TABLE OF CONTENTS

1. INTRODUCTION 1

1.1 The Use of Internet for Business 1

1.2 Research Questions 2
   1.2.1 Research Objectives 3

1.3 Significance of the Study 3

1.4 Scope of the Study 4

1.5 Research Approach 5

1.6 Limitations of the study 6
   1.6.1 Survey 6
   1.6.2 Other Important Factors 6

1.7 Organisation of the Study 7

2. LITERATURE REVIEW 8

2.1 The Internet 8

2.2 World Wide Web (WWW) 9

2.3 Characteristics of Internet 9

2.4 Internet Services 11
   2.4.1 Internet Access 11
   2.4.2 Electronic Mail (E-mail) 11
   2.4.3 Web Pages and Web Sites 11

2.5 The Internet as a Commercial Medium 12
   2.5.1 Internet in Asia 13
   2.5.2 Internet in Malaysia 13

2.6 Internet Surveys on Users 14
2.6.1 GVU 9th WWW User Survey
2.6.2 1st Asian AltaVista Asianwide User Survey (1997)

2.7 Business Use of Internet
2.7.1 Marketing and Advertising
2.7.2 Market Research and Information gathering
2.7.3 Customer Service and Support
2.7.4 Electronic Commerce
2.7.5 Communication and Other Functions

2.8 Factors Influencing the Use of Internet for Business
2.8.1 Benefits to the Firms
2.8.2 Firms Perception on Internet and E-Commerce
2.8.3 Firm Size
2.8.4 Information Need
2.8.5 Competitiveness of Environment
2.8.6 Staff Internet Knowledge
2.8.7 Barriers to the Use of Internet

3. RESEARCH METHODOLOGY

3.1 Research Models

3.2 Research Hypothesis

3.3 Sample
3.3.1 Internet Survey
3.3.2 Survey by Traditional Method

3.4 Data Collection Procedure
3.4.1 Data Collection Method
3.4.2 Survey Questionnaires

3.5 Measurement
3.5.1 Likelihood of Using Internet
3.5.2 Extent of Using Internet
3.5.3 Perception Towards Internet
3.5.4 Firm Size
3.5.5 Information Need, Competition and Staff Internet Knowledge 44

3.6 Data Analysis Techniques 44

4. RESEARCH RESULTS 46

4.1 Instrument Validation 46
  4.1.1 Factor Analysis 46
  4.1.2 Reliability Test 49

4.2 Characteristics of Organisations 50
  4.2.1 Perception Towards Internet 52
  4.2.2 Internet Usage Pattern of Organizations 54
  4.2.3 Internet Applications in Business Process 56

4.3 Hypothesis Testing 58
  4.3.1 Likelihood of Internet Adoption 58
  4.3.2 Extent of Using Internet for Business 63

4.4 Barriers to The Use of Internet for Business 68
  4.4.1 Reasons for not using or using more of Internet applications 68
  4.4.2 Problems that faced by the Internet users 71

5. CONCLUSION AND RECOMMENDATIONS 74

5.1 Summary of Results 74

5.2 Conclusions 77

5.3 Suggestions for Additional Research 78

5.4 Implications of the Research 79

6. BIBLIOGRAPHY 80

7. APPENDICES 84