Small Business and Regional Portals in Australia

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**BACKGROUND**

A portal is a special Web site designed to act as a gateway to give access to other related sites (Tatnall 2005b). It is often used as a base site that users will keep returning to after accessing other sites, and is often seen as a starting point for specific groups of users when they access the Web. What is unique about Web portals is the way that these special sites are now being used to facilitate access to other sites that may be closely related, in the case of special purpose portals, or quite diverse in the case of general portals (Internet.com, 1999).

There are many differences in the ways in which small businesses adopt and use information technology (IT) by comparison with larger businesses. Small businesses are constrained by a lack of resources (time, money and expertise) and the strategic, longer-term focus necessary to plan effective use of IT. These differences extend to the adoption and use of the Internet and electronic commerce. This article considers the still evolving concept of portals and the potential use of community and regional portals by small businesses. Benefits that portals can provide to small businesses are discussed here, and two Australian regional portals are contrasted against the more generic e-mall to illustrate the benefits that portals can provide for small businesses.

The term *Web portal* is overused and difficult to define precisely. There is no definitive categorisation of the types of portal, but Tatnall (2005a) offers the following:

1. **General Portals:** Portals can aim to provide links to sites that can be either closely related or quite diverse. General portals provide links to all sorts of different sites of the user’s choosing, many having developed from being simple search tools (such as Yahoo), Internet service providers (such as AOL), and e-mail services (such as Hotmail).

2. **Vertical Industry Portals:** Usually based around specific industries and aggregate information relevant to particular groups, or ‘on-line trade communities’ of closely related industries. They aim to facilitate the exchange of goods and services in a particular market as part of a value chain.

3. **Horizontal Industry Portals:** A portal is described as horizontal when it is utilised by a broad base of users across a horizontal market. Horizontal industry portals are typically based around a group of industries, or a local area.

4. **Community Portals:** Often set up by community groups, or are sometimes based around special group interests. They attempt to foster virtual communities where users share a common location or interest, and provide many different services. Sometimes community portals represent specific regional areas (and are thus called *regional portals*).

5. **Enterprise Information Portal:** The term enterprise (or corporate) information portal is often applied to the gateways to the corporate intranets that are used to manage the knowledge within an organisation.

6. **E-Marketplace Portals:** These extended enterprise portals often offer access to a company’s extranet services and are useful for business-to-business processes such as ordering, tendering and supply of goods.

7. **Personal/Mobile Portals:** Following the trends towards mobile (or pervasive) computing personal/mobile portals are increasingly being embedded into mobile phones wireless PDAs and similar devices.

8. **Information Portals:** These can be viewed as a category in their own right as portals whose prime aim is to provide a specific type of information.

9. **Specialised/Niche Portals** are portals designed primarily to satisfy specific niche markets, but often could also be classified as Information Portals.
Eduard (2001) referred to portal Web sites as being the *fourth* stage of development of a business Web sites. The earlier stages are:

1. Dumb Web site,
2. Simple interactive Web site, and
3. Transactional interactive Web site.

The fourth stage of Web sites development, according to Eisenmann (2002), is where the business attempts to become a focus of attention for customers (and perhaps suppliers). It becomes the first “port of call” for that group for many of their needs, perhaps linking through to other businesses. This opens up options for other forms of revenue, such as advertising or sales commissions.

PORTALS AND SMALL BUSINESS IN AUSTRALIA

Internet business use is well known for new, evolving, and interchangeable terminologies. A few years ago what we now know as portals were generally known as e-malls, either generic or specialised, especially in the retail industry. More recently, portals also include a very narrow vertical structure such as www.rmit.edu.au/ebusiness/, which is aimed at a small community with specific information. Many small businesses involved with portals usually do so as a user rather than setting up the portal themselves (Eduard, 2001). One of the best mechanisms by which small businesses can become involved is through regional and community portals.

A number of regional and community portals, whose primary function is to service the needs of small businesses, exist in Australia. In the remainder of this article two typical small business regional portals are contrasted against the more generic e-mail. In each instance, the portals are examined to see whether they provide the benefits indicated. For the first regional portal and the e-mails, the authors gathered details via observation of the actual portals themselves. For the second regional portal, details were gained from a series of interviews with various stakeholders. While not atypical, the authors do not claim that these portals are representative of all portals in Australia.

THE EBIZNET PORTAL

Background of Organisation

Ebiznet (www.ebiznet.com.au) was set up in 1997 by a number of regional development boards in South Australia for the purpose of increasing awareness and use of communication technologies in the regions to boost economic development and employment growth (Ebiznet, 1999a). A number of separate Web sites were set up within the project, including the Adelaide Hills Regional Portal (www.adelaide-hills.com.au). Information about the operation of the Web sites was extracted from the Web sites by the authors in October 2002. The Adelaide Hills Regional Portal offers a number of services (Ebiznet, 2000):

- **Come Visit:** Links to accommodation, dining, events, and shopping information, as well as details about local attractions and location maps.
- **Go Shopping:** Links to regional businesses that have successfully taken their business online and are utilising e-commerce.
- **Do Business:** Links to information Web sites on government and other business services.
- **Live Here:** This section is more for individuals and families.

Description of E-Commerce Using the Portal

Small businesses were primarily interested in the Go Shopping and Do Business links. To set up the project, IT personnel in the regions formed part of a project team that went through a series of interrelated development stages aimed at providing awareness of the Internet and its business applications. The main emphasis was on e-commerce. Work began with the development of cost effective e-commerce applications and establishment of a range of demonstration Web sites with e-commerce capacities, including shopping carts. Training in IT business applications and use of the Internet was also provided. The project was specifically targeted to regional small businesses. In particular it aimed to facilitate e-commerce solutions for small businesses that were judged unlikely to otherwise acquire the necessary skills (Ebiznet, 1999a).

Functions provided by local Web service providers were project management, strategic planning, Web design, hosting, e-commerce, Web marketing, Web maintenance, and training (Ebiznet 1999b). Initially, information seminars were run for small businesses, but these were not well attended. It was felt that this was because of a lack of advertising dollars and effort. Those that did attend found the seminars to be very useful and were particularly interested in the e-commerce applications. Training courses were subsidised and were oversubscribed, with extra courses being run. It was felt that *local* examples were most important to the success of the courses (Ebiznet, 1999a).
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