

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 GVI 9 th WWW User Survey	14
2.6.2 1 st Asian AltaVista Asianwide User Survey (1997)	15
2.7 Business Use of Internet	16
2.7.1 Marketing and Advertising	17
2.7.2 Market Research and Information gathering	17
2.7.3 Customer Service and Support	18
2.7.4 Electronic Commerce	18
2.7.5 Communication and Other Functions	19
2.8 Factors Influencing the Use of Internet for Business	20
2.8.1 Benefits to the Firms	21
2.8.2 Firms Perception on Internet and E- Commerce	23
2.8.3 Firm Size	26
2.8.4 Information Need	28
2.8.5 Competitiveness of Environment	29
2.8.6 Staff Internet Knowledge	29
2.8.7 Barriers to the Use of Internet	29
3. RESEARCH METHODOLOGY	34
3.1 Research Models	34
3.2 Research Hypothesis	35
3.3 Sample	38
3.3.1 Internet Survey	38
3.3.2 Survey by Traditional Method	38
3.4 Data Collection Procedure	39
3.4.1 Data Collection Method	39
3.4.2 Survey Questionnaires	40
3.5 Measurement	43
3.5.1 Likelihood of Using Internet	43
3.5.2 Extent of Using Internet	43
3.5.3 Perception Towards Internet	43
3.5.4 Firm Size	44

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