Critical Success Factors of E-Commerce: External factors beyond the corporate perspective

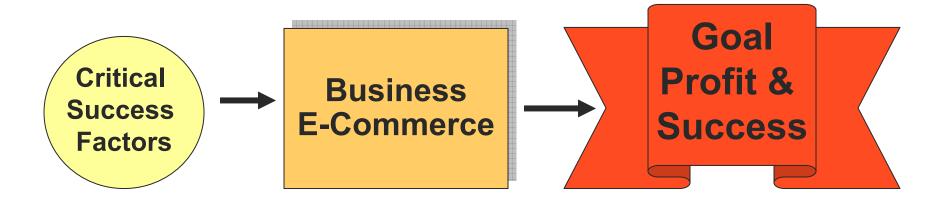
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Agenda

- Background
- Literature review
- Research Question
- Research Model & Proposed Factors
- Further study

Background



Background

- CSFs of existing studies are confined to:
 - Web site related factors
 - Technological & Infrastructure factors
 - Business related factors
- Be managed by company or by any application.
 - E.g. personalization, recommendation system.

Literature Review (1/2)

Web site related factors

- Customer relationship
- Plenty of information
- Privacy of information
- User-friendly interface
- Ease of use

Technological & Infrastructure factors

- Security
- Electronic payment system
- Speed of information searching
- Speed of system

Literature Review (2/2)

Business related factors

- EC Strategy: Ex. variety of goods/services, low price of goods/services
- Skills enhancement
- Support of top management

Research Question

- Are there any external factors, which are out of the scope of business management but are critical to the success of EC?
- Objective: To identify the external factors, which are critical to the success of EC.

Research Model

Context of Business

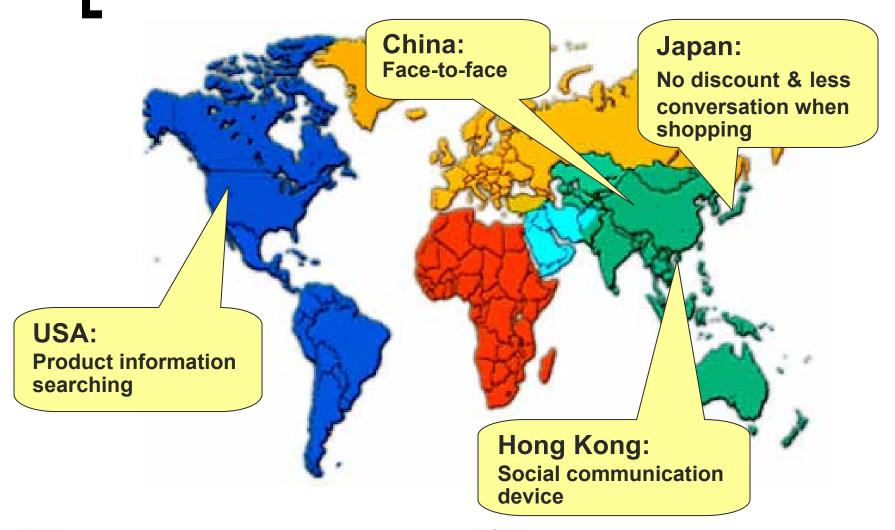
Electronic Commerce

- ➤ Technological & Infrastructure Factors
- ➤ Business related factors
- >Web site related factors

External Factors

- ✓ Culture
- ✓ Language
- ✓ Religion
- ✓ Personal Characteristic
- ✓ Government support

Proposed External Factors (1/6)



Proposed External Factors (2/6)

Success of E-Commerce

Culture Factor

Purpose of using the Internet are different because of cultural differences.

Proposed External Factors (3/6)

Personal Characteristic

 The amount of self-judgment time could convince anyone to shop online.

Language

- No. of Non-English Internet users= 2 times No. of English Internet users.
- GDP of Non-English Internet users=2 times that of English Internet users.

Proposed External Factors (4/6)

Religion

- Numerous religious Web site on the Internet e.g. Christianitytoday.com, Christianbook.com, Catholic.org
- Services, products, and information relating to religion such as Bible book, Islam Muslims Books and Christian web design for churches.
- Number of Internet users grew from 4.2 percent to 6.4 percent of the total online population, 52.4 percent increase.

Proposed External Factors (5/6)

Government support

- The attitude of ASEAN Government towards the Internet*.
- Singapore government supports the Internet and EC vigorously.
- IDC** forecasted Internet Commerce Revenue in Singapore increases 30 times from 1998-1999.

^{*}Foundation of Multimedia Promotion Center, "アジアにおけるインタネット及び電子 商取引の現状と働向", 財団法人 マルチメディア振興センター, March 1999.

^{**}P. Durongkaveroj, "E-Commerce Development in Thailand", Thailand Electronic Commerce Resource Center, January 2003

Proposed External Factors (6/6)

Government support

- Indonesia government passively supports Internet and EC.
- IDC* forecasted Internet commerce revenue increase 5 times from 1998-1999.

^{*}P. Durongkaveroj, "E-Commerce Development in Thailand", Thailand Electronic Commerce Resource Center, January 2003.

Methodology (1/2)

Religion

- To find the number of religious web sites on the Internet ex. In Google Directory, Yahoo Web Directory.
- To gather information about Internet users and E-Commerce spending per buyer categorized by religion.

Methodology (2/2)

Culture & Personal Characteristic

- To gather the percentage of E-Commerce Web site categorized by product segments
- To gather information about payment style of online customers: Ex. Credit card, bank transfer

Language

 To gather the percentage of E-Commerce Web site categorized by language

How it is interesting

- 1) To be a guideline for the business to conduct the EC.
- 2) To support in EC strategy planning.
 - E.g. Marketing
- 3) New EC Business model may come up.
 - Religious EC web site

Further Study

- Research methodology
 - Hypothesis Testing
 - Data analysis
 - Conclusion & Discussion

