

# Portals in Consumer Search Behavior and Product Customization

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## INTRODUCTION

A portal is defined as an entrance point to online content. The portal concept has evolved across a number of markets and applications. Customer portals focus on individual customer and offer a one-stop Internet access. By providing a number of services, such as searches, shopping, e-mail, and games, portals allow individuals to avoid browsing the Web but to in-fact rely and stay at one Web site like a one-stop shop. Accordingly, portals drive eyeballs, and hence create and drive advertising revenue and alliances. The concept of a single public port to given content on the Internet is used as a means of pulling in a large number of users. As an example, America Online (AOL) acts as a portal site to general Web content. It is a specialized portal created by AOL and also has content from partners such as Time Warner (Kleindl, 2003). This article reviews the role of portals in consumer search behavior and certain aspects in marketing.

## PORTALS AND PRODUCT CUSTOMISATION

A key function of marketing is to match buyers and sellers, and facilitate transactions; to do this a firm needs to create the proper institutional infrastructure. It has been found that digital information goods, such as news articles, digital images, or music allow perfect copies to be created and distributed almost without cost via the Internet. With the introduction of the Internet as a commercial medium for businesses to conduct their activities, various studies have found that the technology is leading to aggregation. This, in turn, is fast becoming a profitable strategy for marketers, as the marginal production costs are low and consumers are generally homogenous. Several Internet-based technologies assist buyers searching: multimedia, high bandwidth, and rating sites provide more product information. These search engines can be hierarchical directories like Yahoo, generic tools like Alta Vista (in early 1998) or specialized tools that work best in the context of specific markets like Pricewatch, ComputerESP for computers, or Expedia and Travelocity for travel (Casagrande, Nicholas, & Stevens, 1998).

Customer portals should provide company-specific information for customers, such as product information, in-

ventory and order tracking, help desk applications, and other services (Kleindl, 2003). Marketers should begin considering portals as the brains of the organization as they can provide employees with vital information for success in hyper-competitive marketplace, in turn can secure the survival of the organization. The method is cost-effective because portal technology uses artificial agents, tiny programs to find and organize information rather than salaried employees.

Clarke, III and Flaherty (2003) suggest that portals are the most valuable land on the Web. According to them, about 90% of Internet traffic goes to 10% of Web sites, among which portals are the largest shareholders of that traffic. The authors have also found that about 15% of all Web page-view traffic goes through the top nine portals. Hence, this heavy traffic flow creates a unique position for portals as part of the overall marketing strategy of all organizations.

Some suggest that with portal technology it is possible for an individual to buy a newspaper at a local newsagent and this newspaper can be tailored to suit the person's specific information needs. This newspaper can contain a section on industry news, another on company news, and a third on all financial reports, all of this information may be very relevant to the person. If such a newspaper could be economically produced the reader would not need to buy a whole newspaper to read but just a few pages. Such customization can be achieved economically with portal technology because the artificial agents used in portals are programmed to search and index sites containing information the user specifies as relevant (Kotorov, 2001).

Slywotzky (2000) extends this concept of customization of products and services using portal technology to newer heights. According to the author, customers will soon be able to describe exactly what they want, and suppliers will be able to deliver the desired product or service without compromises or delays. This innovation is what the author calls "choiceboard," this concept includes interactive online systems that allow individual customers to design their own products by choosing from a menu of attributes, components, prices, and delivery options. The role of the customer in this system shifts from passive recipient to active designer. The shift is just the most recent stage in the long-term evolution of the customers' roles in the economy.

It was further illustrated that with a choiceboard system, marketers will see a major shift of customers becoming product makers rather than product takers. Traditionally,



companies create fixed product lines that represent their best guesses about what buyers will want, and buyers make do with what they are offered. There may be some minor tailoring at the point of purchase—a few optional features or add-ons—but by and large the set of choices is fixed by long before customers even begin to shop (Slywotzky, 2006)

The choiceboard concept became an interactive, online system model, allowing individual customers to design their own products by choosing from a menu of attributes, components, prices, and delivery options. The customers' selections send signals to the supplier's manufacturing system that set in motion the wheels of procurement, assembly, and delivery. They are already in use for example; customers can design their own computers with Dell's online configurator. They can create their own dolls with Mattel's My Design Barbie, assemble their own investment portfolios with Schwab's mutual fund evaluator, and even design their own golf clubs with Chipshot.com's PerfectFit system. This Choiceboard is still in its infancy, as it is involved in less than 1% of the \$30 billion world economy (Slywotzky, 2006).

By providing a number of services, such as searches, shopping, e-mail, and games, portals allow individuals to avoid browsing different other Web sites, but to stay at one single portal type site. Since the site drives eyeballs, it in turn will drive advertising revenue and alliances. The concept of a single public port to access content is used as a means of pulling in a large number of users (Kliendl, 2003).

## CONSUMER BEHAVIOR AT PORTALS

The growth of the Internet and its immense capability of providing consumers with product and service information has empowered the consumer immensely. Consumers are becoming more mature, sophisticated, and intelligent. These days they are seeking a higher levels of product information before making purchasing decisions. The rapid advancements in Web technology have enhanced consumer's decision-making outcomes. The creation and subsequent growth of software and technological devices such as smart agents that are linked to portals have provided an intelligent interface for the consumer. These computer decision aids improve transactional efficiency by providing merchandising and sales information to consumers, offering sales support, and facilitating sales promotions, while at the same time, enhancing the consistency, availability, and quality of support to consumers.

In a study to test the relationship between the use of these smart agents, or query-based decision aids (QBDA) as they are referred to, and consumers, it was found that the greater the amount of relevant information the decision maker has, the greater is his or her confidence in judgement. The research study developed and tested a general model for understanding the influence of query-based decision aids on

consumer decision making in the e-commerce environment. The results showed that the use of a well designed QBDA led to increased satisfaction with the decision process, and increased confidence in judgements. The research subjects who had access to QBDA perceived an increased cost saving and a lower cognitive decision effort associated with the purchase decision. The conclusion proved that subjects who had access to the QBDA, liked the interface, and had more confidence in their judgements in comparison to subjects who did not have access to QBDA (Pereira, 1999).

In their study, Meisel and Sullivan (2000), found that most Web surfers and shoppers want portals to conduct five important functions as follows:

- provide easy, convenient, and organized way for users to use the Internet;
- act as a filter and hence helping in the decision making process of the purchase online;
- assure users of the integrity of the sites for Web transactions;
- provide users access to propriety content and/or communication technologies like Internet telephony and e-mail; and
- finally, to facilitate the electronic equivalent of one-stop shopping for the user.

Studies have indicated that the main reason individual's use portals is for gathering information, these fall into two categories namely: *personal needs*, covering leisure (sport, films, games, specific niche hobbies, chat) medical information, news and politics, local community and historical information; and *information gathering*, which include the gathering of information for business needs, this can cover technical resource information, academic research and company information. Portals support the information search stage of the buying process; research has found that consumers do make use of portals for the decision-making process in consumption behavior (Michael, 2006).

Hanson (2000) found that most Web users start their online activities at one of the main search or directory portal sites, hence making portals an important source of traffic that can be obtained for free. Managing an organization's portal presence requires traffic-building efforts that combine strategic and tactical activities. A key strategic initiative to manage ones portal presence is to classifying a site carefully using proper keywords, descriptors, and categories. This is very important especially for directories that group sites into specific classification systems.

Marketers of portals should work with the directory personnel to make sure that the latter correctly locate the company's site to provide a steady stream of visitors. Hanson (2000) further suggests that there needs to be a continuous tactical attention to effectively leverage the portals, especially search engines. He states that consumers search using



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