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Abstract. Considerable effort has been expended to facilitate the adoption of electronic trading practices by supplier companies. Much of this effort has been successful but increasing the effective use of eCommerce by suppliers, especially small businesses, remains problematic. This problem is compounded when the suppliers trade across a number of different industry sectors and confront a diversity of trading platforms which are not interoperable. If they wish to trade electronically across industries, they may have to acquire the capability to use a variety of platforms, often duplicating effort. Alternatively, they may have to choose to deal with fewer buyers and forego some business opportunities. This paper reports the results of a survey of 2,495 Australian suppliers who trade with buyers in a number of different industry sectors. It provides insights into their experiences of trading with these diverse buyers and their views of the benefits of using a single electronic trading platform and the difficulties of trading electronically in this environment. The survey underlines the importance of a coherent approach by buyers as a group, across industries, to improve the attractiveness of electronic trading among small business suppliers. We conclude that enhancing the buyer-supplier relationship is important and needs to be fostered by ensuring positive outcomes for the supplier with buyers in many industries.

1. Introduction

Currently the effective implementation of eCommerce in various supply chains is more a vision than a reality, especially where smaller firms are
concerned [6]. Larger buyer organizations appear to lead eCommerce initiatives but experience problems in engaging their smaller trading partners. In contrast, many small and medium enterprises (SMEs) have little choice when their larger and more powerful customers demand certain implementations.

The greater power that larger companies have had over their smaller trading suppliers has been an effective driving force for B2B eCommerce implementation in industries such as retail or automotive. However, electronic trading (eTrading) has grown well beyond the established supply chains within a single industry [5, 20] and the influence of larger buyers may be less effective within a cross-sector environment, where suppliers have many customers from different industries. Suppliers often have to comply with each customer's system individually, demanding quite different business and technical requirements.

There are very few studies which investigate the supplier's perspective on transacting electronically in multiple sectors [7]. The study presented here investigates the current state of eCommerce readiness of suppliers who trade with larger buyers across multiple industries. It forms part of a collaborative, practical research program to assist suppliers (mainly SMEs) to implement eTrading on a scale that will provide real benefits to them and the organisations they supply. We focus the investigations on a subset of eTrading applications used for business transactions such as electronic ordering, invoicing and payment. This paper reports the results of the initial survey of 2,495 Australian suppliers. The survey was designed to determine the major drivers of eCommerce use and the major shapers of buyer-supplier relationships for these Australian small and medium businesses.

1. eCommerce in the Cross Trading Environment: Issues and Suppliers' Perspective

In Australia no discernible pattern of eTrading adoption has yet emerged, although the proportion of smaller businesses trading on-line is already significant and growing [16]. It remains to be seen whether it will follow the patterns found in the United States where the greatest impact of eCommerce is felt in purchasing and the high technology and spill over model is favoured [1, 2] or the European pattern where the main impact is in sales and marketing and a cluster model is more prevalent [1, 3, 18]. Regardless of the overall direction, however, eCommerce patterns in Australia share many of the characteristics of those found internationally. For example, there is a heavy focus among SMEs on email and website applications [15] and the concentration on connectivity
has obscured attention to the way SMEs use eTrading technologies, limiting the benefits they gain [9]. The fact that eTrading penetration rates are lagging at a time when the spread of inter-organisational information systems and global information exchange is becoming more intensive, exposes the increasing vulnerability of smaller businesses to these forces [15].

There are indications in the research literature that despite interest in the effect of company size on business strategy and its implementation and the widely acknowledged importance of this field of study, external attempts to improve the strategic nature of eTrading adoptions among SMES from generally superficial connections to more integrated and complex ones have largely failed to bear fruit [13]. In particular, there has been a failure to recognise that SMEs have a very different focus on the benefits of eTrading. Whereas larger companies appreciate that it offers them opportunities to simplify complex internal processes and address their larger supplier base, smaller firms are more likely to focus on the likely benefits of increased market reach eTrading applications can offer them [12].

Increasingly, evidence of the scope and range of these differences is emerging in the European literature. A recent large comparative study of SMEs and large firms confirmed that adoption and benefits from the uptake of eTrading vary with the size of a firm. Responding to competitors, providing enhanced customer services and improving relations with suppliers were driving eTrading uptake by smaller businesses to a greater extent than by their larger counterparts who viewed e trading more defensively [7]. Smaller firms also have special requirements concerning human and technology resources, which cannot be treated as equivalent to those of large corporations [11]. Particular features relating to the eTrading strategies of smaller firms have not been adequately distinguished from those of much larger enterprises - a deficiency which also relates to general perceptions of this sector. SMEs tend to be included in the market only as part of a supply chain or trading community rather than as an economic cluster [6, 24].

Contributing to the relative ineffectiveness of current strategies is the fact that the literature on eTrading by SMEs is generally conceptualised as balancing drivers and barriers [see for example 8, 14, 21]. The drawbacks of relying on this approach include overlooking the differences among individual SMEs, suggesting a single optimal approach, and discounting the influence of context on what the SME perspective might be. The domain of SME research studies is increasingly filled with fragments of knowledge rather than bodies of integrated understanding [19].

The limited nature of e-business adoption by SMEs trading across sectors and the absence of an integrated strategic approach to managing these technologies [4] ensures that the benefits will remain low among adopters. Low
levels of benefits for SMEs in turn, discourage further diffusion. Smaller firms appear to be wary of eTrading developments and some of the research findings suggest that a diffusion plateau may already have arrived for SME uptake of e-business offerings due to firms becoming disillusioned with the entire cluster of Internet technologies [9]. If this is the case, it could retard the network effect. As more firms use a network, its influence increases and the connection becomes more and more valuable [22]. As the value for the user entities increases with the diffusion of the technology, it creates lock-ins and self-reinforcing effects [23]. Diffusion of eTrading is heavily reliant on these network effects.

The eTrading issues for SMEs are a major concern for third party providers, policy makers and development agencies. Inadequate attention to conceptualisation by third party providers has resulted in poor alignment with the actual SME perspective and their offerings. Significant disparities exist between what application software providers (ASPs) currently offer and the priorities of SMEs in selecting e-business technologies. Whereas ASPs are focusing on competitive weapons, SMEs are much more interested in those aspects of eTrading that will assist them with the better management of their day-to-day operations [10]. Conceptualisation problems and inadequate strategies based on untested assumptions are associated with lack of attention to the needs of the individual SME supplier [11]. The relatively few studies carried out in the specific context of SMEs [7] provide a clear indication of the need for further work on eTrading issues for this sector.

2. Supplier Wide Electronic Engagement Project (SWEEP)

This study is part of the SWEEP project, a collaborative, practical research program to help overcome the obstacles to effective eTrading. The project was developed in 2002 by two of the authors of this paper in conjunction with several large companies and government departments. SWEEP provides information to suppliers (mainly SMEs) about conducting business transactions electronically. It does this via a website to help them transact with their corporate customers on a scale sufficient to generate real benefits both to the suppliers themselves and the organisations they supply. It is expected that many participating suppliers will seek to improve their transaction processes through eCommerce in order to gain customers among key corporate and government organisations.
An early step in the project was to survey a large number of suppliers which were common to several major Australian enterprises and discover some basic information about their use of and orientation to electronic B-2-B transactions.

This report summarizes the survey findings and outlines the answers it provides to the following questions:

What are the characteristics of supplier businesses which are prepared to use eCommerce and how do these businesses differ from suppliers who are not eCommerce ready?

What do supplier businesses see as the benefits of business transactions online, using a common platform to communicate with all their business customers.

What do supplier businesses see as the negative aspects of B2B eCommerce implementation and how do they view the benefits of electronic transactions balanced with the impediments to transacting electronically?

3. Study design

3.1. Sample selection

The sample for the survey was drawn by combining lists of the suppliers of nine large corporations and government departments which had an interest in the project. Each of these organisations had discussed with the SWEEP team issues of electronic trading with suppliers and of supplier engagement. Each had attempted to encourage their suppliers to trade with them electronically. These organisations represented six different industry sectors. The purchasing departments of each of these organisations provided the SWEEP team with a list of all their current suppliers. Each supplier was identified by their Australian Business Number (ABN), a unique identifier of the enterprise. These lists were merged and duplicate entries were removed, resulting in a list of approximately 89,000 individual supplier companies. Other information contained in this list comprised company name and company addresses including postal codes.

In order to include suppliers across the country in both regional and metropolitan areas, the supplier list was divided into regions based on postal codes and, after eliminating those regions which contained fewer than 100 businesses, 27% of businesses in each of the remaining regions were randomly selected yielding a total of 12,000 potential participants. Budget limitations restricted the survey to the first 5,114 completed calls. The list of suppliers was
randomised to yield a sample distributed across the country in both regional and metropolitan areas. Of the businesses for which contact with an appropriate person was made, 48.8%, or 2,495 businesses, answered the survey.

The industry sectors in which the participating buyer companies traded included retail, government, healthcare, mining and communication services, but many suppliers also had buyers in a variety of other industries. Thus, the respondents were trading in a network setting rather than simply being part of specified supply chains. Most of the participants were small businesses with a few medium-sized businesses included (based on the Australian government's definition of business size).

A decision was made to use computer assisted telephone interviewing conducted by a university-based survey research unit\(^1\) as this was felt to be potentially much more effective than either a postal or an on-line survey. Trained student interviewers were able to identify the appropriate person to interview within the supplier company. All the interviewers were briefed on the purpose and nature of the survey. When they rang the business they asked to speak with the Purchasing Manager or Accounts Manager. The phone interview technique undoubtedly produced a higher response rate (nearly half of those who were contacted agreed to answer the questions) than a postal or web-based survey would have done; it also facilitated the rapid analysis of the data since the input of response data occurred as the interview proceeded.

3.2. Survey instrument

The survey used a structured questionnaire for collecting data. (The survey questions are listed in the Appendix at the end of this paper). Interviewees were asked how their business conducted its business transactions such as receiving purchase orders, sending invoices and receiving confirmation of delivery. The survey included questions about the methods used to transact business with customers, the benefits they believed they would gain from using a single trading platform and any problems they had encountered which had a negative impact on the company's e-trading effectiveness. Respondents were also asked if their company had ever gained business because they were prepared to use an e-trading platform required by a customer or ever lost business because they were not prepared to use an e-trading platform required by a customer. Finally,

\(^1\) This was the Australian Survey Research Infrastructure Network at Deakin University, Melbourne, Australia. The authors would like to thank Dr Betsy Blunsdon, Associate Professor Ken Reed and the team of ASRIN researchers for their assistance with the interviewing and data collation.
they were asked if improving e-trading effectiveness was a major goal for the company.

3.3. Data analysis

All data was analysed using SPSS 11.5. Chi-Square tests of significance were carried out on categorical data and one way ANOVA with LSD post hoc tests were undertaken on parametric data. Categorical data included the channels used, the benefits and barriers of eTrading and the categorisation of firms into different levels of engagement with eTrading. Parametric data, on the other hand, included the number of channels used and the number of benefits and barriers identified.

3.4. Limitations of the survey

Because the questionnaire was short and structured, it permitted no scope to explore the issues raised in any detail. Although care was taken to identify the right person in each supplier organisation, it is possible that an uninformed person answered the questions. These limitations meant that we could not explore the complexities of business decision-making but were restricted to looking for patterns of eTrading usage or their relationship to other variables (e.g., business strategy, security awareness, plans for business development, competitive positioning) to suggest how suppliers approached the issue of electronic business. As a result, the findings here provide only indication of the variations in eTrading approaches and experiences. Subsequent stages of the research program will use more detailed questionnaires and multiple case studies.

I took out of the last sentence a reference to multi-sector trading as there seems to be no reason to highlight it here when we do not highlight it in the conclusions.
4. Results and Discussions

4.1. Level of engagement

Respondent firms were asked to identify from a list, the methods they used to transact business with their customers. These transaction methods included mail, fax, EDI, Web-services, email and ‘other platform’.

Three major groupings were identified based on the respondent’s use of these transaction channels and their future eTrading plans:

*ECommerce-ready* suppliers currently use at least one eTrading channel such as EDI or web-services. Seventy five percent (75%) of respondent firms fall into this category. A majority of these organisations (56.7%) see the further improvement of eTrading as a major goal for their company.

*Aspirant* suppliers do not currently use an eTrading channel but they see improving eTrading as a major goal for the company. Approximately 10% of respondents were in this category.

*Non-engaged* businesses do not use eTrading processes and do not plan to develop this capability. These organisations use only mail or fax for their trading activities and improving eCommerce effectiveness is not a major goal for these companies. This group accounted for 16% of the respondents.

There was a small but significant difference in level of readiness between firms located in regional as opposed to metropolitan areas of Australia. Fewer regionally-located firms were ECommerce-ready (70% vs 77%) and more were classified as Non-engaged.

4.2. Suppliers’ use of transaction channels

The average number of transaction channels used by these three groups was significantly different (One way ANOVA, F=1231.9, p<0.001). Figure 1 shows the range of channel use by the participants.
The Non-engaged used on average 2.3 channels, the Aspirants 2.6 channels and the eCommerce-ready 4.3 channels. Post hoc tests showed that all three group averages were significantly different to each other (LSD, $p<0.05$).

This figure also shows that nearly half of the eCommerce-ready group were using four disparate transaction channels with nearly as many using five channels. This suggests that the efficiency advantages of eTrading could be better realised if more of their customers and suppliers moved to electronic trading platforms. Additionally, companies seem to use a variety of transaction channels to do their business activities even though they had instituted eTrading, which suggests that companies seem to add another form of transaction channel rather than replacing the traditional channels when they adopt eTrading initiatives.

### 4.3. Perceived Benefits of eTrading

Respondents were asked what they saw as the business benefits of using a single electronic transaction platform. The list included saving money, receiving payment more quickly, saving time, attracting more customers and increasing business volumes. Table 1 shows the responses to this question.

<table>
<thead>
<tr>
<th>Benefits to eTrading</th>
<th>non engaged</th>
<th>Aspirants</th>
<th>EC-ready</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>saves money</td>
<td>44.6</td>
<td>65.0</td>
<td>64.9</td>
<td>61.7</td>
</tr>
</tbody>
</table>
get paid quickly  53.6  70.4  73.4  70.0
saves time 65.2  84.2  81.4  79.0
attracts customer 25.6  42.1  44.2  41.0
increases business 25.6  48.8  46.9  43.7

A majority of suppliers said that saving time, getting paid quickly and saving money were benefits. Significantly fewer non-engaged firms identified each benefit than did aspirants and eCommerce-ready firms ($\chi^2>47$, df=2, $p<0.001$). However, as Table 1 shows there was little difference between the overall number or type of benefits identified by the Aspirants and the eCommerce-ready firms. Efficiency gains – saving time and money and getting paid more quickly, were cited more frequently than business development benefits: attracting more customers or increasing business.

Views of the benefits of eTrading varied noticeably between the Non-engaged and the other two groups. The Non-engaged identified on average 2.1 benefits of eTrading compared with 3.1 for Aspirants and the eCommerce Ready (one way ANOVA, $F=61.9$, $p<0.001$). Most significantly, about 90% of both of these groups identified two or more benefits from a single eTrading platform. However, about 30% of the Non-engaged group saw no benefits at all of eTrading and a similar percentage (29.2%) identified only one benefit. Only 25% of Non-engaged firms believed that a single trading platform would increase business volume or attract customers in contrast to nearly half of those in the other two groups.

This finding suggests that eTrading is not yet widely viewed as a strategic priority by many suppliers and that they may not see the importance of streamlining their transaction processes. It is interesting to note that just fewer than 10% of the eCommerce-ready group saw no benefits in using a single platform, perhaps because of their willingness to use multiple platforms. It also is consistent with suppliers responding to initiatives from their buyers rather than initiating eTrading strategies themselves.

4.4. Barriers to eTrading

Respondents were asked about the factors that make it difficult for them to undertake eTrading. The lists of factors included were the cost of implementation, technical support, not enough customers trading electronically, the suitability of eCommerce for the business products and services they offer,
and whether their knowledge about eTrading was sufficient. Table 2 summarises the responses to this question.

<table>
<thead>
<tr>
<th>Table 2. Barriers to eTrading by eCommerce readiness (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barriers to eTrading</td>
</tr>
<tr>
<td>Cost too high</td>
</tr>
<tr>
<td>Technical support problems</td>
</tr>
<tr>
<td>Too few eCustomers</td>
</tr>
<tr>
<td>No skills in house</td>
</tr>
<tr>
<td>Not for our products</td>
</tr>
<tr>
<td>Don't know enough</td>
</tr>
</tbody>
</table>

Having too few eCustomers was the most common barrier identified by all three groups. This suggests that the perception of buyer behaviour is critical in eCommerce decision-making about electronic transactions for all companies and that more will adopt or expand eTrading when the network is better established. Of course, we must remember that suppliers and buyers are not mutually-exclusive groups. The customers referred to may, in fact, be businesses which see themselves primarily as suppliers. These network effects are an important factor in launching and sustaining eTrading. While the eCommerce-ready group and the Non-engaged have come to different conclusions about the appropriateness of eTrading for their companies, a majority of both groups recognise the barriers created by lack of eCommerce-readiness on the part of their trading partners.

The Non-engaged group identified most barriers (2.5), the Aspirants the second most (2.3) and the eCommerce-ready, the least (2.1). There was a statistically significant difference between the response of eCommerce-ready firms and that of the other two groups (one way ANOVA, LSD post hoc test, mean difference 0.274, p<0.02). This was one of the few areas where the Aspirants and the eCommerce-ready firms show a significant difference in their responses.

The Aspirant group also nominated another reason nearly as commonly as lack of customer readiness: 50.4% of them said ‘We don’t know enough about eTrading’. This contrast with responses of the Non-engaged firms, among which the second most common barrier was: ‘It doesn’t work for our products’. These response patterns confirm the Aspirants as a group more likely to engage with eTrading.
Suppliers need to weigh up the barriers against the benefits of moving to eTrading. Figure 2 shows how the combinations of barriers and benefits were distributed. A response identifying only one or no benefits was classified as 'low benefit'; two or more as 'high benefit'. When two or fewer barriers were identified, the response was categorised as 'low barriers'; three or more barriers as 'high barriers'.

![Figure 2. eTrading Benefits vs Barriers](image)

Nearly half of the respondents saw many benefits of eTrading but also perceived significant barriers. Fewer than 20% of respondents believed that eTrading provided a low level of benefits.

Interestingly, all respondents were less likely to identify eTrading barriers than they were to identify benefits. They could see both benefits and barriers, especially if they were using many channels to transaction business. Of those businesses employing at least five transaction methods, 59.1% identified high barriers and high benefits to eTrading. This was a significantly higher percentage than those who used only one or two transaction methods (32.8%) and those who use three or four transaction methods (46.4%), indicating that the more channels used, the greater the likelihood that benefits of eTrading will be identified.

4.5. Industry sector influence

The sample of firms participating in the study was suppliers drawn from lists provided by the nine corporations and government departments referred to in Section 4.1. Table 3 summarises the industry sectors of these firms by level of
engagement with eCommerce. Six industry sectors appeared in the data set with a high frequency (at least 10% of the sample population).

Table 3. Industry Category and eCommerce Readiness (\%)

<table>
<thead>
<tr>
<th>Industry category</th>
<th>eCommerce-ready</th>
<th>Aspirants</th>
<th>Non-engaged</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>79.9</td>
<td>8.5</td>
<td>11.6</td>
<td>100</td>
</tr>
<tr>
<td>Wholesale</td>
<td>78.5</td>
<td>8.8</td>
<td>12.7</td>
<td>100</td>
</tr>
<tr>
<td>Retail</td>
<td>74.5</td>
<td>11.5</td>
<td>14.1</td>
<td>100</td>
</tr>
<tr>
<td>Property and Business Services</td>
<td>80.5</td>
<td>7.0</td>
<td>12.4</td>
<td>100</td>
</tr>
<tr>
<td>Health and Community Services</td>
<td>60.1</td>
<td>13.4</td>
<td>26.5</td>
<td>100</td>
</tr>
<tr>
<td>Personal and Other Services</td>
<td>66.7</td>
<td>10.4</td>
<td>22.9</td>
<td>100</td>
</tr>
</tbody>
</table>

4.6. The buyer-supplier relationship

eTrading can have a major impact on the relationships between buyers and suppliers [5]. Although our focus in this survey was on transactions with buyers, many businesses have to deal with the transaction requirements of their own suppliers as well as those of their customers. Businesses dealing with suppliers or customers using a variety of trading channels must implement these themselves. The fact that the businesses in our survey use on average 3.8 transaction channels indicates that there is pressure in the buyer-supplier relationship to be able to use several transaction channels. This point to considerable inefficiency in the transaction systems of the participants that might be reduced if they could manage multiple platforms in an integrated fashion within their own business processes.

Slightly more than half of the eCommerce-ready group employed fax, EDI and web-services for eTrading purposes, while the 15% of Non-engaged businesses who employed fax did not use EDI or web services at all. The use of email was more broadly used with 54.6% of Non-engaged, 77.1% of Aspirant and 92.8% of eCommerce-ready businesses use e-mail to transact business.

Another indication that eTrading affects business relationships was that some participants had either lost or gained business opportunities as a result of their decision to adopt or not-to-adopt eTrading. As shown in Figure 3, the number of respondents who had gained business because they had adopted a
trading platform was substantially higher than those who had lost business because they had not adopted a platform in all of the groups.

*Figure 3. Loss or Gain of Business by Group*

Of the eCommerce-ready firms, 8.1% claimed to have lost business because of choice of eTrading platform, while 10.2% of Aspirants and 13.7% of the Non-engaged said they had lost business. On the other hand, 39.2% of eCommerce-ready businesses claimed to have gained business because of choice of transaction platform, while 32.5% of Aspirants and only 19.5% of the Non-engaged agreed. The eCommerce-ready suppliers had gained an advantage from their eTrading capability not experienced by the other groups.

The disparity between lost and gained business was highest among the eCommerce-ready group, suggesting that they may be more aware of this or that they had more experience of evaluating the effects of decisions about transactions. The survey does not tell us, of course, what was the business impact of these pressures or the decisions the suppliers took. It indicates the extent to which this had been an issue for the business.

Looking at the analysis overall, some key points can be summarised.

At this stage eTrading does not reduce the number of transaction channels and as a result its efficiency benefits are somewhat undermined. This is reflected in the relatively high proportion of all three groups of respondents saying that not enough of their customers were trading electronically. This was the most commonly nominated barrier.
Some members of all groups reported losing business because they had been unable or unwilling to adopt a particularly trading platform, but an even greater number reported that they had gained business because they were willing to trade in a specified way. The eCommerce-ready group reported the highest level of business gained. This indicates that ability to adopt a trading platform can be a business advantage, even where there are multiple platforms.

The difference between the eCommerce-ready group and the Aspirants is minor. Aspirants reported more barriers than the eCommerce-ready group. It is enablement rather than awareness or acceptance that seems to be the issue for them. Additional assistance could make a significant difference for them.

The Non-engaged group saw significantly more barriers and fewer benefits than the other groups. The perceived inappropriateness of eCommerce for their business was a significant response for this group.

When matching perceptions of barriers and benefits, the most common response was that there was both a high level of barrier and a high level of benefit. This finding also points to the importance of enablement in encouraging more suppliers to transact electronically.

These results underline the importance of developing a cross-sector strategy for enabling effective electronic trading. This is clearly an issue for the whole sector, not just an issue for individual companies, trading partners or industries. The benefits of eTrading rely on widespread usage and cross-industry support.

5. Conclusions

Many organisations have difficulty engaging their suppliers in electronic trading and eCommerce initiatives. While the potential benefits have been well documented, the eTrading engagement process remains problematic. This issue is particularly acute with small and medium enterprises (SMEs) which have limited resources and limited power. The problem is compounded when the suppliers trade across a number of different industry sectors and confront a diversity of trading platforms which are not interoperable. If they wish to trade electronically across industries, they may have to acquire the capability to use a variety of platforms, often duplicating effort. Alternatively, they may have to choose to deal with fewer buyers and forego some business opportunities.
This survey is the first part of a larger ongoing study that aims to contribute a better understanding of eTrading from the suppliers' point of view, a useful counterbalance to the dominant perspective of large buyer companies. At this point the project has been largely directed towards gaining an overall appreciation and description of the current use of eTrading channels and the perceived benefits and barriers of eTrading. Our findings indicate the importance of measures that would help companies overcome the barriers to eTrading, including managing multiple platforms. Only a small percentage of respondents were saw no benefits in streamlined, one-platform eTrading but many saw barriers, including those who were ECommerce-ready. Adoption or improvement of eTrading was a major company goal for the majority (52%) of respondents including 57% of the ECommerce-ready group. These patterns indicate that considerably more work remains to be done, by suppliers, their customers and other bodies (such as industry and government groups) with an interest in promoting electronic transaction effectiveness.

While this survey study has been quite broad brush in its initial approach, the authors will use the results as a basis for further studies which will provide more in-depth understanding of how small businesses make decisions about eTrading platforms in the context of their overall business strategies. It seems likely that the understanding of the eTrading decisions of suppliers will require deeper knowledge of their individual business strategies and of the broader business context in which they operate. Such studies could better reveal the inter-relationships between the company's business strategy and its decision to implement eTrading.

REFERENCES


APPENDIX

1. First of all, what is the major activity of your business?

2. Which of the following methods do you use to transact business with your customers?

   - Mail  YES ≤ NO ≤ DON'T KNOW ≤ NO REPLY ≤
   - Fax   YES ≤ NO ≤ DON'T KNOW ≤ NO REPLY ≤
   - EDI\(^2\) YES ≤ NO ≤ DON'T KNOW ≤ NO REPLY ≤
   - Webservices\(^3\) YES ≤ NO ≤ DON'T KNOW ≤ NO REPLY ≤
   - email YES ≤ NO ≤ DON'T KNOW ≤ NO REPLY ≤
   - Other platform YES ≤ NO ≤ DON'T KNOW ≤ NO REPLY ≤

3. [Ask either a. or b.]
   - a. [If using only EDI or Webservices or Other platform]
      You appear to be using only one trading format for all you customers.
      Which of the following benefits does your company gain from using the one electronic format?

\(^2\) EDI – (electronic data interchange) = exchange of business documents between computers, usually using proprietary networks.

\(^3\) Webservices – services such as payment or authentication provided over the internet by a third party.