JÖNKÖPING UNIVERSITY
Jönköping International Business School

The Effects of E-payment Methods on Online Purchasing Cancellation

An empirical study on Swedish consumers' perception of trust and security in e-payments

BACHELOR THESIS WITHIN: *Business Administration*
NUMBER OF CREDITS: *15 ECTS*
PROGRAMME OF STUDY: *Marketing Management & International Management*
AUTHOR: *Roosa Antinoja & Daniel Scherling*
JÖNKÖPING 5 / 2019

Bachelor Thesis in Business Administration

Title: **The Effects of E-payment Methods on Online Purchasing Cancellation** - An empirical study on Swedish consumers' perception of trust and security in e-payments

Authors: Roosa Antinoja & Daniel Scherling

Tutor: Jenny Balkow

Date: 2019-05-19

Key terms: E-Payment, Technology Acceptance Model, Perceived Usefulness, Perceived Ease of Use, Online Trust, Online Security

Abstract

Background: Around 45% of Swedish consumers canceled their online purchase in 2018, due to too high delivery fees and issues concerning payments. This research is focusing on e-payments by utilizing the Technology Acceptance Model 3 and its determinants perceived usefulness and perceived ease of use, and how they contribute to the e-payment method decision. Additionally, the relevance of online trust and online security are examined in relation to purchasing cancellations due to trust and security issues in e-payment methods.

Purpose: The purpose of this research paper is to understand how Swedish millennial consumers' perceptions of online security and online trust of e-payment methods effect on online purchasing cancellation. Furthermore, this paper examines how perceptions of usefulness and ease of use contribute as determinants in choosing between e-payment methods according to Swedish millennial consumers.

Method: The research is carried out in a qualitative manner by conducting a series of semi-structured face-to-face interviews. Fifteen Swedish millennials contributed to the empirical study. The gathered primary data is analyzed and then presented in chapter 4 and connected to the existing literature in chapter 5.

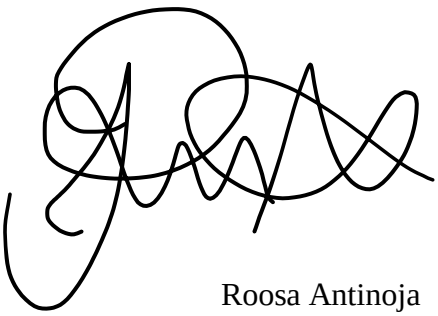
Conclusion: For the Swedish millennials, both online trust and online security are perceived as important determinants when evaluating whether or not the e-payment method could be used. When choosing between different e-payment methods, perceived ease of use seemed to be more important. Additionally, the decisions are made based on which e-payment method is secure, trustworthy, and easy to use. The presence of those determinants also increases perceived usefulness. When making purchases online domestically it appears that perceived ease of use and perceived usefulness weight heavier. While trust and security are given more importance if the purchase is made from a foreign website.

Acknowledgements

The authors would like to express their gratitude towards everyone that contributed to the study. Jenny Balkow, our highly appreciated tutor acted with courage and passion to help us shape the research process. The opponents in the seminar group presented valuable critics and new perspectives that aided the construction of the paper. Without the interviewees that contributed towards the empirical study it would not have been possible to answer the research questions and to contribute academically to the research field, a great thank you.

Furthermore, we would also like to thank Anders Melander, our course examiner for providing us with the course structure and instruction to complete the research. We are both grateful to Jönköping International Business School for giving us the opportunity to carry out academic research and for providing excellent circumstances.

Daniel Scherling



Roosa Antinoja

Jönköping International Business School
May 2019

Table of Contents

Appendices

1. Introduction

This chapter will inform the reader about the background of the study, and why online purchase cancellation is studied. The chapter will then discuss the purpose of the study together with the research questions.

1.1 Background

Consumption has been increasing in the Swedish e-commerce sector, and in 2018 it continued to grow compared to the physical stores by increasing 15% in sales, now accounting 9.8% of the total retail trade in Sweden in 2018 (E-barometern, 2018). According to a study conducted by Svensk E-handel, around 45% of Swedish customers canceled a purchase online during the last three months when asked in 2018. Common reasons for cancellations were too high prices including delivery fees and issues concerning payments: either the merchant did not have the preferred payment method or the payment process was not working correctly (Svensk E-Handel, 2018). However, Swedish consumers are accustomed to using e-payments, and 78% of Swedish consumers have used their credit or debit card to pay online in 2018. These figures support the claim that as the number of e-commerce transactions is rising continuously, merchants should focus on the development of e-payments in order to prevent purchase cancellations due to payment method issues. A possible reason for the increased popularity of online shopping could be that the technology has been evolving rapidly making online shopping more convenient. Additionally, the millennial generation has increased its purchasing power in recent years by entering the active workforce.

The millennials are the generation subsequent to Generation X, born between 1980–2000, and digital natives who build their social networks online through various platforms. The generation is known for self-confidence, taking risks, and being optimistic (Mhatre & Conger, 2011). As they are familiar with communicating via web-based platforms, it is only natural that they take advantage of other services available online as well. The attitudes and behavioral patterns of consumers have been studied before in the context of online purchasing (e.g. Benlian, Titah & Hess, 2012; de Mooij & Hofstede, 2002), but

once the purchasing decision has been made and the consumer moves towards the check-out, they often face a selection of different e-payment methods. The e-payment methods offered by the merchants at the checkout are often direct card payments, third-party services, or invoices. When consumers are making an online purchase they "cannot try out products before making purchases, which significantly increases their level of uncertainty regarding the quality of the products, and thus hinders their purchasing decisions" (Benlian et al., 2012, p. 238). Hesitating in the purchasing stage might be due to the e-payments available and consumer's attitudes towards them.

According to Bilgihan (2016), millennials care deeply about the user experience while they shop online. Born in the Digital Age (Venkatesh, Morris, Davis & Davis, 2003), the purchasing power is mainly being held by the millennials in the future. They are the first generation that has grown into the habit of online purchasing and are more open to new innovations absorbing information and new abilities connected to using IT devices faster than previous generations, according to Kim and Ammeter (2018). Furthermore, there are reported differences in online shopping behavior depending on the residents' country. De Mooij and Hofstede (2002) remarked that countries like Sweden ranking lower on uncertainty avoidance adapt to new technologies faster and are the forerunners on internet usage especially when using it to enhance consumer's current activities. Additionally, the adoption of technologies and especially the usage of e-commerce can be predicted with regards to uncertainty avoidance and long-term orientation. Low ranking on uncertainty avoidance in Sweden is due to the status of the welfare state, where the citizens are generally not worried about their future living in the steady state. As consumers in Sweden are familiar with the internet and are generally skilled in using new technologies, their consumption habits on the internet can be seen as advanced. Consumers benefit from using the e-payment options since they are designed to lower the transaction costs and be as convenient as possible by allowing customers to manage their payments remotely (Ming-Yen Teoh, Choy Chong, Lin & Wei Chua, 2013).

1.2 Problem Discussion

The way e-payment decisions are made at the last stage of the purchasing process has been overlooked by scholars, which has given an opportunity to explore how the millennials in Sweden perceive different e-payment options at the checkout. As consumers are navigating through an increasing amount of e-commerce, the additional services that the merchants provide are becoming part of the purchasing decision process and the whole experience. Depending on the purchase, e-commerce, and the consumer's habit of consuming, the consumer might want to consider different payment methods on different occasions. The field of e-commerce has been evolving rapidly during the past decade due to the fast development of technology, technology acceptance, and customer needs. Lately, merchants have been paying more attention to the payment methods they want to provide to their customers, giving the e-payment method providers an incentive to develop their payment systems to serve both the merchant and the consumer effectively and safely. Additionally, providing appealing e-payment method options at the checkout is still a neglected possibility for the merchant to stand out from the competition and increase revenue by decreasing canceled purchase intentions.

Reasons for purchasing cancellations are many. Besides actual shopping, the consumers are often using their shopping carts as organizing tools to help them to narrow down options or analyze and compare the items they are interested in. Consumers may also use the cart as entertainment, and fill the cart just for fun. In this occasion, the abandonment of the cart is more likely to occur, according to Kukar-Kinney and Close (2010). The way the cart is used depends on consumers' motives and reveals that consumers have different agendas when using the cart. There are several critical points causing the consumer to cancel their online purchasing process, and this research is ought to point out the reasons why the e-payment options in the e-commerce could cause a consumer to cancel their purchase. Although the preliminary test conducted by Kukar-Kinney and Close (2010) supported the hypothesis that online shoppers abandon their carts because they experience privacy and data protection concerns, their test results showed that in the U.S. consumers are not accounting that concern as a reason to abandon a cart. However, the study showed that the more concerned about privacy and security the shoppers were, the more likely they were to shop at a brick and mortar store. Although the abandonment of shopping carts is not in the focal point of this research, these results show that there is much to

explore in the area of purchasing cancellation, online security, and trust from different angles. Furthermore, this research focuses on the factors of the e-payment methods that make the consumer choose a particular e-payment option.

This research is concentrating on the different perspectives of e-payments by focusing on utilizing the Technology Acceptance Model 3 (see Figure 1 in Appendix) and its determinants perceived usefulness and perceived ease of use, and how they contribute to the decision of which e-payment method the consumer prefers. Additionally, the relevance of online trust and online security are examined in relation to purchasing cancellations due to trust and security issues in e-payment methods. The probability of cancellation increases the further the decision process goes since the consumers "depend more on specific, objective trust antecedents than on those that are general and pertaining to personal traits or perceptions" (Chau, Hu, Lee & Au, 2007, p. 181). Possibly affecting the perceived security, Pires, Stanton, and Eckford (2004) pointed out that the perceived risk in online shopping is still an ignored topic.

In terms of technology acceptance, social influences can be seen as an important factor in the workplace, but when consumers are shopping online and choosing e-payment methods, the relevance of social influences diminishes. Venkatesh et al. (2003) also suggest that gender differences in technology usage might be over in the near future since the younger generation is born in the Digital Age. As the millennial generation will hold the purchasing power in the future and can be considered as native users of the internet, especially their behavior is interesting as the research and development of the e-payment products should cater this group of consumers who seem to be critical with their consumption behavior. This study is relevant especially to merchants and e-payment providers by providing insight into the millennials' attitudes and preferences towards different e-payment methods, and how they perceive them. By understanding which features are appealing to the consumers, merchants and e-payment providers can improve their offering and decrease the number of purchase cancellations due to e-payment methods.

1.3 Purpose

The purpose of this research is to utilize the concepts of perceived usefulness and perceived ease of use to examine what makes the millennial prefer one e-payment method over another. Furthermore, this paper will examine how online trust and online security contribute to purchase cancellation of the orders at the checkout stage. The aim of this study is to focus on the interruptions and cancellations of payments, the researchers expect to gain more insightful knowledge about consumer behavior during the process of choosing an e-payment method and how perceived usefulness, perceived ease of use, perception of online trust, and online security effect on the attitudes and the initial purchase or cancellation decisions.

1.3.1 Research Questions

RQ 1: How does the perception of online trust and online security in e-payment methods affect Swedish millennials to cancel their purchase?

RQ 2: How does the perception of usefulness and ease of use contribute as determinants in choosing between e-payment methods according to Swedish millennials?

2. Frame of Reference

In this chapter, previous literature will be reviewed by first introducing how articles were collected and used in this review. An explanation will be given on how the different aspects of the study have previously been managed by scholars, starting off with a closer look to online trust and online security and followed by an introduction to the Technology Acceptance Model and its determinants perceived ease of use and perceived usefulness. The chapter will end with reflection, where additional notes about the previously introduced themes will be made.

2.1 Literature Review

Related research is being examined in this chapter using a thematic approach to find, analyze and identify emerging themes and common patterns. Common themes were later extracted and derived to aid the development of Research Questions. By analyzing patterns within the existing literature of the research area and in accordance with Collis and Hussey (2014), the thematic approach can be utilized by the researcher to distinguish themes from the existing literature. To find relative literature, Jönköping University Library's search engine Primo and Google Scholar were used in the screening of topics related to Technology Acceptance Model, perceived usefulness, perceived ease of use (or usability), online risk, and online security. To comprehend how the research field has developed through time, older literature that has been cited frequently was reviewed first and then used to find citations and reference lists to find connected themes.

Additionally, some of the concepts in this literature review have been searched through several different keywords in order to decrease the chance of exclusion on research papers that are using different keywording for the same concepts and phenomenon. The papers that are included in the literature review are either empirical research papers, theoretical papers, or literature reviews about the prevailing topics. However, this literature review is not exhaustive as only selected search engines were used to screen the relevant literature, and books and conference papers were excluded from the review. Although e-

commerce is a rather new application on the internet, we managed to find relevant articles from the time span of 1986–2017. By choosing not to limit the literature search to specific years, we had a chance to discover research papers that have been influential in shaping the concepts relevant to the research and to see how the concepts have evolved through time. In the end, a total of 35 research papers were used in this literature review.

2.2 Online Trust

Depending on the discipline in which trust has been studied, the conceptualization may have been done differently in psychology, sociology, computer science, business or management studies (e.g. Chau et al., 2007; Artz & Gil, 2007). Trust can generally be described as "the confidence a person has in his or her favorable expectations of what other people will do, based, in many cases, on previous interactions" (Gefen, 2000, p. 726). Furthermore, the relationship between familiarity and trust was recognized to be significant in e-commerce and behavioral intentions. In the context of e-commerce, the definition of trust should be extended, since the reduction of uncertainty via personal trust is limited (Grabner-Kraeuter, 2002). In this case, the relationship that a person has is with a system rather than with a person. Still, the relationship can be characterized by uncertainty, vulnerability, and dependence (Bradach & Eccles, 1989). Additionally, an exchange relationship on e-commerce can only be established through trust (Salam, Iyer, Palvia & Singh, 2005), since there is no personal contact with any company representatives, the consumer has to create their perceptions of the merchant only through experience. This requires a long-term commitment from the company to achieve a state where the consumer experience is always good (Salam et al., 2005).

According to Bauman and Bachmann (2017, p. 68), the consumer "expects the website to be a reliable means for the transaction and the vendor to behave in an honest and professional manner when fulfilling the purchase request". The described situation contains the concept of trust, which includes three different elements: the trustor and trustee, the element of vulnerability, and a specific context since trust is dependent on the situation. Furthermore, the element of vulnerability has also been mentioned by Beldad, de Jong and Steehouder (2010), when they divided their findings on other sources to

categories of trust as an individual feature, trust as an expectation, trust as acceptance of and exposure to vulnerability, and trust as an institutional phenomenon.

As the concept of online trust includes vulnerability, it must also contain risk and uncertainty. The consumer has to trust the merchant not to behave in a manner that would jeopardize the consumer's safety in any way. What makes the online trust challenging for the consumer is that the traditional face-to-face trust with an actual human being is replaced by the trust where the parties are the consumer and a system created by humans, in this case, the e-payment option. In the later stages of the purchasing process, the consumers emphasize transaction oriented antecedents like structural assurance and cost-benefit analyses (Chau et al., 2007). Järvenpää, Tractinsky, and Vitale (2002) concluded in their consumer trust research with e-bookstores and travel websites that the perceptions of the size and reputation of the merchant are important to consumer trust. This finding could be interpreted to the e-payments in a way that the merchant's reputation and size could possibly have an effect on the e-payment decision.

Previous research of online trust has mainly been quantitative and Bauman and Bachmann (2017) found three main categories from research in online trust: trust models, social factors, and technological factors. Artz and Gil (2007, p. 59) suggested that "trust is only worth modeling when there is a possibility of deception, that is when there is a chance of a different outcome than what is expected or has been agreed upon". Their research revealed several dimensions of trust: target, representation, method, management, computation, and purpose. The target refers to the object being the target of trust, whereas the representation of the way trust can be encoded digitally by digital signatures and tokens. This can be seen as an interesting aspect in e-payments since digital identification procedures and signatures are evolving, which also refers to the methods of establishing online trust. The relationship and coexistence of online trust and distrust have been researched by Chang and Fang (2013) whose findings suggest that online distrust is a more critical factor in consumer behavior than online trust. As a result, when consumer distrusts the merchant, their purchasing intention falls.

2.3 Online Security

Online security in e-commerce is important not only to the consumers who are revealing sensitive information about themselves upon purchasing but also to the merchants, as their reputation is on the line if a consumer's identity is being stolen due to a data breach at the checkout. Nowadays security in hardware and software systems is a multilayer subject, as the risk is carried by both the consumer and the company (Fianyi, 2015). The increase of cybercrime and the development of hacking tools have affected the security of e-commerce and increased the chances for identity thefts, privacy intrusions, and financial espionage (Fianyi, 2015). Fang, Chan, Brzezinski, and Xu (2005, p. 130) depicted security "as the extent to which a user believes that using a particular application will be risk-free".

Salisbury, Pearson, Pearson, and Miller (2001) studied security through Technology Acceptance Model, which supports also our choices although the focus and method differ. Their study on web security discussed uncontrollability of the possible outcomes, which has also been a topic of discussion in other studies. To gain control over sensitive information disclosed to the merchant or e-payment provider, Ashrafi and Ng (2009) suggest that authentication in online transactions should happen through non-reusable passwords. They also highlighted that consumers concerns with online security are divided into communication and information privacy, former being connected closer to the customer service while the latter concerning the actual transaction. The biggest single issue Ashrafi and Ng (2009) saw as a threat to online security, was that e-commerce was justifying the use of third-party e-payment providers with the perceived sense of security that it brings when e-payment experts are handling all sensitive information, when in reality the e-commerce just shifts the target for hacking to another entity. Additionally, not enough concern on inside security threat is paid in the companies, due to Ashrafi and Ng (2009).

However, Hartono, Holsapple, Kim, Na, and Simpson (2014, p. 11) denoted that the research community has revealed inconsistencies "between the conceptualization of security and the operationalization of the measures of perceived security in empirical studies". Specifically, the dimensions of confidentiality, integrity, availability, and non-repudiation have been acknowledged to be important to the concept although studies tend

to capture only one or few of the dimensions at the time. Companies are expected to provide extensive privacy and anonymity, especially since e-payments are the most fragile for intrusion (Raja & Velmurgan, 2008). Additionally, they suggested that technical and cultural problems contribute to the perception of online security. To avoid technical problems, the infrastructure of the system should consider the different countries it is going to be used in. Raja and Velmurgan (2008) advised that in order to increase security, the roles of issuers and consumers should be revised to decrease threats. Additionally, it is important to identify ways to increase interest among businesses and concentrate on using modern e-payment methods by reducing the usage of traditional payment methods.

2.4 Technology Acceptance Model (TAM)

Technology Acceptance Model (TAM) is one of the most used models to map user acceptance of new technologies in different settings. Originally, TAM was drawn from the Theory of Reasoned Action (TRA) model which foresees human behavior in certain circumstances based on attitudes, subjective norms, and perceived behavioral control (Ajzen, 1991). Whereas TRA focuses on attitudes towards using intentions, the sequences in TAM are perceived usefulness and perceived ease of use in adoption and acceptance of technology (Davis, Bagotti & Warshaw, 1989). Bagotti, Davis, and Warshaw (1992) discussed that people adopt technologies due to the benefits to which the technology lead rather than for their features per se. Additionally, TAM is limited since it does not account for the possibility that "people may try, but fail, to undertake the learning activities and experience the outcomes necessary to use a computer" (Bagotti et al., 1992, p. 3). Interestingly, perceived usefulness can be influenced by perceived ease of use, since easy-to-use systems can be perceived as more useful (Venkatesh & Davis, 2000). However, TAM allows researchers to examine both perceived ease of use and perceived usefulness as separate entities, making it possible to compare different influences that they may have towards acceptance of the technology in a positive manner (Davis et al., 1989).

Lee, Kozar and Larsen (2003) discussed the evolution of the TAM by dividing it into four different eras: introduction, validation, extension, and elaboration. As TAM has derived from the TRA, the two models and their relationship with each other has been studied by

several researchers (e.g. Davis et al., 1989; Taylor & Todd, 1995) during the introduction phase of TAM. The model has also been tested several times in different settings and context, with dissenting results (Segars & Grover, 1993; Chin & Todd 1995). Hess, McNab, and Basoglu (2014) concluded that researchers use different scales and alternate the model, in terms of the measuring scales and items in the model, to fit their research purposes. As the number of research has increased by using TAM, the application of the model has taken interesting directions as well. Padilla-Meléndez, del Aguila-Obra and Garrido-Moreno (2013) discussed the gender differences in technology acceptance, and although differences have often regarded as small, males seem to be more agile in technology usage compared to females in different situations (van Braak, 2004; Sanchez-Franco, 2006; Ong & Lai, 2006). However, this debate may also take new directions in the future since the gender gap in technology acceptance can diminish over time and especially between different generations.

To extend the original TAM, Venkatesh and Davis (2000) added two other theoretical constructs to the model to create a model later referred to as TAM 2. Social influence processes include social forces that have an effect on the individual's decision-making of whether or not they accept or reject a system, having a direct effect on perceived usefulness and usage intention. These forces were determined as subjective norm, voluntariness and image by Venkatesh and Davis (2000). Cognitive instrumental processes are constructed by job relevance, output quality, result demonstrability, and perceived ease of use. To conclude, "TAM2 theorizes that people use a mental representation for assessing the match between important work goals and the consequences of performing the act of using a system as a basis for forming judgments about the use-performance contingency" (Venkatesh & Davis, 2000, p. 191).

In TAM 3, Venkatesh and Bala (2008, p. 281) suggest that "experience will moderate the relationships between (i) perceived ease of use and perceived usefulness; (ii) computer anxiety and perceived ease of use; and (iii) perceived ease of use and behavioral intention". In short, TAM 3 was derived from TAM 2 by adding the determinants of ease of use making the TAM 3 a network of determinants in technology acceptance and use. Venkatesh and Bala (2008) tested the model in four longitudinal field studies in different organizations to find out that the perceived usefulness and perceived ease of use are not

influencing each other. It is anticipated that the model will continue to develop in the future. The user-friendliness being in the focal point of service providers, it is interesting to see if the perceived ease of use will be replaced or if the significance of it will diminish.

2.4.1 Perceived Ease of Use

According to Davis et al. (1989, p. 985), "perceived ease of use (EOU) refers to the degree to which the prospective user expects the target system to be free of effort". In contrast to what Davis and Venkatesh (2004) thought about perceived ease of use being something that requires experience, to Davis et al. (1989) perceived ease of use is something that can be expected without former usage. Nevertheless, the definition summarizes the idea behind the term conveniently and can also be used in this setting where the discussion is about e-payment methods and consumer perceptions.

Making a payment online can be a sensitive topic for consumers, who prefer making the purchases by themselves. Sharing experiences and knowledge about the e-payment options with other consumers in terms of how easy the e-payment is to use, does not necessarily affect the perception that someone else may have about the e-payment. According to Davis and Venkatesh (2004), social influence or cognitive influence processes are not relevant in the context of computer-related traits and emotions, to which the case of e-payments could also be accounted for. Flavián, Guinalíu, and Gurrea (2006) capsulized that ease of use (or usability) involves the ease of understanding the system and its simplicity, the speed and ease of navigation systems that the system can be operated at, and the level of control the consumer has at given situations.

Davis (1989) claimed that the application that a person perceives as the easiest to use, is the one they choose to use amongst an array of applications. For the millennials who are grown to use the internet and are accustomed to using applications with a certain logic of function, this might be true. An application that seems too complicated to use might be rejected by the millennials and replaced by an application that they perceive simpler to use.

2.4.2 Perceived Usefulness

Perceived usefulness in this research is defined as the degree to which using a system enhances a person's task-performance (Davis, 1989). However, it can also be linked with the performance of generic functions in non-organizational contexts (Gefen, Karahanna & Straub, 2003). In general, it influences people's intention to use the technology. Franz and Robey (1986, p. 331) tested if "perceived usefulness of the system will be greater for higher levels of user involvement", and concluded that usefulness and user involvement have a significant relationship in design and implementation stages of information systems. A study conducted by Davis (1989) contained lab and field studies to test the relationships between usefulness, ease of use, and self-reported usage. According to Davis (1989), the relationship between perceived usefulness and user acceptance was shown to be strong and should, therefore, be taken into account when designing e-payment solutions. Generally, the level of involvement in the development stage is nonexistent for consumers, but it can be agreed that the more consumers are given the power to influence the system, the more they feel it is useful to them as users.

Taking the concept of usefulness out of its regular context allows us to examine how it might affect the decision-making process of choosing e-payment methods. Generally, perceived usefulness of the merchant's website depends on the technological properties, which can also have an effect on the social aspects of the website's functionality (Gefen et al., 2003). Also, Davis and Venkatesh (2004) connected the functionality of a system to perceived usefulness and tested a model that user reactions and actual usage behavior, concluding that behavioral intention and perceived usefulness correlated. The finding showed that, in contrast to prior research, usefulness was possible to measure also prior to product usage. For consumers, this could mean that they may have presumptions about the usefulness of e-payment options without having even used them.

The arguments overall are prudent in all cases that include perceived usefulness, independent from organizational or consumer context, since it is just perceived and therefore can be seen subjective. Additionally, the usefulness of a system can be measured if the potential user has been informed about the system, while perceived ease of use requires the user to have prior experience with the system (Davis & Venkatesh, 2004).

This minor detail might have an effect on the perceptions and attitudes that consumers have, and on the e-payment developer side, this might become of use when new systems are being developed and tested.

2.5 Reflection on Literature

Online trust is an interesting topic for the research community in the context of e-commerce. Hence, many of the papers covered the topic in terms of actual usage of the site and had an emphasis on the events that take place before the consumer reaches the e-payment stage. Järvenpää et al. (2000) emphasized the buyer-seller relationship when evaluating trust in e-commerce. The relationship could, however, be extended to the e-payment provider to assess if a relationship should be established between the two entities and how the relationship affects the purchase intention through trust. Although the findings of the studies could be utilized in the e-payment research, the accuracy of the results would have to be further tested.

Many of the reviewed articles were exploring online security through technological advancements in the e-commerce point of view. Less emphasis was put on the consumer's behavior or attitudes towards the topic which raised a question of whether or not this topic has gone under the radar in the research community. Furthermore, suggestions about the future research on the dependence of security and privacy were made (Salisbury et al., 2001).

The way individuals are adapting technologies is still a topic of interest in academic research, and most of the research is focusing on the workplace and how new technologies are being adopted there. However, the adaptation in the consumer context is an interesting field that should be explored continuously. The basic concept in user acceptance models relies on individual reactions to using IT, the intentions to use IT, and the actual use of IT (Venkatesh et al., 2003). Although the relevance of TAM is recognized by many scholars, the model has its limitations and aspects that should be noted when using it. Like any model, it overlooks all other predictors than the ones that are included in the model (Davis & Venkatesh, 2004). This simplifies the researchers' work, but also creates a gap between the study and the reality. Secondly, the model is widely used and tested in

different settings throughout time, researchers may have expectations about the results prior to the studies, which may have an effect on how the studies are constructed. Even if this might be a scholarly issue, it also affects this research and how it has been designed.

Perceived usefulness is found to affect the intended use when the site is used for a purchasing task, however, Gefen and Straub (2000) tested that ease of use does not affect the intended use in the same situation. This is not necessarily the general perception since Fang et al. (2005) found that other studies have suggested that ease of use directly affects self-reported use or intended IT use. Nevertheless, ease of use was found to affect perceived usefulness. It can be therefore concluded that both concepts are important, but especially the importance of ease of use is task-dependent. Therefore studying perceived ease of use in a specific setting for a certain task could give varying results.

In most of the studies, researchers used students or young adults in their studies as they perceived the group interesting in their consumption habits and considered the group as relatively easy to access. This should be kept in mind when interpreting the results since the sample does not necessarily mirror the whole population. However, considering this research, the results are more useful for the sake of similarities in sample demographics.

3. Methodology

The first section will present the methodology and discuss the research philosophy, research approach, research purpose and research strategy of this study. Additionally, it will cover why the research is made in a qualitative manner. In the second section, the method will be discussed, including secondary data, primary data, data collection, and data quality. The third and final section will estimate the trustworthiness and encompass the data analysis.

3.1 Research Philosophy

The research strives to develop knowledge and the research philosophy concerns the fundamental beliefs and assumptions a researcher has considering the development of knowledge. The research philosophy of this study is interpretivism due to the emphasis that humans create meaning and therefore are different from physical phenomena. This paper strives to explore a deeper meaning behind the cancellation of online purchases and the perception of trust and safety within e-payments according to the Swedish millennials. Interpretivism does not discourage emotions or feelings when exploring behavior in others and thus aid in the understanding of the perception. According to Saunders, Lewis and Thornhill (2016, p.140), "interpretivism argues that human beings and their social worlds cannot be studied in the same way as physical phenomena and that therefore social sciences research needs to be different from natural sciences research rather than trying to emulate the latter". Phenomenology, being a strand of how to carry out the interpretivism philosophy in practice, is being used in order to explore and assemble a deeper understanding of the reminiscence and interpretations of lived experiences in the subjects (Saunders et al., 2016).

Since the perception of trust and security in e-payments is a social construct, the research is conducted in a qualitative manner based on interpretivist paradigm due to the emphasis on quality and depth of the data collection (Collis & Hussey, 2014).

3.2 Research Approach

Research and theory are connected by the research approach. The most dominant research approach within natural sciences is the deductive approach, which utilizes existing theory to investigate a phenomenon through a series of propositions. By designing a tentative idea, the researcher can examine the causal relationship between variables and concepts. The collection of appropriate data will aid in the analyzing of the relationship between the variables and concepts. A deductive approach goes from the general to the theory to the particular, the perceptions. The deduction is used to make predictions of consequences held to the theory. A deductive approach can be used with a qualitative procedure to test existing theory as part of its research strategy (Saunders et al., 2016).

This study follows a deductive approach since it is based on an existing theory. This theory is then used throughout a series of semi-structured interviews to explore the connection between online purchase cancellation and the perception of trust and security in e-payments.

3.3 Research Purpose

The purpose of this study is to examine the effects of e-payment methods on online purchasing cancellation via Swedish consumers' perception of security and trust in e-payments. As a consequence of the research field having limited research published and the research questions not being extensively researched in this context prior to this study, an exploratory approach is used to further examine the effect of e-payments on online purchase cancellation. An exploratory purpose refers to research that seeks new insights into a phenomenon (Saunders et al., 2016). The study strives to test existing theories and since the exploratory approach progressively narrows down the lens of the research it is beneficial to use an approach that inhibits adaptability to emerging changes throughout the research process. Hence, empirical findings, existing literature, and semi-structured interviews are methods to progress with this research purpose (Saunders et al., 2016). The exploratory purpose explores an issue or phenomenon and asks open questions to uncover new insights. Exploratory questions often start with "what" and "how". Hence, the research questions and many interview questions start that way. There are few different ways of directing this methodology, including existing literature, having individual in-

depth interviews, or focus groups to extract a beneficial comprehension of the researched field. Searching for existing literature and conducting in-depth interviews with Swedish millennials are methods of an exploratory research purpose and are exploratory in nature. The main advantages of choosing the exploratory research purpose are the adaptability and flexibility of the approach. Exploratory research can start off with a wider focus, narrowing down along the progress of the research. This can be useful for the investigation, as one of the points is to explore new perceptions, where the empirical discoveries are of significance (Saunders et al., 2016).

3.4 Research Strategy

This paper has used a case study research strategy due to its ability of in-depth inquiry into a real-life setting phenomenon. The researched phenomenon is online purchase cancellation due to perceived online trust and online security issues. Combined with the exploratory research purpose the case study can contribute to the research field with important in-depth understanding and empirical descriptions of perceived trust and security in e-payments. The primary objective is to utilize the case study to explore and increase the understanding of the context and the phenomena by in-depth case studies (Saunders et al., 2016). Additionally, the study can help future researchers to study a similar phenomenon.

Multiple case studies can be identified as having more than one case study, a comparative case study is another term. This study, given its context, focuses on one single phenomenon as it is a case, therefore its focus is tied to one process (Collis & Hussey, 2014).

Flyvberg (2011) addressed the critique case studies have received due to them often using small samples and struggling to generalize, but the intention of the in-depth inquiry from the case study is not to generalize but to find meaning in the real-life setting between the phenomenon and the context.

3.5 Sampling

In order to qualify as an interviewee for this study two requirements had to be met. Firstly, the interviewee had to be a Swedish citizen since this thesis looks at the Swedish consumer's perception of trust and security in online shopping and its effect on online purchase cancellation. The second requirement is that the interviewee had to be a millennial, born between the years of 1980–2000 due to the primary assumption that millennials are accustomed to e-payments and born into the age of technology. Fifteen interviewees who all meet the two requirements to qualify as an interviewee are involved in the empirical study.

Network sampling has been used to find suitable interviewees who have experience in the researched phenomenon of e-payment cancellation (Collis & Hussey, 2014). It was only used within the boundaries of the two previously stated requirements. More interviewees could be found by asking the participant if they had contacts who meet these requirements and would be willing to participate.

3.6 Data Collection

This paper's data collection utilizes primary and secondary data. The primary data is represented by the empirical study made via semi-structured face-to-face interviews. The representation of secondary data can be found in the literature review. Since this study follows a deductive research approach the research questions will be answered from the empirical data in connection with the secondary data collected in the literature review.

3.7 Secondary Data

The literature review is a representation of existing research of general and consumer studies in the field of e-payments. Secondary data used in this consumer study can be found in the literature review. A literature review can, according to Saunders et al. (2016), help with the identification and mapping of research gaps. Jönköping University Library's search engine Primo and Google Scholar have been used in a systematic procedure to conduct the literature review. Main keywords used are E-payment, Electronic Payment, Online Security, Online Trust, Technology Acceptance Model, Online Purchases, and E-

commerce. All articles are peer-reviewed articles and published between years 1986-2017 to give an updated and credible understanding of what the research field has been accumulating through the years and how it looks like today. Data triangulation has been used in order to increase credibility.

3.8 Primary Data

The empirical study was conducted through a series of semi-structured face-to-face interviews. This paper strives to collect and explore the consumer perception of e-payments via their thoughts, actions, and feelings and in accordance with Collis and Hussey (2014), interviews are an appropriate method to do so. King (2004) argues that semi-structured interviews are suited for qualitative research purposes and are non-standardized. The main themes of the interviews were structured in advance and follow-up questions were specified upon the responses and could differ from interview to interview. The output from the interviewees guides the direction of more insight collection. An audio-recorder in the form of a cell phone was appropriate to capture the interview in order to later analyze it. This kind of structure was beneficial in the regard that it shaped a natural course of the interview in which unnecessary information could be avoided and the research purpose stayed clear throughout (Saunders et al., 2016).

This paper benefited from the semi-structured face-to-face interviews due to the ability to collect in-depth insight and knowledge about the Swedish millennial consumers. The empirical study can then be used to help answer the research questions that regard the perception of online trust, online security, ease of use and usefulness in e-payments.

3.9 Data Quality

Data quality issues associated with semi-structured interviews can be bias, reliability, validity, generalizability and cultural differences. The preparation and procedure in the semi-structured interview by the researcher can affect the data quality (Saunders et al., 2016). Data quality in semi-structured interviews can be sensitive to initiated intrusive themes. Furthermore, ethical issues will also be discussed.

3.9.1 Bias

Semi-structured interviews can cause three types of possible biases in the interview process. One is the interviewer bias, in which the interviewer may influence the participant via body language, tone of voice or comments, a potential bias in the answers from the participant might be created as a result of this. Furthermore, the interviewer might impose a bias of his own when analyzing the answer. Validity and reliability might be compromised due to a lack of credibility in the interviewer or the lack of trust from the participant in the interviewer. This might affect the validity and the reliability in the result negatively (Saunders et al., 2016). Another bias is the response bias that is related to the interviewer bias. However, the response bias is due to the participant's perception of the interviewer or the interviewer bias. Even if the participant willingly participates the interview, the interviewee might not be open to reveal certain information, considering that the interviewee might feel an intrusive nature of exploration in semi-structured interviews. This can harm the result since the answers given might not give an accurate representation of the complex and dynamic issue at hand. Participation bias concerns semi-structured interviews and regards the sampling since some potential interviewees might decline to do the interview due to the time that is required and this will affect the individuals that the sample is made up from and which individuals the data is extracted from (Saunders et al., 2016).

3.9.2 Reliability and Dependability

According to Saunders et al. (2016, p.397), "the lack of standardization in semi-structured and in-depth interviews can lead to concerns about reliability/dependability". Reliability considers issues like consistency in the results and in what volume the research has been carried out. Semi-structured interviews are not standardized in nature and to make a semi-structured interview standardized would undermine its core strength to analyze and provide a deeper insight of complex and dynamic issues. A semi-structured interview has the ability to explore the complexity in a topic at the time it is being conducted due to the inherent flexibility. Therefore, it's not of significance for the empirical findings to be repeatable since the findings derived represent reality at the time they were conducted. Transcripts were used to increase the reliability of this paper's results (Saunders et al., 2016).

Dependability concerns the degree of repeatability in the research, where high dependability would indicate the results being the same if the study was carried out multiple times. To improve dependability the researcher has to keep a detailed description of how the research process and methods are carried out (Collis & Hussey, 2014). Another researcher could then implement the same procedure and find additional confirming data to the previous study.

To address the dependability of the findings the data were collected via face-to-face semi-structured interviews and the data was recorded and later transcribed by the researchers, no transcription programs were in use. An interview guide was used during the collection of the primary data, to prevent derailing from the research focus. No discussion regarding the research field was held before the interviews due to the possible influence it could have on the primary data. Only a short introduction to the interview and research was given.

3.9.3 Validity and Credibility

Validity concerns the degree to which the researchers have gained access into the interviewees' perception and experiences. Hence, validity can be strengthened through the utilization of various information sources. The choice of semi-structured interviews became apparent since this study strives for a high degree of validity and credibility and semi-structured interviews can achieve this if conducted correctly (Saunders et al., 2016). This paper aims to increase validity by using primary and secondary data. Objective insight from a tutor and opponents acted as valuable input on how to improve validity.

Credibility is a criterion that regards the correlation between the interviewees intended meaning and answers, and the representation of it by the researchers. For a study to be credible, the represented meaning of the data has to be true to the intended meaning behind it. This being a qualitative study can boost credibility additionally since questions can be clarified exploring perceptions and doing so from multiple perspectives. By reflecting and accounting for negative cases, credibility can be further increased. To improve the degree of this criterion in the research, the interpretation of answers have to be checked with the interviewees. To increase credibility and decrease bias of the

researchers, analyst triangulation has been used in order to lessen the effect of bias, more than one person has analyzed the empirical findings (Saunders et al., 2016).

3.9.4 Generalizability

The issue of generalizability is more common in qualitative studies than in quantitative ones due to the smaller samples. Additionally, it should be evaluated if the results can be used in other settings or not. Qualitative studies can still achieve generalizability. However, it is of importance to realize that the non-probability samples often used in qualitative research cannot qualify for statistical generalizability (Saunders et al., 2016). This research carried out 15 interviews based on an appropriate and commonly used amount of interviews in qualitative consumer studies. The themes from the interviews started to replicate before 15 interviews were conducted and since the need for more interviews was reassessed. Interviewees were to represent both genders and different ages from the millennial group born between the years of 1980 and 2000. Different occupations were also considered, although most interviewees were likely to be students due to their age.

Saunders et al. (2016, p.400), define transferability as "the need to provide a full description of the research questions, design, context, findings and resulting interpretations in the project report". This would allow for other researchers to conduct homogenous research to be utilized in another research setting. The research strives to reach a high level of transferability due to the research purpose of being exploratory of the perceptions affecting choice in e-payments and purchase cancellation. Hereby, generalizability is achieved so that this study can aid in the development of new theory and further research in another research setting.

3.9.5 Cultural Differences

Court and Abbas (2013) argue that different or similar cultural customs may affect the interactions between the researcher and the interviewees. Cultural reflexivity will help in the endeavor to prepare and reflect on cultural differences. However, this study only

interviews Swedish citizens due to multicultural settings acting as a threat to reliability and to possibly increase the risk for bias (Saunders et al., 2016).

3.9.6 Ethical Issues

In accordance with Adams, Khan, Raeside and White (2007), the research was conducted in an ethical manner by providing information about the research purpose to the interviewees beforehand. The information concerned the topic of research and the phenomenon being researched as a background. No themes were defined beforehand and no information about other interviews was disclosed. Castree, Kitchin and Rogers (2013), argue that ethics not only concerns how they interviewees are treated but also in which manner empirical findings are used and presented. This study uses a consent form that interviewees are to read through and sign before the interview can start and it makes sure that the interviewee has read and understood why and how the data will be used and that the recording will be saved. Interviewees are also informed that they can be anonymous, refuse to answer questions or even cancel the interview at any given moment during the interview. This study strives by its best ability to represent interviewees and their answers as truthfully and ethically as possible.

3.10 Data Analysis

According to Bryman and Bell (2015), it is essential to understand the collected empirical data and emphasis should be on analyzing it in a way that it can be understood and utilized in the data analysis to bring value to the research. A thematic approach has been adopted to identify and structure emerging themes from primary data. To find a way to analyze and understand the qualitative data, the interview recordings were first transcribed and then extracted into an Excel file, where emerging themes were identified. The data was then analyzed systematically to avoid data analysis issues. The interpretivism paradigm allows for an in-depth exploration of patterns, emerging themes and consumer perception. Pattern matching has been used as a data analysis method since it allows the researchers to match and connect findings between the literature review and the empirical study to further increase validity when matching similarities occurring between the two sets of

data. Hence, the data analysis of the primary data has to be carried out in a delicate manner (Saunders et al., 2016).

Yin (2014) confirmed that pattern matching in combination with a case study as a research strategy is an appropriate data analysis method. Frequently occurring themes, patterns, and relationships in the secondary and primary data were structured systematically. Additionally matched themes, patterns and relationships received the main focus and acted as a foundation for the analysis, discussion and conclusion chapter.

3.11 Procedure

Before conducting the actual semi-structured interviews used in the empirical study, questions were tested by holding test interviews with individuals other than the interviewees that contributed to this study's collection of primary data. Initially, the interviewees were informed of the topic and the method of collecting the data through an interview. At the interview, interviewees had a brief and standardized introduction of the research purpose and the background of the study. No themes were mentioned and no information that did not have to be mentioned was given, motivated by not influencing the interviewee or stimulate bias. All interviewees were aware of the interviews being recorded and stored and interviewees were asked to sign a form of consent before the interview. The method was semi-structured interviews and all were held face-to-face in a comfortable setting for the interviewee. The first section of the interview guide concerned personal information, the second section concerned background questions and the final section held questions directly connected to answering the research questions. The recording time ranged from 20 to 37 minutes with a majority of them being around 25 minutes. A greater focus was established after the first interviews and irrelevant information was easier to detect with experience of exposure. After the interviews, the recordings were transcribed.

3.12 Question Design and Formulation

Open, probing, specific and closed questions are different categories of questions used but the main focus was on the last section of the interview guide with open questions

(Saunders et al., 2016). Following an exploratory purpose and this being a qualitative study with an interpretivism paradigm an emphasis was placed onto open-ended questions since it allows the interviewee to elaborate and express their perception more freely and in-depth for the researcher to explore complex and dynamic realities presented by the participant in the semi-structured interview. Closed questions were used mainly in the first section for personal information checks. Probing and specific questions were mainly used in the second section of the interview guide and to get additional elaboration or to act as following up questions later on.

4. Empirical Findings

The empirical study and its findings are represented in this chapter. The collected primary data will be discussed accordingly and a summary will be given of each determinant. Additionally, emerging themes, common patterns and relations will be presented subsequently. Online trust, online security, perceived ease of use and perceived usefulness were all among the original determinants for e-payment rationalization among consumers. Systematic data analysis provided an ability to further explore these determinants. Customer support and transparency are emerging themes that surfaced throughout the series of face-to-face semi-structured interviews and will be included in this chapter.

4.1 Online Trust

Social recognition and the size of the payment provider seem to affect the perception of online trust by the Swedish millennials. These factors act as determinants that increase the perception of trust of the payment provider. It might even improve the opinion of the website if they have a partnership with e-payment providers that are big operators in the market and are well accepted by friends and in general. Interviewee N stated that they look for Swedish e-payment method Klarna on websites for the sole purpose to investigate if the website can be trusted or not. Furthermore, a trusted e-payment method can make the consumer trust an unknown webpage more.

Interviewee E

"To an extent yes, if I found this new online fashion store that uses Klarna for example but I never heard about the store before it does make it a lot credible, because Klarna is very known in Sweden it's probably one of the largest e-payment providers, and therefore it would make me trust the page more."

Interviewee N

"I always check for Klarna. If Klarna supports something, it's serious."

Reputation and online reviews are other important determinants towards online trust and in choosing between e-payment providers as well. One big advantage with a good reputation for e-payments is that the consumer would be more likely to use that e-payment provider if faced with a situation when a choice has to be made between two new payment methods. Interviewees appear to be more likely to disregard negative comments regarding an e-payment if the provider has a good reputation and is a big company.

Interviewee D

"I would say that the reputation of the payment method and how established they are would make a difference. If I was going to buy something but I really need it and I have to buy it and they had like two alternatives, PayPal and a new service that is very similar to PayPal but is new, then I would choose PayPal over the new one because they are established and I don't have to do research to know that they are safe. So the established reputation of the payment method matters."

E-commerce and e-payment providers are interconnected and evidently, there is a pattern in how trust is perceived in both e-commerce and e-payments. Social recognition, reviews, word of mouth and the size of the company are all important determinants for trust to exist or be improved in an e-payment provider. Furthermore, it seems to be the case for e-commerce companies as well.

Interviewee J

"I think it's because I look through different stores. I don't only compare the products, I compare the stores as well. See if they have any good ratings or bad ratings or did they mess something up before. Are they trustworthy and so on. I look them up first before I even consider using them. I mean, it feels safer when you look at reviews and all the facts surrounding the store."

When asked if social influences via social recognition are important, several interviewees pointed out that it has a major positive impact on the trustworthiness. If friends' recommendations and online reviews are perceived as positive, it tends to create trust towards the e-payment provider as well as the website. The recommendations are, therefore, increasing the incentive to make a purchase due to trust.

Interviewee J

"*...Reviews are a great thing and I really appreciate them. It's basically word of mouth. It's a great thing."*

Moreover, celebrities or opinion leaders are regarded as a positive influence on trust if they are relatable and admired. Interviewee E mentioned that they prefer Klarna because they use Snoop Dogg in their marketing making it more trustworthy.

Interviewee E

"...I have used it (Klarna) a lot I know that it's working, and gotta support Snoop Dogg."

Further relations between trust and user experience can be drawn among a majority of the interviewees. E-loyalty and e-trust are not mentioned on a frequent basis but it appears that Swedish consumers tend to develop strong online shopping habits and within these habits, trust is increased. Interviewees tend to shop from websites they are already familiar with personally or that their social circle has mentioned as trustworthy. The more familiar the consumer is with the website, the less importance is given to the choice of e-payment. However, the opposite seems to find strong empirical evidence: the more unsafe the website appears, the more significance is given to the method of payment online.

Interviewee H

"If the website is from Sweden and trustworthy I will use Klarna but from the UK I use PayPal. I will get my money back via PayPal. I don't trust, if they don't have PayPal and I don't trust them to put my card information if it's the first time and I don't know them."

Online purchases are dependent on trust, it starts with the website since consumers tend to use sociable recognizable websites, websites they have used before or heard friends mention as trustworthy. The size of the company is another important factor. The e-payment providers have all of these determinants linked to trust as well. However, if a website is being used for the first time or if foreign, especially outside of the European Union, the trust in the e-payment provider can increase the trust enough in the website for the consumer to actually go through with the purchase instead of canceling due to a

lack of trust in the website. Hence, the e-payment provider may act as a provider of trust and payments. Lack of trust can be concluded as a strong determinant if the consumer will cancel or proceed with the payment. In online purchases, the website and e-payment provider play a big role and purchases are normally made when the consumer perceive both as being trustworthy, where a trustworthy e-payment provider will improve the perceived trust in the website.

Another interesting finding is that interviewees tend to use the card less when the website is being used for the first time, the card, in general, is also perceived as less safe since more information has to be entered on the website. Certain interviews reveal that some consumers disregard using cards online to an extent due to several factors, trust being a major factor. Security, ease of use and usefulness also being part of why other e-payment methods are being preferred in general online. Trust and security appeared to be interconnected at times, where the consumer needed a secure payment in order to trust the payment method. If there is not enough trust in the payment process online it is likely that the purchase is canceled.

4.2 Online Security

Generally, the security on e-payments was perceived higher on Swedish websites. Popular reasons for this were that Swedish e-commerce is acting under Swedish governmental law, which increases the impression of security and protection to the consumers. The size and reputation of both the e-commerce and the e-payment provider seemed to play a role in the perception of security as well as the social factor that most people are accustomed to shopping online which increases the social acceptance as well. Moreover, even unknown or smaller e-commerce was mentioned to be potentially safe if they were using bigger and known e-payment providers. Although most of the interviewees felt secure or moderately secure when making a purchase, also concerns were brought up that could potentially make the interviewees cancel their purchase.

Interviewee I

"It's not because I have experienced something that made me feel unsafe but it's just that I don't trust the different payment methods and programs and that everything is so easy.

It is too easy and if people have enough knowledge, they can just hack it. I usually put maximum 2000 SEK in my bank account because of that...“

Interviewee I also mentioned that they are not a huge fan of online shopping and are preferring physical stores. Security for them comes through experience, as was also confirmed by interviewees G and L.

Fear of becoming scammed by e-commerce affected the perception of security. Interviewees had several experiences of becoming scammed by the e-commerce themselves or had heard stories about their acquaintances, which also affected their perceptions of the payment methods. Especially direct card payments were mentioned being the method of payment in these scamming events. Additionally, the experiences of social circles played a role in the perception of security, since stories about friends being scammed seemed to make the interviewees careful about using certain e-commerce or payment methods, especially those of foreign origin.

Additionally, some interviewees mentioned that their perception of security has declined after reading news about identity thefts and credit card information being stolen from online companies that they have been using. One interviewee mentioned that their browser’s security system automatically warns them about sites that might be dangerous or subject to scams. The interviewee felt that the warning was a reason enough not to proceed to the e-commerce and therefore cancel the purchase.

Interviewee G
“If I go to websites and Google warns me that this website is unsafe, I wouldn't buy from them. I would definitely feel that it could be scam.”

The most controversial issue in online security had to do with card payments. The interviewees had opposite opinions about card payments and their security. To some, card payments were more secure than other payment methods, because the interviewees trusted their banks good enough to handle any misuse of their account information. For other interviewees, using the card for online transactions was perceived as risky, especially if the card information was supposed to be filled in the e-commerce site. In a

situation like this, the absence of alternative payment methods was seen as a security issue. Additionally, interviewee C suggested that card payments are a thing from the past and should be abandoned altogether.

Interviewee L

"It's mostly when you go to the payment and you can see that certain payments methods are not there and you can only enter your bank number and alike."

Interviewee C

"I feel like they should only focus on having alternative that have payments that don't focus on bank cards. I feel companies should focus on that. Entirely remove the alternative to use your credit card. I feel that it's an old school way of doing it right now. The aspects on future alternatives like Swish and Klarna is constantly developing their business model. Methods where the customer can feel 100% secure."

The card payment often requires the customer to fill in their card information to the site, which was often perceived as a questionable practice in terms of security. Here, mentions about encryption were accentuated. However, what came to identity authentication, passwords were not preferred over Bank-ID authentication. The general perception seemed to be that the less there are steps in the payment process, the better the security of the e-payment method. Too complex processes increased the concern in security.

Whether interviewees thought issues occurring with e-payment methods were their own fault or not had some variance. To most, the e-payment provider was expected to carry the risk for them, but especially with direct card payments, some interviewees thought it is their own fault if something goes wrong during the payment. Interviewee L mentioned that system errors would decrease their perception of safety in e-payments. However, only one interviewee mentioned that they actually have had issues with e-payments in the sense that the payment process did not work as it was supposed to.

Besides the payment methods, the appearance of both the e-commerce and the payment portal were an important factor when the interviewees evaluate the level of security. Interviewee J mentioned that they compare not only products but also stores when

evaluating the best alternative. Ratings and other people's opinions were mentioned as an important factor. Interviewee H mentioned that they look for ratification on Google and Instagram, and ask from friends if they have had positive experiences. Another factor affecting the perception was the number of spelling mistakes, and if the e-commerce had an SSL certificate or alike. SSL certificates are proofs that the website is using an encryption method for the text files, including all the payments made on the website.

Several interviewees brought up that the customer service can also increase or decrease the sense of security. Interviewee B mentioned that being in contact with actual humans was considered important when trying to solve issues concerning mistakes in orders and payments. Human interaction was expected to be understanding, and moreover, the customer service should always be interested in solving the issue and not just trying to get rid of it.

The information provided on e-commerce was expected to be clear and easily available. The lack of sufficient information in clear language could cause cancellation of purchase to some of the interviewees.

4.3 Perceived Ease of Use

The ease of use was mainly described as fast and easy. The factors affecting the impression about the fastness and ease were mainly concerned with fewer steps in the payment process, preferably an instant check-out, with no need to add any information to the e-payment portal. Payment confirmation through the mobile phone was also preferred for its easiness. However, although easy and fast payment was important, also mentions of security and trustworthiness were made in connection.

Creating new e-payment accounts was seen to be difficult. Setting up a new e-payment account was mentioned to be time-consuming and complex, resulting in the interviewee to choose another e-payment method. The risk in here was not that the purchase would have been canceled altogether, but that the potential new e-payment method could have been abandoned in the first place. However, the interviewees had a common consensus that after the account had been set up and their bank account had been connected to that

e-payment account, all of the different e-payment methods, excluding the card payment partially, were easy to use.

Interviewee D

"...I think all of the payment methods are easy to use the only difficult part is to start them up and get them going. Another reason why I use card and Swish is because I don't want to go through the hassle creating a PayPal account or something like that."

Features that the interviewees mentioned increasing the ease of use were that the e-payment portal saves automatically your information so you do not have to type it in every time you purchase something from the same e-commerce. Moreover, to see the trouble of looking for your payment card in order to make a purchase was occasionally seen to decrease the purchase intention.

Interviewee E

"As soon as you have put in your credentials on the web page, it saves your information, so whenever you make a purchase on that webpage, you just click purchase and get a notification directly."

Interviewee B

"Sometimes I postpone the purchase (if the payment card is not available). Maybe I can do it in a few hours or a day. And maybe it doesn't happen."

Also, having a clear overview of the necessary information was regarded as a good thing, among reminders from the e-payment provider to pay your bills on time and the ways to contact the customer support. A payment portal that looked simple and did not have fine print in it was considered a positive factor in ease of use, making the payment process faster as users do not have to look through every corner of the page. Overall, clear overviews, easy contact channels to customer service and lean processes were seen as the most important factors in ease of use.

4.4 Perceived Usefulness

E-payment provider Klarna's feature of saving the user's purchasing history on a scrollable feed was mentioned to be a huge success factor by several interviewees. The e-payment methods that were seen to have spread widely were perceived as more useful. If many websites are using the same e-payment method, the usefulness of the method increases as the consumer does not have to learn to use new methods of payments. Especially since some of the e-payment methods were seen difficult to set up, as mentioned. Additionally, Klarna was appraised for carrying the financial risk on behalf of the consumer, although interviewee F also mentioned risk in questions about trust in e-payments.

Interviewee K

"For PayPal it's that it exists on almost every website since it has existed so long and is so big. There is always a choice to choose PayPal and it's a big advantage."

Interviewee F

"I think it's useful because Klarna carries the risk, it's not so important because most of the time everything is Smoooth (like in the Klarna ads). I don't have to worry about the risk, and it's quick to use. "

As for ease of use, also usefulness was described as easy, fast, and the e-payment stage having as few steps as possible. The convenience in the e-payment provider was also considered an important factor, especially the mobile applications that e-payment providers have, especially Klarna, were seen as useful tools to keep track on purchased things, open payments and due days. Other features, such as different ways to divide the payment and buy now and pay later, were also seen useful to the consumer. The interviewees seemed to value not only the lean process of the e-payment process but also the different services the providers had to offer to fit the consumer needs. Additionally, the development of the e-payment methods over time was seen so seamless that Interviewee M did not even notice all the changes that have happened during the years. That was seen to affect usefulness in a positive way.

Interviewee H

"(Perceived usefulness is) The advantage that is given customers. Buy now and pay later is my number one advantage and that is Klarna and not PayPal."

Interviewee M

"You don't really see the development over time, you just adapt to all the changes. And eventually, you're so used to it that you don't even think about it. And that's a sign that they have succeeded, that you don't even consider it."

4.5 Customer Service

Additional to the trust, security, perceived ease of use and perceived usefulness, several interviewees admitted that customer service was important to them when making decisions between different e-payment methods. This theme was stemming from both trust and security aspects, showing that customer service contributed to both positively when experience or perception of customer service was good. Even though interviewee F had not used Klarna's customer service, they suppose it is good regarding that all other experiences they had with Klarna were excellent. Additionally, they mentioned that even though they had had problems with a delivery, Klarna had always refunded their purchases automatically. The perception of good customer service occurred in a situation where the contact to customer service was missing, meaning that customer service can be good even though it does not include any contact with the company.

Interviewee F

"Klarna has good safety, one time I ordered something and it got delayed or canceled and Klarna automatically paid me back. So I didn't have to think about it, because Klarna solved it for me. That happens automatically, I didn't have to complain to the company."

Interviewees cared about the working conditions and physical location of the customer service center. The customer service staff should be able to answer the questions in Swedish if the company is Swedish, otherwise fluent English was considered sufficient. Although the number of automatic response bots on websites is increasing, human contact in customer service was important to interviewees. Preferred contact forms for the

millennials were email, chat and phone calls. Moreover, fast responses and expertise were regarded as virtues, as they expected the customer service person to be able to solve their issues straight away and make the customer feel like their issue is also the e-payment provider's issue. After the encounter with the customer service, some interviewees expected the e-payment provider to have a rating system to rate the quality of their service experience. Even though they might have trouble with the payment or with the order, good customer service could make the interviewees return to e-commerce as their problems were solved.

Interviewee B

"*I personally don't like automated messages but I know they can work and take off the initial workload off the customer support. If you write a super specific question and get these general answers back, it can even take the trustworthiness down."*

In some situations, customer service was seen so important that the absence of it could lead the interviewee to abandon the e-payment method altogether. Being able to trust the customer service to solve all the problems was perceived as extremely important.

Interviewee A

"If there's no customer service and more importantly, like a clear set of rules or ways for Klarna to actually help out in these situations, I wouldn't use them at all. If there were studies or something that said they can't actually help you in these situations, I would stop using them altogether."

As most of the interviewees mentioned customer service being an important factor for them especially when they encounter issues with their payments, a total of five (D, E, G, J, O) interviewees did not mention this factor at any point during the interview.

4.6 Transparency

As customer service, transparency also seemed to be important to the interviewees to some extent, since half of the interviewees mentioned it during the interviews. Transparency was seen as clear ways to present all the necessary information on the e-

payment portal and was connected to the way customer service was handled by the e-payment provider. Fine prints on the website were seen to decrease transparency, and therefore to decrease trust and make the interviewees second their initial thoughts about a purchase.

Terms and conditions were mentioned as too long to read, although many admitted they know they should be reading those since it is on the consumer's responsibility to be aware of the general terms of their purchase. On the other hand, many of them admitted that the long text pages of just text were too time-consuming to read and easy to just skip to the end. Interviewee O mentioned that they would like to have clearer information about when the money is actually being withdrawn from their account. After the purchase, informing the customer was seen preferable, although the answers differed from some interviewees wanting the store to contact them, the e-payment provider, or both. However, not everyone was sure if it was legally binding to do so.

Interviewee O
"I'd like to know that they'd send me an email or something to let me know that the money has been withdrawn from my account. I don't know if it's the seller's job or the bank's that they need to inform me."

Lastly, the ways personal information was handled and stored seemed to be important to the interviewees. This was connected to the question of security, but although the way to store the information may have not been clear to the interviewees, they did not think it made a difference to whether or not they canceled the purchase.

5. Analysis

This chapter analyses the empirical data presented earlier in chapter four in relation to the secondary data introduced in the literature review. By finding support from the data analysis and from the existing literature, this chapter seeks to verify which factors are causing online purchasing cancellation and which determinants provoke a consumer to choose one payment method over another. This chapter will focus on online trust, online security, perceived ease of use and perceived usefulness. Customer support and transparency are new emerging themes that have not been covered in the literature review. They have only been presented earlier in the empirical findings chapter and acted as subcategories to online trust.

5.1 Online Trust

Salam et al. (2005) argued that trust between the merchant and the consumer can only be established through experience due to the lack of personal contact in e-commerce. Therefore, the exchange relationship can only be established through trust. The empirical study found support for this since trust is frequently mentioned to be built from experience. It's worth to mention that the payment provider can act as a bridge of trust between the consumer and any website. Trusted payment providers do not only guarantee a safe payment but also provide a sense of trust towards the payment process. The interviewees often found themselves verifying trust by what partnerships the website had with different well-known payment providers.

Bauman and Bachmann (2017, p. 68) stated that the consumer "expects the website to be a reliable means for the transaction and the vendor to behave in an honest and professional manner when fulfilling the purchase request". Analyzed primary data agree with Bauman and Bachman (2017) since the interviewees mentioned a need for the transaction being carried out correctly and a need for transparency became apparent. These factors are to increase trust in the eyes of the consumer and also ties into online security. Online payments have no human interaction, it is based on a system but it still incorporates characteristics of trust that can be found in human interaction. A sense of vulnerability,

uncertainty, and risk is found in the interviewees' answers when purchasing from unknown websites, especially foreign ones that are located outside of the European Union.

The analyzed existing literature presented in the literature review did find a relationship between social recognition or the size of the company and trust. The interviewees stated that in general, a big well-known company is more trustworthy and that social influences increase trust for certain payment providers. Järvenpää et al. (2002) claim that reputation and the size of the merchant are significant to perceived trust by the consumer.

Although much research in this field is quantitative, according to Bauman and Bachmann (2017), trust models, social factors and technological factors were found important for trust, social factors can also be supported by the empirical study in this paper. Technological factors gained a certain recognition by interviewees but were not mentioned in such an extent as social recognition, mainly mentioned as a factor of online trust. Interviewees were fast to point out that experience, size, and social recognition increased trust in the payment provider if the payment provider was trusted, even websites that were not used before or knowingly trustworthy, could be used. However, if an unknown website only used card payments as a form of transactions, then it would most likely be disregarded as an option to order a product.

5.2 Online Security

The interviewees were well aware of the risk of security breaches even in the largest e-commerce. They agreed that none of the e-payment methods were totally safe, even though they might not have bad experiences with them before. Fianyi (2015) argued that security risks are carried by both parties, consumer and the company. However, the interviewees seemed to have different ideas about who is carrying the risk. This confusion might be caused by the lack of information that the consumer has at the time of purchasing. If the consumer has not read the terms and conditions before the transaction, their assumption might be that they are responsible for carrying the risks. To avoid this misconception, the company providing the e-payment method should enclose a detailed and clear summary about data handling to clarify who is responsible if anything out of

the ordinary happens, like the interviewees often suggested. In connection with data handling and enclosed information, confidentiality and integrity were also suggested by Hartono et al. (2014), as they listed the dimensions that are important to online security.

The measures Raja and Velmurgan (2008) suggested improving security were in line with what the interviewees thought about security and how a low perception of online security could affect their purchasing cancellation. The interviewees were interested in encryption methods like SSL certificates, showing that they were aware of how their personal data could be protected and were also expecting it from the e-payment providers. The interviews revealed the same phenomenon as the study by Salisbury et al. (2001), as the purchasing intention decreased if the interviewees felt that the e-payment methods were not secure. Uncontrollable outcomes were not seen as a threat, neither did any interviewees mention that their perception of online security would be affected due to errors in the payment systems, although there were experiences of malfunctions.

Fang et al. (2005) perception of security seemed not to fully correlate with the interviewees' answers. Instead of risk, security was most often mentioned to be affected by system characteristics, which are more easy to detect and describe, such as the number of steps a consumer has to take during the check-out stage, or how the e-payment method identifies the consumer. The literature showed no signs of identification measures' impact on the perception of online security. The interviewees, on contrast, affiliated and ranked different identification methods to increase or decrease online security. Although different identification methods, including Bank-ID and passwords, were ranked differently by interviewees.

5.3 Perceived Ease of Use

Interviewees perceived ease of use in online purchases as an easy process with few steps and no extra effort. Autofill and saved information that enables the consumer to proceed without refilling all payment information at every purchase occasion is beneficial towards the perception of ease of use. This is supported by Davis et al. (1989, p. 985) as they conclude that "perceived ease of use (EOU) refers to the degree to which the prospective user expects the target system to be free of effort". Hence, a clear relationship can be

drawn between ease of use and fewer steps, less effort, and faster checkouts at the payment stage online. Factors within this perception are dependent on a fast completion of the purchase and the removal of obstacles that force the consumer to do more themselves.

Davis and Venkatesh (2004) argued that ease of use requires experience, while Davis et al. (1989), are of the opinion that it does not require any previous usage. However, interviewees were of the opinion that they could comment on ease of use, even of e-payment providers that they had not previously used, or had little experience with. Interviewees commented on e-payment providers they had not used and used the ease of use as an argument to why they would not use it over already used e-payment providers. This might not be the case for all fields that ease of use can be accounted for. Within e-payments, it is clear that ease of use can be a determinant of which e-payment provider a consumer will use, even if the potential consumer has no previous usage of the e-payment. This seems to be a direct result of the information society and social influences. One does not have to use one e-payment to know how it works anymore.

Davis and Venkatesh (2004), elaborated on the idea that computer-related traits and emotions are not affected to any further extent by social influence or cognitive influence processes. Furthermore, that one consumer does not necessarily affect another consumer in terms of how easy one payment method is to use. This is not supported by the empirical study done in this paper, as consumers appear to be highly sensitive to social opinions concerning trust and security. Ease of use tends to be affected by social influences as well. This is based on how similar the answers given on the ease of use were. Most interviewees had the same standard answers, concluding that society and the industry have shaped those certain standards for ease of use. Anything that diverged from these standards of fewer steps, less effort, fast and easy, convenient, and auto fill-in of information, could be seen as negative components in the e-payment. Only a few mentions desired more steps in certain payment processes. Flavián et al. (2006) list simplicity, fast navigation, the control given the consumer, and the ease of understanding the system as determinants for the perceived ease of use. Since, all interviewees were millennials in the empirical study they are thought to possess more skills within technological advances, such as e-payments. No interviewees mentioned that e-payment providers were complicated to use.

A smaller fraction of interviewees mentioned that it was complicated to create and set up accounts at certain e-payment methods, for example, PayPal. However, this is not the research purpose of this study.

Davis (1989) claimed that the application that a person perceives as the easiest to use, is the one they choose to use amongst an array of applications. Strong support is found for this statement in the data analysis of the primary data. Given that trust and security standards are being met, ease of use appears to be the main determinant in choosing among e-payment providers and methods. The importance of usefulness is another researched determinant that might explain why one e-payment is preferred over another one. Since society is focusing more on speed, smooth experiences, and convenience this has become a standard for the e-payment market to adapt to and it will be hard to succeed as an e-payment without the ease of use.

5.4 Perceived Usefulness

As Gefen et al. (2003) suggested, the interviewees also found the e-payment methods more useful if they thought the technological properties were matching their needs by improving the functionality. Klarna saving the consumer's purchasing history and reminding them about closing due dates supports the claim. The interviewees found the ease of use and usefulness interconnected and tend to only use fast, smooth, and simple e-payment methods since they perceived them more useful. This observation is in line with previous research since those functions can be seen as technological advancements in e-payment methods, although their relevance in the research is more apparent in the ease of use determinant. As millennials are grown to use the internet and different applications, the interviewees had a clear vision of which functionalities they thought were more useful than others. Anything that saved their time and was easy to use, was perceived more useful.

The debate of whether or not it is possible to measure perceived usefulness prior to system usage, where Davis and Venkatesh (2004) introduced a result that behavioral intention and perceived usefulness correlate, seemed to have a clear outcome in this research as well. Many of the interviewees revealed their prejudices against some e-payment

providers, thinking that creating an account for the e-payment method was too difficult, even though they had not tried to create it. However, they admitted that the actual usage of the e-payment method was most likely easy.

One clear factor that was mentioned as being perceived as usefulness was the ability to buy now and pay later via Klarna. Perceived usefulness tend to focus more on flexibility and options in the payment process than ease of use. Klarna is mentioned frequently as being useful since they offer a wide array of payment methods, by offering more payment solutions for the consumers Klarna is perceived as being more useful. This can be linked to Davis (1989), arguing that the relationship between user acceptance and perceived usefulness was strong. Since consumers have many options in how they prefer using Klarna and how they can interact with the system as a central hub for payments its user acceptance is increased together with the usefulness.

Perceived ease of use and perceived usefulness have been separated by previous literature such as Gefen and Straub (2000), Fang et al. (2005), Venkatesh and Bala (2008) and Davis and Venkatesh (2004). Nonetheless, ease of use has been given recognition for affecting perceived usefulness. Furthermore, the empirical study found them more interconnected than previous literature has credited them to be. The primary data confirm a strong relationship between factors increasing perceived ease of use and perceived usefulness. Interviewees tend to use payment providers that are easy to use and therefore save them time and effort. These determinants are also deemed to increase perceived usefulness.

6. Conclusion

This section will answer the research questions of the study and conclude the previous discussion held in the analysis chapter.

This research explored how the perception of online security and online trust in e-payment methods affect Swedish millennials decision to cancel their purchases online, and how the perception of usefulness and ease of use contribute as determinants in choosing between e-payment methods according to Swedish millennials. The semi-structured interviews confirmed that experience with e-payment methods established trust between the consumer and the e-payment method provider. The triangular relationship between the consumer, the e-commerce, and the e-payment provider was imagined to be formed as if the e-payment provider acted as a mediator between the consumer and the e-commerce. Hence, transparency and good customer service were mentioned as key points to establish trust. Additionally, vulnerability, uncertainty, and risk were mentioned to affect the level of trust, especially if the e-commerce was operating outside of the European Union.

Risk also affected the perception of online security, since security breaches were seen as a threat and therefore none of the mentioned e-payment methods were perceived as totally safe. By providing clear information on how data will be used and stored, the millennials thought they would feel more secure about filling in their personal information on the e-payment portals, also knowing how the risk is distributed. To conclude, both online trust and online security were perceived as important determinants when evaluating whether or not the e-payment method could be used. If the perception was inferior, the millennials would try to find other e-payment methods or e-commerce to satisfy their needs.

In this research, ease of use was experienced as a fast and easy process with only a few steps and no extra effort. Surprisingly, also usefulness was suggested to accommodate these features. Automatic information filling and previous experience on the e-payment method were considered to facilitate the ease of use. However, experience and social

influences have brought the generation to a stage where one does not have to use an e-payment method to know how it works. Additional findings support the assumption that if an e-payment method is too complicated to set up, it might be abandoned before it has even been tested by the potential consumer since an easier e-payment method will replace it.

Usefulness was reached whenever the interviewees agreed that using the e-payment method would save time and be easy to operate. However, setting up a different account for e-payment providers were seen as troublesome, and therefore decreasing the chance of using certain e-payment methods. Comparing the ease of use and usefulness, ease of use seemed to be the main determinant to consider when choosing between e-payment methods.

Consumers tend to make purchases from websites that are perceived as trustworthy and secure, using e-payment methods that are considered to achieve a high level of ease of use. When consumers are faced with a scenario in which the website is not perceived as trustworthy or secure, they tend to look for e-payment methods that can provide trust and security. If the e-commerce then only offer the traditional card payment as a payment solution or an e-payment method they do not trust much, consumers are likely to cancel the purchase, especially if the e-commerce is foreign.

From the e-payment methods, Klarna appears to be the favorite e-payment method in Sweden due to the ease of use and usefulness. However, Klarna is not necessarily perceived as more trustworthy, safe or secure than other Swedish e-payment providers. E-payment provider PayPal is popular for purchases made on foreign websites, mainly due to the increased trust from the customer support if something goes wrong. When making purchases online domestically it appears that ease of use and usefulness weigh heavier. On contrast, trust and security are given more importance if the purchase is made from a foreign website. Choosing among different e-payment providers, the Swedish millennial consumers prefer useful and especially easy to use methods. When using the e-payment method, it has to be perceived as trustworthy and secure. E-payment method choices appear to matter the most when the website has not been used before or when the website is not domestic. A few interviewees showed tendencies towards switching

websites to buy somewhere else if prices are similar and they offer a preferred e-payment method that the initial e-commerce did not offer.

7. Discussion

This section discusses the research outcome via theoretical implications, practical implications, limitations of the study and suggestions for future research.

7.1 Theoretical Implications

The research indicates that online trust and online security are perceived as requirements for online purchases while perceived usefulness and perceived ease of use from TAM 3 can act as determinants to why one e-payment method is preferred over another one by the consumer given that trust and security needs are being met. Further relationships can be drawn between the segments of TAM 3. Perceived ease of use seems to affect perceived usefulness to a greater extent than recognized by existing literature. Another important realization is that ease of use seems to affect how useful an e-payment is perceived to be. Perceived ease of use and perceived usefulness appear to be a subject of how technology advances and a study made a decade ago would most likely have differed to a great extent. External factors such as customer support and transparency emerged during the empirical study and tend to increase the perception of trust. Transparency is a growing concern and might be important to implicate in further studies to understand the e-payment process better. Customer support played a large role in how safe the consumer felt with the risks of online purchases.

7.2 Practical Implications

For e-payment providers to better understand the consumer rationalizations in online purchases it is of utmost significance to understand what trust, security, ease of use and usefulness really are to the consumer. Emphasis should be given to technological advances as well. The modern Swedish millennial wants more transparency and humane customer support that can increase the perception of safety online when risk is involved in purchases. Klarna appears to have done a good job in offering different payment solutions and this is regarded as highly useful to the consumer. Ease of use concerns simplicity, fewer steps, faster process, and effortless payment procedure. Trust can be linked to social influences, reviews, reputation, good customer support, transparency,

company size, and brand establishment. Security was perceived as higher on Swedish websites and therefore the consumer felt freer to use several e-payment options while the security was perceived lower on foreign e-commerce. The use of Bank-ID for identity authentication and having a Swedish consumer law involved in online purchases affected the security in e-payments positively.

7.3 Limitations to Study

It should be noted that the purchase rationalization process in online shopping could be researched from multiple different perspectives. This study does so from a consumer perspective. Online shopping could also be researched from the perspective of online retailers, an industry based perspective that considers the loss of potential revenue or from the perspective of different e-payment providers. However, these perspectives are not included in this paper. Furthermore, this study only involves Swedish millennials born between 1980-2000 and the empirical study cannot speak for older generations or the same generation outside of Sweden. Although, technologically advanced nations that are alike Sweden in that context may find similar perceptions from the millennial generation. The smaller sample size can negatively come to affect generalizability in the study, regarding qualitative consumer studies this was not the main concern.

7.4 Future Research

The interviews showed that social recognition and attitudes of the millennial's social circle were important when the millennials were evaluating the e-payment methods. Klarna, for example, was recognized for using celebrities to raise awareness and to attract especially younger consumers by making the e-payment method cool. As this research was focusing on individual's own attitude and behavior, and although previous literature has suggested that social aspects have only limited importance in technology acceptance, scholars should incorporate more social aspects to the e-payment research on consumers in the future.

This research examined the topic in a qualitative manner to clarify how perceived usefulness and perceived ease of use affect the millennials decision making when

choosing an e-payment method upon purchase, and which factors caused cancellations. As the importance of online trust and online security were recognized, the usefulness and ease of use acted as determinants to exemplify the reasons why other e-payment methods were perceived in a different light than others. This research can be used as a guide to further examine the possible reasons how e-payment methods should be developed in the future, or which factors the consumers are ranking higher than others.

8. Reference list

Adams, J., Khan, H. T., Raeside, R., & White, D. I. (2007). Research methods for graduate business and social science students. India: SAGE publications.

Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior And Human Decision Processes, 50(2), 179-211. doi: 10.1016/0749-5978(91)90020-t

Artz, D., & Gil, Y. (2007). A Survey of Trust in Computer Science and the Semantic Web. SSRN Electronic Journal. doi: 10.2139/ssrn.3199355

Ashrafi, M., & Ng, S. (2009). Privacy-preserving e-payments using one-time payment details. Computer Standards & Interfaces, 31(2), 321-328. doi: 10.1016/j.csi.2008.04.001

Bagozzi, R., Davis, F., & Warshaw, P. (1992). Development and Test of a Theory of Technological Learning and Usage. Human Relations, 45(7), 659-686. doi: 10.1177/001872679204500702

Bauman, A., & Bachmann, R. (2017). Online Consumer Trust: Trends in Research. Journal Of Technology Management & Innovation, 12(2), 68-79. doi:10.4067/s0718-27242017000200008

Beldad, A., de Jong, M., & Steehouder, M. (2010). How shall I trust the faceless and the intangible? A literature review on the antecedents of online trust. Computers In Human Behavior, 26(5), 857-869. doi: 10.1016/j.chb.2010.03.013

Benlian, A., Titah, R., & Hess, T. (2012). Differential Effects of Provider Recommendations and Consumer Reviews in E-Commerce Transactions: An Experimental Study. Journal Of Management Information Systems, 29(1), 237-272. doi: 10.2753/mis0742-1222290107

Bilgihan, A. (2016). Gen Y customer loyalty in online shopping: An integrated model of trust, user experience and branding. Computers In Human Behavior, 61, 103-113. doi: 10.1016/j.chb.2016.03.014

Bradach, J., & Eccles, R. (1989). Price, Authority, and Trust: From Ideal Types to Plural Forms. Annual Review Of Sociology, 15(1), 97-118. doi: 10.1146/annurev.so.15.080189.000525

Bryman, A., & Bell, E. (2011). Business research methods. Cambridge: Oxford University Press

Castree, N., Kitchin, R., & Rogers, A. (2013). Research Ethics. A Dictionary of Human Geography, Oxford University Press. Retrieved from: http://www.oxfordreference.com/view/10.1093/acref//9780199599868.001.0001/acref9780199599868-e-1568

Chang, Y., & Fang, S. (2013). Antecedents and distinctions between online trust and distrust: Predicting high-and low-risk Internet behaviors. Journal Of Electronic Commerce Research, 14(2), 149-166.

Chau, P., Hu, P., Lee, B., & Au, A. (2007). Examining customers' trust in online vendors and their dropout decisions: An empirical study. Electronic Commerce Research And Applications, 6(2), 171-182. doi: 10.1016/j.elerap.2006.11.008

Chin, W., & Todd, P. (1995). On the Use, Usefulness, and Ease of Use of Structural Equation Modeling in MIS Research: A Note of Caution. MIS Quarterly, 19(2), 237. doi: 10.2307/249690

Collis, J., & Hussey, R. (2014). Business research : A practical guide for undergraduate & postgraduate students (4th ed.). Basingstoke: Palgrave Macmillan.

Court, D. & Abbas, R. (2013). Whose interview is it, anyway? Methodological and ethical challenges of insider-outsider research, multiple languages, and dual-researcher cooperation, Qualitative Inquiry, 19(6), 480-8.

Davis, F. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. MIS Quarterly, 13(3), 319–339.

Davis, F., Bagozzi, R., & Warshaw, P. (1989). User Acceptance of Computer Technology: A Comparison of Two Theoretical Models. Management Science, 35(8), 982-1003. doi: 10.1287/mnsc.35.8.982

Davis, F., & Venkatesh, V. (2004). Toward preprototype user acceptance testing of new information systems: Implications for software project management. IEEE Transactions on Engineering Management, 51(1), 31-46.

de Mooij, M., & Hofstede, G. (2002). Convergence and divergence in consumer behavior: implications for international retailing. Journal Of Retailing, 78(1), 61-69. doi: 10.1016/s0022-4359(01)00067-7

E-barometern, (2018). E-barometern årsrapport-2018. PostNord. Retrieved from http://pages.postnord.com/rs/184-XFT-949/images/e-barometern-arsrapport-2018.pdf

E.I. DuPont de Nemours and Co., (1965). Consumer buying habits studies, 1945, 1949, 1954, 1959, 1965. Wilmington, DE: DuPont de Nemours and Company

Fang, X., Chan, S., Brzezinski, J., & Xu, S. (2005). Moderating Effects of Task Type on Wireless Technology Acceptance. Journal Of Management Information Systems, 22(3), 123-157. doi: 10.2753/mis0742-1222220305

Fianyi, I. (2015). Curbing cyber-crime and Enhancing e-commerce security with Digital Forensics. IJCSI International Journal Of Computer Science Issues, 12(6).

Flavián, C., Guinalíu, M., & Gurrea, R. (2006). The role played by perceived usability, satisfaction and consumer trust on website loyalty. Information & Management, 43(1), 1-14. doi: 10.1016/j.im.2005.01.002

Flyvberg, B. (2011) Case study, in N.K denzin and Y.S. Lincoln (eds) The Sage handbook of qualitative research (4th edn) London: Sage, pp. 301-16

Franz, C., & Robey, D. (1986). Organizational Context, User Involvement, And the Usefulness of Information Systems. Decision Sciences, 17(3), 329-356. doi: 10.1111/j.1540-5915.1986.tb00230.x

Gefen, D. (2000). E-commerce: the role of familiarity and trust. Omega, 28(6), 725-737. doi: 10.1016/s0305-0483(00)00021-9

Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in online shopping: An integrated model. MIS Quarterly, 27(1), 51-90. Retrieved from http://proxy.library.ju.se/login?url=https://search-proquest-com.proxy.library.ju.se/docview/218117684?accountid=11754

Gefen, D., & Straub, D. (2000). The Relative Importance of Perceived Ease of Use in IS Adoption: A Study of E-Commerce Adoption. Journal Of The Association For Information Systems, 1(1), 1-30. doi: 10.17705/1jais.00008

Grabner-Kraeuter, S. (2002). The Role of Consumers' Trust in Online-Shopping. Journal of Business Ethics, 39(1/2), 43-50. Retrieved from http://www.jstor.org/stable/25074817

Hartono, E., Holsapple, C., Kim, K., Na, K., & Simpson, J. (2014). Measuring perceived security in B2C electronic commerce website usage: A respecification and validation. Decision Support Systems, 62, 11-21. doi: 10.1016/j.dss.2014.02.006

Hess, T., McNab, A., & Basoglu, K. (2014). Reliability Generalization of Perceived Ease of Use, Perceived Usefulness, and Behavioral Intentions. MIS Quarterly, 38(1), 1-28. doi: 10.25300/misq/2014/38.1.01

Jarvenpaa, S. L., Tractinsky, N., & Vitale, M. (2000). Consumer trust in an internet store. Information Technology and Management, 1(1-2), 45. Retrieved from http://proxy.library.ju.se/login?url=https://search-proquest-com.proxy.library.ju.se/docview/194460298?accountid=11754

Kim, D., & Ammeter, A. P. (2018). Shifts in online consumer behavior: A preliminary investigation of the net generation. Journal of Theoretical and Applied Electronic Commerce Research, 13(1), 1-25. doi:http://dx.doi.org.proxy.library.ju.se/10.4067/S0718-18762018000100102

King, N. (2004). Using interviews in qualitative research. Essential Guide to Qualitative Methods in Organizational Research. London: SAGE publications, 11-22.

Kukar-Kinney, M., & Close, A. G. (2010). The determinants of consumers' online shopping cart abandonment. Journal of the Academy of Marketing Science, 38(2), 240-250. doi:http://dx.doi.org.proxy.library.ju.se/10.1007/s11747-009-0141-5

Lee, Y., Kozar, K., & Larsen, K. (2003). The Technology Acceptance Model: Past, Present, and Future. Communications Of The Association For Information Systems, 12. doi: 10.17705/1cais.01250

Mhatre, K., & Conger, J. (2011). Bridging the gap between Gen X and Gen Y. Journal Of Leadership Studies, 5(3), 72-76. doi: 10.1002/jls.20235

Ming-Yen Teoh, W., Choy Chong, S., Lin, B., & Wei Chua, J. (2013). Factors affecting consumers' perception of electronic payment: an empirical analysis. Internet Research, 23(4), 465-485. doi: 10.1108/intr-09-2012-0199

Ong, C., & Lai, J. (2006). Gender differences in perceptions and relationships among dominants of e-learning acceptance. Computers In Human Behavior, 22(5), 816-829. doi: 10.1016/j.chb.2004.03.006

Padilla-Meléndez, A., del Aguila-Obra, A., & Garrido-Moreno, A. (2013). Perceived playfulness, gender differences and technology acceptance model in a blended learning scenario. Computers & Education, 63, 306-317. doi: 10.1016/j.compedu.2012.12.014

Pires, G., Stanton, J., & Eckford, A. (2004). Influences on the perceived risk of purchasing online. Journal of Consumer Behaviour, 4, 118-131.

Raja, J., & Velmurgan, M. (2008). E-payments: Problems and prospects. Journal Of Internet Banking And Commerce, 13(1), 1-17.

Salam, A., Iyer, L., Palvia, P., & Singh, R. (2005). Trust in e-commerce. Communications Of The ACM, 48(2), 72-77. doi: 10.1145/1042091.1042093

Salisbury, W., Pearson, R., Pearson, A., & Miller, D. (2001). Perceived security and World Wide Web purchase intention. Industrial Management & Data Systems, 101(4), 165-177. doi: 10.1108/02635570110390071

Sánchez-Franco, M. (2006). Exploring the influence of gender on the web usage via partial least squares. Behaviour & Information Technology, 25(1), 19-36. doi: 10.1080/01449290500124536

Saunders, M., Lewis, P. & Thornhill, A. (2016). Research methods for business students. 7th ed. Harlow, United Kingdom: Pearson Education Limited.

Segars, A., & Grover, V. (1993). Re-Examining Perceived Ease of Use and Usefulness: A Confirmatory Factor Analysis. MIS Quarterly, 17(4), 517. doi: 10.2307/249590

Svensk E-handel. (2018). Allt du behöver veta om e-handel i Sverige 2018. DIBS by nets. Retrieved from: https://info.dibs.se/hubfs/Svensk%20E-handel%202018/Final%20report/DIBS_Svensk%20E-handel%202018.pdf

Taylor, S., & Todd, P. (1995). Understanding Information Technology Usage: A Test of Competing Models. Information Systems Research, 6(2), 144-176. doi: 10.1287/isre.6.2.144

van Braak, J. (2004). Domains and determinants of university students' self-perceived computer competence. Computers & Education, 43(3), 299-312. doi: 10.1016/j.compedu.2003.09.006

Venkatesh, V., & Bala, H. (2008). Technology Acceptance Model 3 and a Research Agenda on Interventions. Decision Sciences, 39(2), 273-315. doi: 10.1111/j.1540-5915.2008.00192.x

Venkatesh, V., & Davis, F. (2000). A Theoretical Extension of the Technology Acceptance Model: Four Longitudinal Field Studies. Management Science, 46(2), 186-204. doi: 10.1287/mnsc.46.2.186.11926

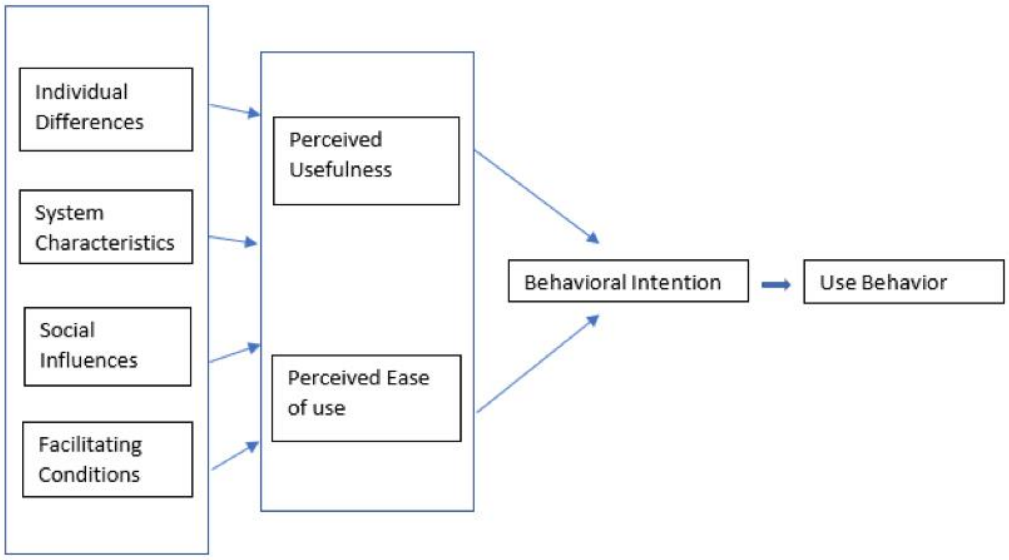
Venkatesh, V., Morris, M. G., Davis, G. B, & Davis, F. (2003). User Acceptance of Information Technology: Toward a Unified View. MIS Quarterly, 27, 425-478. 10.2307/30036540.

Yin, R.K. (2014). Case Study Research: Design and Method (5th edn). Londong: Sage.

Appendices

Appendix 1

Figure 1 Technology Acceptance Model 3 (TAM 3)



Source: Adapted from Venkatesh & Bala (2008)

Appendix 2

Interview Guide

Opening Questions:

1. What is your name?
2. How old are you?
3. What is your occupation?
4. For how long have you had that occupation?

Introduction Questions

5. Do you like online shopping, why?
6. How often do you shop online?
7. What do you usually purchase online?
8. What is the average cost of your online purchases?
9. Have you ever cancelled a purchase, why?
10. What do you know about e-payments?
11. Which e-payment methods are you aware of?
12. How did you find out about them?
13. Are you using any of them frequently?
14. For how long have you been using e-payment methods?
15. Which is your preferred payment method?
16. Why do you use that particular method of payment?
17. Does the total price of your purchase affect the choice of e-payment method?
18. Have your opinion on e-payments changed over time?
19. Does the ability to make part-payments over time affect your decision?
20. Does the option to buy now and pay later affect your decision?

Questions related to the Research Questions

21. How safe do feel when making purchases online?
22. What affects that perception?
23. How do you perceive trust in e-payments?
24. How do you perceive security in e-payments?
25. How would you describe ease-of-use in the preferred e-payments method?
26. How would you describe usefulness in the preferred e-payments method?
27. What other aspects could be important in e-payments?

Appendix 3

Form of Consent

Description of your consent:

By signing this consent form below, you agree to participate in the study. This study concerns Swedish millennial's perception of trust, security, ease-of-use and usefulness regarding e-payments and the possible effect those factors have upon online purchase cancellation. The interview will be recorded and saved on a mobile device and cloud services like Google Drive throughout the process of this Bachelor Thesis. Material collected from this interview will be used as primary data to support the existing literature in answering the research questions of this study. You have the right to remain anonymous and the right to opt out at any given time during the interview. This bachelor thesis is written by Daniel Scherling and Roosa Antinoja at Jönköping University, JIBS.

Consent:

- I have read the description regarding this consent above and I am fully aware of the procedure.
- I partake in this study by my own free will and I am fully aware that I can't hold anyone else responsible for my participation.
- By signing this consent form I give Daniel Scherling and Roosa Antinoja full rights to keep and use this recording in the earlier stated manner and purpose.
- I renounce any ownership of the recording of the interview.

Jönköping … / … 2019

……

Signature

……

Name in Block Letters