
Innovative products on the internet: the role of trust and perceived risk

Francisco-José Molina-Castillo*
and Carolina López-Nicolas

Department of Marketing
University of Murcia
Campus de Espinardo
30100 Murcia, Spain
Fax: +34-968-367986
E-mail: fjmolina@um.es
E-mail: carlopez@um.es
*Corresponding author

Abstract: The emergence of e-commerce has brought a new opportunity for selling new products on the internet. However, little research has been conducted to analyse the implications of product innovativeness on purchase intention and other related variables such as perceived risk and website trust. The intrinsic characteristics of new products and the open nature of the internet as a transaction infrastructure can enhance the positive or negative relationships between these variables. The aim of our investigation is to assist organisations in their innovative initiatives through a survey among 1396 internet customers. According to our results, firms selling innovative products on the internet should take into account not only the positive implications on purchase intention or website trust, but also the negative consequences that can arise from the increase in customer-perceived risk. This study has proven important recommendations from academic and managerial points of view.

Keywords: e-commerce; product innovativeness; perceived risk; website trust; internet marketing; innovative products.

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Biographical notes: Francisco-José Molina-Castillo (PhD, University of Murcia) is an Assistant Professor of Marketing at the University of Murcia, Spain. He holds a Master of Business and Foreign Trade degree, which involved a period of training at the Spanish Chamber of Commerce in Vienna, Austria. He received his BA in Business Administration from the University of Murcia and a BA (Honours) in Accounting and Finance in Europe from Manchester Metropolitan University. His research interests focus on new product launch and electronic business. He has published on these topics in such journals as *Telematics* and *Informatics*.

Carolina López-Nicolas (PhD, University of Murcia) is an Assistant Professor in the Department of Management and Finance at the University of Murcia, Spain. She holds a BA in Business Administration from the University of