

Chapter 4.14

Internet Adoption from Omani Organizations' Perspective: Motivations and Reservations

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ABSTRACT

In this paper, to the authors determine the motivations and reservations for Internet/E-business adoption within the organizations in Oman. For this purpose, questionnaires were used to collect the data from the organizations that have adopted Internet and the organizations that have not adopted Internet applications. The results and analysis of the data show that the main reasons for adopting Internet applications in Oman are to simplify process, improve communication with

staff, keep up with competitors, and reduce the use of paper. The lack of skill and security problems is the main reservation for not adopting the Internet.

INTRODUCTION

“The Internet is an extremely important new technology, and it is no surprise that it has received so much attention from entrepreneurs, executives, investors and business observers” (Porter, 2001, p. 1). While the Internet and the World Wide Web (www) as mainstream communication tools have been widely used throughout the world by

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various organizations (Kula & Tatoglu, 2003, p. 324), some others are as Sadowski noted, "barely interested in adopting Internet" (Kula & Tatoglu, 2003, p. 325). Those organizations have got different reasons and aspects in order to adopt Internet application or not.

The purpose of this study is to explore the adoption and non adoption of the Internet and e-business applications in Oman through a sample of organizations that have adopted Internet and others that have not. Drawing on the reasons that drives an organization to adopt/not adopt Internet, the benefits and opportunities that they gain through it and what are the challenges that may prevents an organization to adopt Internet application.

LITERATURE REVIEW

Internet /E-Business

Using the Internet or the "Global Network" (Kula & Tatoglu, 2003, p. 324), is one of the opportunities arising from the increase of the electronic communications through the different applications of information technology. Since the growth of the usage of the Internet through the globe passed 1 billion for the first time in 2006 (Chaffey, 2007, p. 4), many of the of the business have adopted their process using Internet through Electronic business and Electronic commerce.

E-business is about conducting business electronically over the Internet which could include different activities such as communication, marketing, and collaboration (Navarro et al., 2007) and E-business as Plessis & Boon emphasized is about creating an electronic Internet-based platform to allow customers, suppliers, and employees to collaborate with one other through the sharing of data, information and knowledge (Navarro et al., 2007).

In addition, as Johnston noted, the knowledge regarding implementing E-business or adopting Internet in general are very important to an or-

ganization since the e-business is the result of a virtual interaction between an organization and its partners (Navarro et al., 2007). Although e-business provides organizational members with a better understanding of the market they are playing in; as Tolman noted, very little is achieved if they do not link these understandings with the thoughts that an individual has about a particular situation or problem of interest (Navarro et al., 2007).

Reasons and Benefits of Adopting Internet

There has been substantial managerial interest in opportunities to use e-business technologies (Sanders, 2007) for many reasons. First of all, to create competitive advantage (Sanders, 2007) through adopting new technologies (Chen et al., 2006). Cost reduction of the transactions is another reason for adopting Internet since most of the services would be provided with lower cost (Sanders, 2007; Chen et al., 2006).

In addition, as Boon & Ganeshan noted, e-Business technologies are digitally enabled and information technologies are used to accomplish business processes (Chen et al., 2006) by simplifying these process and reducing paper work, which result in time saving as well money. Moreover, they adopt Internet in order to increase and have greater knowledge about IT and participation in IS planning (Chen et al., 2006). One of the Important reason is to improve communication with staffs, customers, suppliers and other partner (Kula & Tatoglu, 2003).

Many organizations have gain many benefits through adopting Internet. For Instance, adopting Internet result in increasing sales and grate cost reduction (Lancioni et al., 2003) including Supply, marketing and administrative cost in many organization. In addition, it enhance the organization and business image among other competitors. Moreover, the Internet offers direct links with customers, suppliers and distributors and

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