

## Abstract

Research Title : The Factors Influencing successful Implementation of E-Commerce to Create Competitive Advantage, within SME Businesses.

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The purpose of this research is to identify factors influencing e-commerce adaptation for small and medium sized enterprises and factors influencing successful e-commerce implementation. Another purpose is to investigate the barriers restricting the use of e-commerce within businesses.

In order to achieve the objectives of this research, the researcher collected data from random sample both using and not using e-commerce. The data was comprised of the results of 310 questionnaires, as well as 10 interviews with owner/managers of businesses who are currently using e-commerce successfully. Finally, the data were analyzed using descriptive statistics, which included percentages, average, and the standard deviation of pertinent factors.

The result of this research indicate that the sample agree on the important factors with influence SMEs to use e-commerce. The influencing factors are:

Organizational Factors: the level of support to use ecommerce, the attitude of owner/manager and employee to use ecommerce, the resources and readiness of organization such as budget people and technology.

Technology factors: owner/manager perception of benefit of ecommerce, industry compatibility.

Competitor factors: Pressure from competitor and the threat of substitute products or services

Customer factors: level of customer encouragement and the changing

consumer's culture of society

Government factors: level of support from government, the development of ecommerce infrastructure and ecommerce consumer protection law or policy.

The above factors influence the implementation of E-Commerce within SME businesses but they do not determine the level of success. The following factors influence a greater level of success in the implementation of E-Commerce. Success is defined as:-

- Higher total sales for the business.
- Higher number of retained or returning customers.
- Higher number of new customers.
- Greater ease in providing information and advice to customers.
- Decrease in marketing spends.
- Greater company or brand awareness.

Product Factors: The suitability of the product to be sold via E-commerce, for example the ease of delivery, the uniqueness of the product.

Price Factors: The product's value for money and whether it is in-line with retail prices.

Promotion Factors: The targeting of promotions to customers' needs and desires using information from customer polls and web-boards.

Place Factors: The design and ease of user interface, the length and suitability of domain name, the level of information provided detailing the business and products available, the companies' consumer protection policy, the use of up-to-date information.

Process Factors: The planning of e-commerce prior to set up, available channels of payment, ordering and delivery, a clear returns policy, the stability of the E-Commerce system, the speed of process from payment to delivery.

Privacy Factors: The compliance with strict data harvesting and protection regulations and policy.

Personalization Policy: The ability to target individual customers with specific promotions or product lines, according to their consumer habits.

In conclusion, the research would suggest that in order for a company to be successful in e-commerce they should have a high level of care about the needs and desire of its customer base. Although e-commerce loses the personal touch of a retail business, it is better at reaching a larger audience and, with the use of online customer satisfaction surveys, better at converting potential customer into sales by using targeted advertising. However, an e-commerce business should strive for the same level of service. It offers its retail customer, using clear consumer focused policies. In a time when SMEs, often have such high level of aggressive product competitors, high level of service are key to customer retention, brand awareness and developing a growing customer base. There is currently around 2 millions SMEs operation with Thailand which suggests that they will play a significant role in developing the economy of the country for many years. One factor that can affect this, that effect all companies involved is government. With government support and consistent policies, protecting the consumers through better education and law, e-commerce for SME businesses will aid in the growth of Thai economy.