, information in other ways I mean, so it does not feel like it is so important... It is probably nothing I reflect on.” - Cecilia, 19.
“I have probably not reflected on that so much. I don’t think they are interested in checking what I actually bought. And if they are, I do not think I could avoid it. They get information from Facebook every day anyway, so it does not matter if one more company have that information.” - Isabella, 25.

Respondents that were older than the average participant were more conservative and preferred not to share information. One respondent expressed concerns about what the service providers know and what they might do with the collected information. The same respondent even took precautions and used different payment methods in order to spread the information and not giving one company all information. This is coherent with Brown & Muchira (2004) and Aguirre et al. (2016) that states that the consumers are concerned about what the service providers know about them and try to take more security precautions to prevent service providers to collect information about them. However, the consumer respondents said that in cases were the benefits of sharing the information outweigh the risks, they would share their data. This is also in line with Hallam & Zanella (2017) that argues for that consumers share their information if they expect the benefits to be greater than the risk. One respondent said:

“I do not want to give away too much information about myself because I am basically suspicious of all the big data…. If I can choose different payment methods I do so, so that one company will not get the whole picture.” - Andreas, 54.

Although the question about consumer privacy and the consumers view of it was inconsistent between the consumer respondents, it was rather clear that to certain consumer respondents it was a critical issue. Many of the consumer respondents were aware of the already existing regulations regarding consumer privacy, however did not fully comprehend the coverage it provides and expressed concerns how it affects payment intermediaries in an e-commerce setting. This could indicate that already existing regulations need to be better communicated towards consumers of what type of information involved parties are allowed to know and store or that actual regulatory changes are needed to further strengthen consumer privacy.

4.4.2. Service providers ad payment intermediaries

The service providers view on privacy were unitary that they all trust that the payment intermediary takes good care of their consumers information, since it otherwise would reflect negatively back on them. This signifies that the service
providers are aware of the risks regarding consumer privacy associated with incorporating a payment intermediary which is in keeping with Jung (2017). All the service provider respondents also agreed upon that there are both positive and negative parts with incorporating a payment intermediary, but that the benefits, in the majority of cases, outweigh the negatives. They all mentioned that if they would not use their current payment intermediary they would use someone else since, as explained earlier, it is more or less necessary to use a payment intermediary due to existing regulations. This means that if their current payment intermediary would not have access to their consumers information, another payment intermediary would as they argued that there is no way to avoid sharing their consumers information with another payment intermediary, in order for their business to work in the current regulatory playing field.

However, one service provider pointed out that a large payment intermediary who is gathering information and operating in many different online-stores would possess tremendous amount of data on online consumers, which is great from a commercial point of view as it potentially could help boost sales, could be considered morally questionable to a certain degree. This is in keeping with Awad & Krishnan (2006) about how gathered information can help predict consumer patterns for service providers to benefit from. A measure to give back control about the data collect to the consumers is the implementation of GDPR (European commission, n.d) which was welcomed by the service providers as well as payment intermediaries. As mentioned in the respondent description, one service provider is a pharmacy. This means that they have established a special agreement about what kind of information they share with the payment intermediary. When asked about privacy the service provider said:

“Because we are a pharmacy, we have a special privacy agreement with the payment intermediary, which means that they do not see what you purchase. They only see purchase at a specific store and a summary of the costs are stated on both invoice and payment... If you purchase products in other stores the payment intermediary gets your queue list, and they'll see what products you’ve bought, but that is not the way at our site.” - Pharmacy.

This further strengthen the contention that the service providers are aware of the negative aspects and potential risks of incorporating a payment facilitator, however, the benefits of doing so seems to far outweighs the disadvantages from a business standpoint. Even though concerns from consumers are recognized by the service providers as well as payment intermediaries,
consumer needs regarding privacy are arguably not fully met. If this is done intentionally by service providers and payment intermediaries or due to inadequate regulatory framework need to be explored further.
5. Discussion

In this section, the empirical analysis will serve as a foundation to take this discussion section one step further and analyze on a general level.

5.1. Payment services

In conclusion, the consumer respondents participating in the study all mentioned aspects such as range of products, price, smoothness and flexibility as important factors to why some of their consumption has migrated towards e-commerce instead of through physical retailing stores. This is in keeping with Westerman et al. (2011) and Lenka et al. (2017) and the advantages associated with conducting business on a digital platform and how it relates to value propositions offered to consumers (Landroguez et al. 2013). These characteristics were also reflected in what consumers value in the actual payment process. As a whole, the consumer respondents expect a wide range of payment methods at no additional costs, while simultaneously expecting the payment process to be a smooth and flexible experience tailored to the needs of the consumers and not limited by the payment alternatives offered. This is coherent with Postnord, Svensk Digital Handel & HUI Research (2018) that states that the most important thing for consumer in an e-commerce payment process is to be able to choose between payment options. This is also in line with Grönroos (2008; 2011) and his take on how value is subjectively interpreted by the consumer and can only be propositioned by the service provider (Landroguez et al. 2013, Scherer et al. 2015). This also signifies that through the eyes of the consumers the payment is seen as a part of the overall service offering. However, the payment aspect is considered as a rather delicate and crucial element of the purchasing process for many of the consumer and could ultimately influence consumers in their purchasing decisions.

Even if most service providers offer multiple payment methods to choose from, the findings of our study showed that many consumers would like the opportunity to choose between different payment intermediaries as well for an increased sense of flexibility. This suggests that consumer needs regarding payments are not fully met and that more flexibility regarding payment options and payment intermediaries are required in order to enhance the value proposition offered by service providers (Grönroos 2008, 2011; Landroguez et
al. 2013; Scherer et al. 2015). The service provider respondents participating in this study acknowledges that there is some dissatisfaction related to incorporating a single payment intermediary, however not to a degree in which they believe a change is necessary. This is also mentioned by payment intermediary 2 since they, on an international market, have chosen to use multiple payment intermediaries since the payment intermediary they currently use on the Swedish market is not that well established in other countries, and thus feel the need to diversify their payment options with an additional payment intermediary. This is additional confirmation of existing discontent regarding payment options amongst consumers, and even though the service providers participating in our study did not think change was necessary, organizations could incorporate the option to choose from more payment intermediaries and/or provide a payment service themselves in order to increase flexibility and further strengthen value propositions offered.

The primary argument provided by service provider respondents to why they use a payment intermediary is the added cost of administering payments as well as the established legislation regarding how payments are needed to be managed. Even though many of the consumer respondents participating in the study expressed interest in having the option to avoid an external payment intermediary when shopping online, the reality of the situation is that this is seldom an alternative for the consumer. In addition, a payment intermediary could, if used in the right way, create reciprocal value creation for both parts (Grönroos & Ravald 2011). However, there might be a need for changes in order to make it easier for service providers to meet consumer needs and enable them to handle payments on their own. Furthermore, the service providers participating in this study argue that although the payment intermediary provides a technical solution which handles payment in a time efficient and effective way, brand recognition is also essential to deter consumer doubt in the payment process which is in line with Oliveira et al. (2017) and Gefens (2000) statements about familiarity and trust. These aspects of brand management to evoke familiarity have been core components for the service provider respondents when evaluating which payment intermediary, they choose to work with. This indicates that although technical tools are needed to manage payment in an e-commerce setting, if the actor that is facilitating the payments is unfamiliar to the consumer, the payment intermediary add to consumer uncertainty and potentially hindering a transaction to be made (Gefen 2000; Fang et al. 2014; Echeverri & Skålén
This signifies that brand recognition and CRM strategies should be considered as vital components alongside the technical development of the payment intermediary to eliminate consumer distrust in the payment process (Scherer et al. 2015; Rajola 2013). Hence, working with brand recognition could ultimately enhance the familiarity aspects perceived by the consumer, thus enabling the value proposition offered by the service provider to benefit from the trust being established (Gefen 2000; Fang et al 2014; Kim & Peterson 2017; Oliveira et al. 2017).

5.2. Value propositions in a wireless environment

The opinions regarding how incorporating a payment intermediary contributes to the value propositions offered to consumers differed between the consumer respondents. This is further verification that value is subjectively interpreted by the consumer (Grönroos 2008; 2011) and that the service provider cannot create nor deliver value (Scherer et al. 2015). The distinction between payment intermediary and service provider were to some consumer respondents inadequate. This difference in opinions could be rooted in factors such as age, technological experience or socioeconomic conditions or it could be a response to something vastly different. When conducting the study, the consumer respondents showed a tendency to be more open to incorporate an external payment administrator the younger they were. This could be a natural development of being brought up in a more technologically advanced society than the somewhat older participants, making the younger participants more receptive to new forms of business constellations, whereas the older consumer respondents are more conservative in their approach. This is in keeping with Kumar & Reinartz (2016) and their statement about how consumers perception of benefits from a triadic business constellation must exceed the drawbacks with such an arrangement. This is also coherent with Åkerblom (2017) that states that the biggest obstacle for consumers is beginning to use a new service were that the consumer does not perceive the value provided by the service or feeling insecure about the purchase. A reason for consumers that does not perceive the payment intermediary to bring any value could be because the value is perceived unconsciously (Korkman 2006). It could be problematic for payment intermediaries if their services provide value for the consumers, but the consumers do not comprehend the provided value. Some consumers often take the payment process for granted and only reflect upon it when confronted with an issue.
Although the younger consumer respondents exhibited more openness in incorporating external actors in the purchase experience, doing so was not necessarily a positive thing and could result in value co-destruction if managed poorly (Echeverri & Skålén 2011; Jung 2017). As stated earlier, many of the consumer respondents had different preferences regarding payments, making the range of payment methods and payment intermediaries valuable resources which can be integrate into the value proposition provided by the service provider to further tailor the value proposition towards the individual's needs, which is in keeping with Scherer et al. (2015). Besides strengthening the value propositions offered by the service provider, it would also contribute to a reduced risk of value co-destruction regarding not having a suitable or desirable payment option for the consumer (Echeverri & Skålén 2011). It would also cater to the flexibility aspect as with a greater variety of payment intermediaries the consumer would have a greater influence on which actors take part of their information, which would reduce the privacy concerns mentioned by Brown & Muchira (2004). Overall the four needs described by Rintamäki et al. (2007) can be identified through the purchasing and payment process.

5.3. Relationships

The service providers should know the consumers on a deeper level in order to maximize the consumers value experience (Winer 2001). However, it is not solely the service provider that create and maintain long-lasting relationships with their consumers. As payment intermediaries grow on the e-commerce market they are, according to the respondent at payment intermediary 2, trying to build their own relationships with their consumers. This has the potential to make some consumers very attached to using a specific payment intermediary, thus encouraging service providers to implement multiple payment intermediaries. As declared by the consumer respondents, a good relationship with a specific payment intermediary could affect which service provider they choose to purchase from. This indicate that consumers are willing to choose service provider dependent on which payment intermediary that is involved in the purchase, thus strengthen the payment intermediaries’ involvement, ultimately enabling the payment intermediary to possibly steer consumption to their preferred service providers. The respondent at payment intermediary 2 also mentioned that there is a possibility that some form of bonus system could be introduced in the future to further boost consumer retention and
value propositions thus increasing loyalty, which is in keeping with Rajola (2013).

5.4. Privacy concerns

Privacy was valued differently by the consumer respondents in our study and were, in some cases, secondary to the simplicity provided by the payment intermediary. This is in accordance with Hallam & Zanella (2017) and Aguirre et al. (2016) as the consumer respondents were aware of their information being shared, however the benefits of doing so is superior to the disadvantages. This had been recognized by the respondents from the service provider and payment intermediary segment, however deemed to have little effect on their daily businesses. Perhaps the consumer respondents participating in this study possesses too little knowledge regarding how their information is gathered and used, thus creating a sense of uncertainty in which distrust flourishes. Therefore, efforts should be made to clarify for consumers what type of information is gathered and how it is used, as such adjustments would help deter consumer doubt and establish trust in an e-commerce setting (Gefen 2000; Fang et al. 2017). Although some measures have been made in the form of the establishment of GDPR, the effect of its implementation is too soon to evaluate. Consequently, regulatory measures regarding consumer privacy need to be established in order to sustain the simplicity in the payment process, whilst maintaining consumer preferences regarding privacy, since current regulations are not fully comprehended by online consumers and would contribute to enhanced value propositions.

Even though the service providers stressed the importance of payment intermediaries that conduct business which was consistent with their own established guidelines regarding consumer care, none of them chose to actively market their cooperation more than providing a logo of their payment intermediary at the bottom of their website. This indicates that emphasis is situated at the service or product provided by the service provider. This is coherent with the statements from consumer respondents representing the consumer segment that specify that priority lies with the commodity being purchased. It could also be a result due to the consumer respondents from the service provider segment being well established enterprises, that does not feel the need of marketing another brand in order to further strengthen their own credibility and authenticity. Smaller less established businesses might need to market business partners to enhance their value propositions and reduce
consumer doubt. This since the payment intermediator potentially could provide a sense of familiarity and thus enable trust to be established when the consumer is unfamiliar with the service provider (Gefen 2000; Fang et al. 2017).
6. Conclusions

This concluding chapter presents the theoretical insights and practical implications and reconnects the study with the purpose. Furthermore, this section concludes with limitations and recommendations for future research.

6.1. Theoretical insights

As the purpose of this study is to explain and create an understanding how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer, this study can contribute to an increased understanding of consumer perception of value propositions and how it is influenced by incorporating a payment intermediary. Since perception of value is subjectively interpreted (Grönroos 2008), the findings of this study indicate that incorporating a payment intermediary could influence consumer purchasing decision drastically, positively and negatively, in certain scenarios. Although facilitating services such as payment administration is considered a component of the overall service offering in existing literature, this study suggests that the aspect of payment has a greater influence according to certain consumers in their purchasing decision than other facilitating services. Therefore, the process of payment need to be acknowledged and recognized as a more distinguished value integrator in the service offering and value propositions.

6.2. Managerial implications

Kaplan & Norton (2001) defines value propositions as “... how the organization differentiates itself from competitors to attract, retain and deepen relationships with targeted customers” (Kaplan & Norton 2001, p.18), which is a view shared by many researchers in the field. With the findings of this study, service providers will have a better insight in consumer perception of incorporating payment intermediaries to administer payment services and its effect on value propositions offered to consumers. As the findings of this study were rather inconsistent regarding if incorporating a payment intermediary was considered positive or negative in the eyes of the consumer, the fact that including a payment intermediary had an effect on the value proposition was confirmed. Therefore, service providers need to consider what stance the targeted consumer segment has on including a third-party
actor to administrate payment services, as this was considered highly context dependent. Evidence from the study implies that some consumers would, if they had the option to choose, avoid incorporating a payment intermediary whilst others preferred that a specialized actor in regard to payments was involved in the process. This indicates that consumers prefer and expect to have a number of payment alternatives with the option to include or exclude an external actor if desired. Thus, encouraging today's businesses to provide multiple payment methods through a variety of payment intermediaries to fully meet the needs of consumers, as trust can be considered essential for business to be conducted in an e-commerce setting.

Although this study did not explore common factors between the consumer respondents contributing to certain preferences regarding payments, some tendencies were recognized but are needed to be investigated further to be verified. Furthermore, we believe the findings will contribute to an increased awareness of the payment component and consumers attitude towards payment as the four needs described by Rintamäki et al. (2007) can be identified in the purchasing and payment process.

6.3. Limitations of the study

The respondents chosen could be considered a limitation for our study as they were chosen through purposive selection and through comfort selection from our own network of contacts. This could insinuate that the result of the study is skewed somewhat depending on what the authors considered to be relevant for the study as well as what type of respondents that were available for interviews. The number of interviews conducted could also be considered a limitation as more respondents might have contributed to an improved and more accurate analysis which could've affected the result of the study. The study did not incorporate respondents younger than 19 years old or older than 57, which could be a limitation and provide an inaccurate representation of the population of Sweden. Considering the respondents all had different attitudes towards technology as well as different e-commerce habits, these two factors could have possibly provided a better measurement when selecting respondents.

Although the respondents in the consumer segment had a fairly wide geographical spread, we did not manage to interview respondents from all parts of Sweden nor take aspects such as socioeconomic conditions of the respondents into consideration. Since the context of the study was Swedish e-
commerce the results of the study might not be generalizable over other countries. As the study was conducted to explain and to create an understanding how incorporating an external actor to administer payment services has an effect on the value propositions offered to the consumer, the underlying factors that ultimately affect the value propositions was not explored. Furthermore, respondents from the service provider segment were all using the same payment intermediary. To get a better understanding of the interactions between service provider and payment intermediary additional constellations with added payment intermediaries are needed the better represent the existing market.

6.4. Future research

As a continuation of our research we urge future scholars to keep exploring the crucial role payments play in the overall service offering and its contributions towards value propositions. We suggest that a comparative study is to be conducted between consumers that are considered technologically advanced versus consumers with less technological experience. This could help to further highlight what affect consumer attitude towards technology has in regard to their perspective on payment services since e-commerce is a fairly new phenomenon.

Furthermore, common factors for certain preferences need to be explored as some tendencies could be identified in this study, such as hesitation towards incorporating a payment administrator by consumer respondents that were older than the average participant. What factors that caused the divergence of the study’s findings should be explored to better assist service providers when designing their service offerings. Different consumer segments as well as various business sectors need to be studied in case there is a correlation between consumer needs and consumer segments in certain business contexts. Additionally, some research should be devoted towards the service provider segment and their interaction with payment intermediary. In this study, the respondents from the service provider segment were rather passive in marketing their cooperation with the payment intermediary, whilst smaller service providers are known for taking advantage of the more known payment intermediaries to gain consumer trust. Therefore, a more detailed insight of the service ecosystem between service provider and service intermediary would be of great interest.
List of references


Appendices

Appendix 1 – Interview guide consumers

Introduction of the study for the respondent.

Thank you for taking the time to take part in this interview. Our intention with this study is to investigate how the ability to pay through an external actor affects the value proposition that the consumer experiences. The interview will be recorded to facilitate transcription. The result of this study will be treated confidentially and will not be used for any other purpose than this study. It is completely voluntary to participate, and you can cancel at any time.

Background

- Can you tell me about yourself as a person?
  - Family? Interests? Age? Employment / occupation?
- How often do you purchase products or services online?
- What kind of product/service do you buy most frequently?
- What website do you use most frequently to buy this product/service on?
- Have you ever bought this product/service in a physical store?
  - Why do you choose to purchase this product/service online instead of a physical store?

I would now like to change subject to questions about payment methods. Payment methods in this study are different ways to pay such as direct payment or invoice.

- How do you experience direct payment and bank transfer?
- How do you experience invoice and instalment payment?
- Which payment method do you usually use?
  - How often do you use this compared to other payment methods?
• Does a fee have any effect on which payment method you use?

• How do you feel if there is only one payment method offered?
  - Do you think there always should be multiple payment methods offered?
  - Why?

• Do you think it is more important with multiple payment methods if the product/service is expensive?

• Does the recognition level of a company have an effect on how many payment methods you think they should offer?

• Is there any difference if you have a relationship with the company?

I would know like to change subject to questions about payment companies. A payment company in this context is an external company that provides the payment for another company.

• Have you previously reflected over that the company you are purchasing from and the payment company that handles the payment is two different parties?

• What different payment companies are you familiar with?
  - Have you heard of Klarna, Collector, Ecster, Qliro or Paypal?

• What is your relation to this/these payment companies? Positives/negatives?

• How do you experience that an external payment company is included in the process?
  - What advantages and disadvantages do you think there is?

• Does a fee have any effect on whether a payment company is included in the purchase process?

• Do you prefer to pay directly to the company or through a payment company?
• What do you think about that you need to share information about you purchase with a third actor?

• Do you feel that the payment company makes the transaction faster and smoother?

• Do you feel that the payment company makes the transaction more secure?

• Is there any difference if you have a relationship with the company?

• Is there any difference if you have a relationship with the payment company?

• Does it have any effect if the company is foreign?

• Would you like more companies to choose from when paying?

• Could the relationship with a specific payment company control which company you purchase a specific product/service from?

• Have you ever encountered problems with the company or the payment company when shopping online?
  - Has this affected your relationship with any of the parties?

• Do you think it will become more common with payment companies in the future?

• Do you have anything you want to add?
Appendix 2 – Interview guide service provider

Introduction of the study for the respondent.

Thank you for taking the time to take part in this interview. Our intention with this study is to investigate how the ability to pay through an external actor affects the value proposition that the consumer experiences. The interview will be recorded to facilitate transcription. The result of this study will be treated confidentially and will not be used for any other purpose than this study. It is completely voluntary to participate, and you can cancel at any time.

Background

- Can you tell me a little about your company?
- What role do you have in the company?
- Do you target any special consumer segment?
- Are there any specific challenges you encounter being an e-commerce company?

I would now like to change subject to questions about payment methods. Payment methods are in this study different ways to pay such as direct payment or invoice.

- What different payment methods do you offer to your consumers?
- Why have you chosen to use those specific payment methods to your consumers?
- Is there any payment method that is requested more frequently than other?
- Do you see these payment methods as additional service or necessary to enable increased purchases?

I would now like to change subject to questions about payment companies. A payment company in this context is an external company that provides the payment for another company.

- Why have you chosen to use a payment company?
- Why have you chosen to use the specific payment company that you use today?
- How long have you cooperated with that specific company?

• How did you manage payment before? Pros/cons compared with current solution.

• How do you experience the cooperation with the payment company you have today?

• How do you think the consumers are affected by your cooperation with the payment company?

• Do you think there could be risks associated with whether the consumer already has an existing relationship with the payment company?
  - Is this something you take into account when you choose a payment company?

• How do you experience the relationship with the payment company?
  - Is it a partnership or more of supplier relationship?

• How does it affect the relationship with the consumer and the payment company if something in the process goes wrong?
  - Do you ever have to “pick a side”?

• What do you think about that the consumers’ needs to share information about their purchase to a third-party?

• Do you have anything you want to add?
Appendix 3 – Interview guide payment intermediaries

Introduction of the study for the respondent.

Thank you for taking the time to take part in this interview. Our intention with this study is to investigate how the ability to pay through an external actor affects the value proposition that the consumer experiences. The interview will be recorded to facilitate transcription. The result of this study will be treated confidentially and will not be used for any other purpose than this study. It is completely voluntary to participate, and you can cancel at any time.

Background

- Can you tell me a little about your company?
- What role do you have in the company?
- Do you target any special consumer segment?
  - Do you target any specific industry or type of company/consumers?
- Are there any specific challenges you encounter within the e-commerce?
- What different payment methods do you offer?
- Do you offer a comprehensive solution to all companies, or can companies themselves choose what they want?
- Is there any payment method that is requested more frequently than other?
- Do you believe your service create value for consumers?
- How do you prioritize security, speed, smoothness and flexibility in your services?
- Would you say that you offer something to consumers that other payment companies do not offer?
- Do you think consumers are aware that you as a payment company and the company they purchase products/services from are two different parties?
• How do you view your role as an intermediary/third-party?
• Why do you believe companies choose to retain a payment company?
• How do you experience the cooperation and relationship with different companies?
• Do you see it as a partnership or more of a supplier relationship?
• How do you experience the relationship with your consumers?
• Do you think that an already existing relationship between you and the consumer can have an impact on the consumer and company relationship?
• How does it affect the relationship with the consumer and the service provider if something in the process goes wrong?
  - Do you ever have to “pick a side”?
• What do you think about that sometimes consumers have to become a customer with your company to be able to purchase from a particular company?
• What do you think about that the consumers’ needs to provide information about their purchase to a third party?
  - What do you do with the information?
• What is your vision for the future?
• Is there an opportunity that the payment company develops to not only handle payments but also being able to sell your own products in the future?
• Do you have anything you want to add?
Appendix 4 – Description of respondents

The study includes eight consumer respondents of both sexes between the age of 19-57 years. All the consumer respondents in the study have experience from e-commerce, differing from purchases about once every other month to several times a week. This appendix also includes a short summarize of the interviews.

Isabella, 25

Respondent 1 is 25-year-old woman who works as a manager at a large coffee-shop chain. She lives in an apartment with her fiancé and dog. She is purchasing products and services online several times a week. She is purchasing almost everything online, from clothes, beauty products and hygiene products to interior or things for her dog. Clothes is the product she purchases most often and the website she usually uses to do so is Nelly.com. She prefers to buy products and services online since it is more flexible and saves a lot of time. She also mentions that online stores often have a wider range of clothes and it is very easy to return if it does not fit. She is familiar with all the different payment methods and use them all occasionally, however, invoice is used most frequently. She uses invoice most frequently since she believes it brings her value to be able to buy something and pay for it later. This since she sometimes returns items and, in that case, do not need to wait to get her money transferred back but also since she has the opportunity to buy things even if she does not have any money at that point. She believes it is important to have many different payment methods to choose from, especially if it is a large or well-known service provider. She is aware of that the service provider and payment intermediary is two different companies and are familiar with almost all of the different payment intermediaries mentioned in the interview guide. She believes that including a payment intermediary is mostly beneficial for the service provider and not so much for the consumer since it might make it more expensive. She would prefer to pay direct to the service provider and does not believe that a payment intermediary increase smoothness, flexibility or security other than if the service provider is foreign. She does not care about that personal information is shared with a third party since she believes she shares so much information through cookies and social media anyway. She believes that which payment intermediary a service provider is offering could affect where she decides to shop. She has a good relationship with some payment intermediaries and would prefer if service providers offered to pay with more than one payment intermediary. This since
she then could choose the payment intermediary that she has the best relationship with and collect all of her invoices at one place to get a better overview.

Filip, 27

Respondent 2 is a 27-year-old man who works with customer service at a large retail chain. He lives in an apartment with his girlfriend and dog. He is purchasing products and services online about once a month. The product he mainly purchases online is clothes and the websites he usually uses to do so is ASOS or NellyMan. He prefers to buy products and services online since the online stores often have a wider range of clothes and that is smoother than to have to go look in physical stores. He only pays direct using his card or transfer through the bank. This since he believes it is easy to use and he does not want to have payment to remember to pay later. Even though he mainly uses one payment method, he believes it is important to have many different payment methods to choose from, especially if it is a large or well-known service provider or if the product or service is expensive. He says he is only aware of that the service provider and payment intermediary is two different companies if the payment intermediary is Klarna, since they are so big, otherwise he is not sure if he reflected on that before. He believes that including a payment intermediary is mostly beneficial for the service provider but also positive for him since it is smooth. He would not prefer to pay direct to the service provider since he likes it the way it is now and view the service provider and payment intermediary as one part. He does not care about that personal information is shared with a third party since he purchases so few things online. He thinks he would be more worried if he did all of his purchases online. He does not believe that a payment intermediary increase smoothness or flexibility, however he does feel more secure and especially if the service provider is foreign. He believes that which payment intermediary a service provider is offering could affect where he decides to shop. He has a good relationship with some payment intermediaries and would prefer if service providers offered to pay with more than one payment intermediary.

Andreas, 54

Respondent 3 is a 54-year-old man who works as a management consult mostly within the IT-sector. He is purchasing mainly tickets for various travels and hotel rooms online and estimates that he in average does 3 online-purchases a week. He considers himself an early adopter when it comes to
technological developments, however, since he has a good understanding about how much information that is gathered from e-commerce he is quite cautious regarding what information he shares online. Nevertheless, he has come in contact with and tried most of payment methods provided by a number of different payment intermediaries as it makes his online purchase experience more pleasant but emphasizes the importance of having knowledge about the payment intermediary before completing a purchase. He refers to a situation he recently had come in contact with where he did not recognize the payment intermediary involved in the purchase and was therefore reluctant to continue but ultimately did so because he wanted the product in question. This became a frequent scenario we referred back to. When asked if he was willing to pay for a certain payment method or the involvement of a payment intermediary he was uncertain as it was context dependent. Overall, he was reluctant to pay in order to pay, however he did recognize some benefits with involving a payment intermediary in certain scenarios and were then willing to pay, for instance in bigger purchases, although remaining cautious about the information he shared as he consider himself generally suspicious about all big data management. He also stated that in certain situations he went out of his way in order to avoid the involvement of a third-party actor that he did not consider professional or beneficial for himself. In regards of what he expects from service providers he was determined that multiple payment methods should be provided in order to cater to different consumers as it provided a sense of security and professionalism even if he does not choose to use them. When discussing number of payment intermediaries, he wants the option to choose from multiple different actors as this would increase flexibility and prevent him from sharing all his data to a single company. He states that depending on what payment intermediary is involved in the process as well as the uniqueness of the product he is looking to buy, the use of payment intermediary could influence which service provider he chooses to buy from.

**Cecilia, 19**

Respondent 4 is a 19-year-old woman who works as a patient transporter at a local hospital. She lives in a house with her mother and father. She is purchasing items online about once a month. The product she mainly purchases online is clothes and the websites she usually uses to do so is H&M. She prefers to buy clothes online since the clothes are available online before they are available in store as well as that it is easier than to go to the physical store. She only pays direct using her card or transfer through the bank, this
since she believes it is easy to use and never caused any problems. Even though she mainly uses one payment method, she believes it is important to have many different payment methods to choose from. She has not been aware before participating in this study that he services provider and payment intermediary is two different companies. She is only familiar with two different payment intermediaries. She does not believe that including a payment intermediary is positive, she thinks it makes the process more complicated. She would prefer to pay direct to the service provider. She does not care about that personal information is shared with a third party since she believes she share so much information in other ways. She does not believe that a payment intermediary increase smoothness or flexibility, actually she believes it makes the process more difficult and slower. However, she does feel more secure if the service provider is foreign. She believes that which payment intermediary a service provider is offering could affect where she decides to shop. She would prefer if service providers offered to pay with more than one payment intermediary.

Calle, 30

Respondent 5 is a 30-year-old man who lives with his girlfriend and dog in an apartment in Karlstad and studies Economics at university. He is shopping online about one or two times a month and mainly purchases hygiene products. Although he does not shop that much online he claims that majority of his purchases are made through internet vendors, mostly by comparing prices and reviews on different service providers and product. He does so because he considers it more convenient as he can by the click of a button order a product from his own home instead of having to transport himself to a physical store and make the purchase. He does however think that certain products are needed to be examined before purchasing them and tend to go to stores and look at the product and then order it online, this is why he thinks showrooms will be more common in the future. He has a preferred payment method which is invoice, however the payment method need to be free of charge, as he wants to receive the goods before paying. He is open to making direct payments through his credit card as his bank provides an insurance which then indirectly takes the risk if the products would not arrive after payment being made, he is reluctant to fully risk his own money. He does not necessarily consider that there should be a variety of payment methods available as long as his preferred choice is available, however businesses should have multiple to choose from since people have different preferences.
It would give a sense of professionalism if there were multiple payment methods. He states that he would have a bigger understanding if smaller business cannot provide a wide range of payment methods however bigger ones should provide more options. He does not really consider it as a problem that the payment intermediary has access to his purchasing information, however when presented a scenario of purchasing a product that could be considered sensitive, he would prefer to pay directly to the service provider and thus excluding the payment intermediary from the process. Although he would like the option to choose between multiple payment intermediaries he understands why it might be practically difficult to implement such an arrangement. He does however think that having multiple to choose from would contribute to the service providers value proposition on a larger scale. His relationship with his preferred payment intermediary could influence to which service provider he chooses to do business with. He states that since the payment intermediary is in charge of the payment process it is crucial that they do not make mistakes as he would be reluctant to give them a second chance. He is unsure if the payment intermediators or service providers will be the one taking care of the payment in the future, however he does not think it is a problem if payment intermediators were to become more common.

Karin, 57

Respondent 6 is a 57-year-old woman who works as a teacher. She purchases mostly books and medicine online and does online purchases about once a month. Although most of her shopping is conducted through traditional retail, the simplicity and flexibility of purchasing books and medicine through internet vendors is what attracted her to e-commerce. As most of her consumption is through physical stores she tends to follow along with what type of payment option is offered. She usually prefers to have paper invoices but has an account with a payment intermediary with which she frequently uses. She also uses her credit card from time to time, but her choice of payment is usually determined with what the service provider presents by default. If there was a fee attached with the presented payment method she would however find a free alternative in most cases, however it is all in relation to the price of the product of service she is buying. It does not matter to her if there is a variety of payment methods offered or not, as long as there is an option she is comfortable with. If there is a payment intermediary she has encountered previously involved with the purchase she states that her trust towards the service provider and transaction as a whole is increased. However,
if she is not familiar with the payment intermediator she is reluctant to conduct business with them and resorts to finding a different alternative or calling friends and family in regards of investigating the payment intermediator as she has a tendency of believing her information has been compromised. She has not reflected upon the service provider and payment intermediator being two different entities but rather as one. Therefore, the use of a payment intermediator does not increase her sense of security and in certain scenarios, like when transferring money across borders, she would prefer to pay the service provider directly and avoid a payment intermediator if possible. She does however believe that the interactions with either the service provider or payment intermediator might influence her perception of the two. In the future she is convinced that the e-commerce will grow, and it will become even more common with payment intermediaries.

Ellen, 25

Respondent 7 is a 25-year-old woman who works at the Swedish consumer agency and lives in an apartment with her boyfriend and dog. She purchases a variety of products but mainly hygiene products and makeup. She does online-purchases about two times every week. Although she considers herself as a big shopper, she states that her e-commerce purchases have increased steadily over the last few years. She primarily shops online due to the discounts she is able to receive on her otherwise expensive skincare products. She prefers the flexibility associated with online purchases compared with traditional retail stores as she for instance does not have to que to buy her products. She does however to make larger purchases through traditional stores, or at least try the product there first before ordering online. Although she sees the benefits associated with the many different payment options available today, she has invoice as her preferred choice because of the security it provides as she does not have to risk her money and can pay whenever she receives the product she has ordered. Although she prefers her payment options to be free, she would consider accepting costs for her to feel a greater sense of security as in having the option to choose invoice, especially in larger purchases. The price associated with her preferred payment method is in relation towards the price of the overall purchase but should by default be close to zero. Even though she does not use all available payment methods she argues that they contribute to a sense of validity about the service provider and increases the sense of professionalism from the them. If there were few options available, she would feel limited and depending on the situation would influence her to not
purchase the product. Overall, she would prefer if all her e-commerce purchases would go through one single payment intermediary as that would be easier for her to gain an overview of her spending and if her preferred payment intermediary is not available she would feel disappointed. She thinks the payment intermediary provides a sense of professionalism and would act as a neutral peacekeeper if there would be a conflict with the service provider and would therefore prefer her payment to go through an intermediary rather than directly to the service provider. Her relationship with this payment intermediary would also influence her choice in service provider as she would strive to find the product that she wants at a service provider that cooperate with her preferred payment intermediary. She also states that if a payment intermediary, which she considered unprofessional, is cooperating with a service provider, she would think less of the service provider for being their partners. In the future she believes it will become even more common with payment intermediaries when it comes to e-commerce.

Lotta, 28

Respondent 8 is a 28-year-old woman who works as a partner executive at a credit card company. She is purchasing mainly shoes, clothes and traveling tickets and does online purchases approximately every other month. She states that the reason for why she has started to purchase these types of products online is because of the wider range available there and that certain clothes are not available in physical stores. Since she works within a credit card company she considers herself pretty knowledgeable regarding the payment methods available on the market today. Since she has extra knowledge within the credit card sector, using direct payment via her credit card as her preferred choice. She argues that even though her money is credited from her account immediately when she makes a purchase online, the risk is taken by the credit card company if the product would not arrive. She was very clear upon that she was not willing to risk her own money in regard to her online purchases. Although she can see the benefits from other methods such as invoices, she believes there is still an amount of worry associated with that kind of payment method, as she would have to keep it in the back of her mind not to forget to pay. When it comes to the involvement of payment intermediaries she is generally positive to including them as she considers them specialists in managing payments, and therefore add a sense of professionalism and security. However, if she has a relationship already with the service provider she would not mind paying directly to the service provider. She argues that the biggest
contribution by payment intermediaries are when the service provider is unfamiliar to the consumer. In such a scenario, she is willing to pay for using certain payment methods through certain payment intermediaries as it would add a lot of security for her. She would like the option to choose from a range of payment intermediaries when shopping online, mostly due to situation where her preferred payment intermediary is not an option. However, not to a degree on which her consumption is steered by their payment alternatives but purely as an increase in value propositions by the service provider. In the future she thinks that many of the payment intermediaries active today will slowly fade out and that many organizations will open up the possibility to open up payment directly to them.

**Service Providers**

**Pharmacy**

Service provider 1 is an online pharmacy which sells medicine, hygiene products and many other types of products. The respondent interviewed works as a customer service manager at the company. The pharmacy was founded in 2012 and has a turnover of approximately 1.5 billion SEK. In the five years that the service provider has existed they have had a rapid growth rate with about 60 percent growth per year. The pharmacy does not have a specific target segment but those who buy products at the website most frequently are women in the age between 30-45. The average purchase is a little over 300 SEK. The pharmacy has chosen to incorporate a payment intermediary because it is smooth for them to not have to handle it on their own. The respondent states that it would take a lot of resources to handle all the payments on their own and that the rules regarding payment details are very complicated. In addition, they believe it is nice for the consumer to use a checkout that they are familiar with. The respondent at the pharmacy talked about their payment intermediary as a business partner and expressed the importance of that the payment intermediary care for their brand as well. In the scenario that the payment intermediary would try to build their own brand and be a distributor as well, they state that they would prefer to keep the direct contact with the consumers. The respondent believe that payment intermediaries will be more common in the future since companies flourish when they can concentrate on what they do best.
**Knick-knack company**

Service provider number 2 was founded in 2004 and has a turnover of approximately 200 million SEK. The respondent that was interviewed is the CEO of the company. The service provider sells a variety of products online in Sweden, Norway, Denmark, Finland, Germany and the UK. The service provider also has one store in Sweden. This service provider does not have a specific target segment, but their consumers are usually between the age 25-45 years old and two thirds are women. The average purchase is around 400 SEK. This service provider has chosen to incorporate a payment intermediary because it would be too complicated and resource demanding to handle it on their own. The respondent states that it also is nice for the consumer to use a checkout that they are familiar with. For this reason, they have chosen to add another payment intermediary in a country where their main payment intermediary is less known. The respondent at this service provider talked about their payment intermediary as a distribution relationship. In the scenario that the payment intermediary would try to build their own brand and be a distributor as well, they state that they do not believe consumers want to purchase things online in that way.

**Clothing company**

Service provider 3 is a clothing company that was founded 1997 and has a turnover of approximately 1 billion SEK. The service provider offers clothes online to women in 30 different countries. In addition, the service provider has 180 stores in five different European countries. The respondent that was interviewed works in the IT-department and is the architect around their e-commerce. The average purchase is around 300 SEK in stores and 500 SEK online. This service provider has chosen to incorporate a payment intermediary because it would be too complicated to be certified to legally handle it on their own and that the cooperation with their payment intermediary enables consumers to access multiple payment options at a lower cost than if they were to handle it on their own. In regard to what their consumers use and prefers regarding payment methods they have given all of that responsibility to their payment intermediary and does not really pay attention to how the consumers pay but rather focus on their core service. Besides the upsides by using a payment intermediary due to existing regulations, they consider the contribution by the payment intermediary as a value-add type of solution where the consumer gains potential value by the services provided. They also state that it would be possible from a technical
Payment intermediaries

Payment intermediary 1

Payment intermediary number 1 is one of the smaller payment intermediaries on the market and is a subsidiary to a large bank. The company was founded 2016 and is active in Sweden as well as Finland. They consider themselves catering to two different markets, as in towards more capital-intensive merchandise like boats and cars, as well as towards consumers and cheaper consumer products. Although they have emphasis towards more capital-intensive merchandise, they have chosen to also provide consumer solutions as some of their cooperation’s, which give them a lot of other businesses, demand it. When it comes to consumer relationships they let their service provider-cooperation’s do the work as they have better interactions with the consumers and payment intermediary 1 can take a more passive role and solely focus on providing a satisfying payment solution. They are very clear on taking this more passive approach to the purchasing experience as they think emphasis should lie on the service provider and product provided by them. Therefore, they don’t focus that much on building their brand, however they haven’t gotten that much feedback from consumers being reluctant to use them. Regarding privacy they oblige to current regulations and have no intentions to use the data collected from consumer purchases. Overall, they consider their payment solution to be satisfactory both to consumer and service provider and will remain in a passive role in the purchasing process.

Payment intermediary 2

Payment intermediary 2 is one of the largest payment intermediaries on the market. The company was founded 2005 and has a turnover of approximately 3,5 billion SEK. The company handle about 800 000 transactions every day and offers payment services to 60 million consumers and 89 000 stores in 14 different countries. They don’t target any special consumer segments or industries, however emphasize lies on providing simple and smooth solutions to consumers and service providers, generally in the consumer goods market. They have a long history in e-commerce and have grown tremendously over the past few years, much due to their shift to consumer focus according to the
respondent. Relationship management has become key to them as they have recognized the consumers as the most important long-term factor, they strive to have consumers that want to use their service again. Besides providing good payment solutions towards consumers and service providers, the benefits of using them is the network-effect that is gained through having relationships with their consumers which leads to approximately 70% of the consumers using their services as already known to them. The respondent also states that there has been an increase of usage amongst their own services as well as the service providers using their services and concludes that they are growing at a better rate than e-commerce as a whole. By establishing these long-term relationships with consumers, payment intermediary 2 aims to provide better solutions to their consumer, as in letting them know when certain products are reduced in price, thus boosting the service providers sales in the process. Although some of the consumers has shown dissatisfaction with only being able to use their services at certain service providers, the amount of business lost is so little that it is not a concern to them. Overall, their emphasis will remain on providing simple and smooth solutions whilst contributing to a safer and quicker purchasing process and maintaining their cooperation’s with service providers and relationships towards consumers.
Appendix 5 – Quotations in Swedish

“Det är ju för att det oftast finns kläder i de här butikerna, på nätet då, som inte finns i dom fysiska butikerna utan det finns ett större utbud” - Lotta, 28.

“Ja det är för att jag slipper ta mig ut, ta en bil kanske, parkera, fysiskt vara på plats när man istället kan sitta hemma och klicka hem det.” - Calle, 30.

“Men däremot typ hudprodukter så är de jag använder ganska dyra och då har de ofta på nätet kampanjer och då är det väldigt skönt att passa på att köpa dem på nätet när det är 20% rabatt för det gör ganska mycket på de produktarna och då sparar man pengar.” - Ellen, 25.

“Det är ju för att det är snuvig hantering, det är ju mycket att.. Alltså att integrera betalsätt för betalsätt, och sen när man har så många marknader också, det är ju rätt stort projekt bara rent it-mässigt att integrera, underhålla och även kostnadsmässigt så kunde en betalförmedlare erbjuda liksom, bra kostnader och sen också så är det smidigt för kunden, det är en kassa de är vana vid och känner igen.” - Knick-Knack company.

“Anledningen till att man väljer att använda sig av en sån här PSP:er då eller “payment service providers” är ju för att sedan ett antal år tillbaka så krävs det för att hantera kortuppgifter överhuvudtaget så måste man vara PCI-certifierad och att bli det är en gigantisk process både tidsmässigt och ekonomiskt tufft.” - Clothing company.

“Man skulle behöva väldigt stor avdelning här för att hantera all utveckling och alla betallösningar och alla betalfrågor och ja men, drive in liksom, inkasso. Alltså det finns väldigt mycket regler kring betalning och betalkrav och så ska det till inkasso. Dem sköter ju allt det, så det är väldigt smidigt att lämna bort det.” - Pharmacy.

“Sen skulle jag kanske tycka det är en ganska dålig sida som inte erbjuder fler betalningsalternativ med tanke på hur det ser ut idag på nätet, så jag skulle nog absolut fundera... om varan finns på andra sidor med större valmöjligheter så skulle jag nog välja att gå till en annan sida.” - Lotta, 28.

“Ja, jag tror att det ger mig en liten känsla av trygghet, professionalism i från andra sidan, sen behöver det ju inte vara det.” - Andreas, 54.

“Har det gått smärtfritt och bra förut så absolut. Det är klart att man känner sig säker på att använda dem igen.” - Filip, 27

“Om jag går in på två hemsidor och ska köpa smink, och den ena använder sig av en betalförmedlare jag känner igen och den andra av en jag inte känner igen så kommer jag med största sannolikhet välja den som använder sig av den jag känner igen.” - Ellen, 25.

“Om man har något speciellt favoritföretag eller hemsida, då använder man sig helst av just dem. Eftersom att det är, när man känner sig trygg där, man vet att de har bra grejer och då kanske, även om det är något som känns krångligare eller jobbigare så kanske man ändå väljer att handla hos det företaget om man tycker de har bra produkter.” - Filip, 27.

“Den stora grejen med vårt företag är ju hela den nätverkseffekt med att vi använder, många av våra kunder, 70% av konsumenter som kommer till vår check-out känner ju vi redan igen när dom kommer dit, och då är det ju någonstans... då behöver man ju inte fylla i en massa saker, så den nätverkseffekten kan du ju inte ha om du har den i egen regi, så det är ju en av
de största grejerna skulle jag vilja säga, att du får en såpass enkel check-out som du inte kan lösa själv.” - Payment intermediary 2.

“Alltså det är väl inte direkt något som jag tycker spelar särskilt stor roll. Man delar ju med sig av så mycket ändå, alltså information på andra sätt så att det känns kanske inte som att det spelar så stor roll.. Det är nog inget jag reflekterar över så.” - Cecilia, 19.


“Jag vill inte ge bort för mycket information om mig själv till en betalförmedlare eftersom jag är i grunden är misstänksam mot all big data.. Om jag kan välja att betala på olika sätt varje gång så gör jag det, ja dom ska fan inte få hela… en ska inte få hela bilden!” - Andreas, 54.