Chapter XV
Gender and E–Commerce Adoption Barriers: A Comparison of Small Businesses in Sweden and Australia

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ABSTRACT

Previous research has shown that gender plays a role in the use of information technology by small businesses and that differences exist between the ways in which male and female small business owners/managers perceive information technology, including e-commerce. However, our understanding of whether gender is important in relation to e-commerce adoption barriers is limited. This chapter examines whether differences exist in how male and female owners/managers of small businesses in regional areas in Sweden and Australia perceive e-commerce adoption barriers. The results of a survey of more than 450 small businesses are presented and indicate that, although both male and female owners/managers agree on the key reasons for not adopting e-commerce, they assign different priorities these reasons. In Sweden, male owner/managers are more concerned about the technical complexities of implementing e-commerce, while females assign a higher importance to the unsuitability of e-commerce. In Australia, the situation is reverse. The results have implications for e-commerce adoption programs and initiatives.

INTRODUCTION

One question that inevitably seems to be raised in most areas of business research is the question of gender. In the area of small business, the past 20 years has seen a shift away from the traditional male-dominated economy that centred on manufacturing, towards a more service and
retail-based economy that has seen a substantial increase in the participation of females (Cox, 1999; Teltscher, 2002). Not only has there been a rise in the participation of females in the workforce, but the advent of affordable technology has led to a more flexible method of work and a greater global participation by the workforce. In small business in particular, these changes have led to a greater ‘equality’ in the makeup of the workforce (Singh, 2001; Teltscher, 2002). Studies (Brisco, 2002; Schmidt & Parker, 2003) have shown that in some areas of the small business sector, female participation is as high as 70% with over one third of small businesses in several Asian countries owned/managed by females.

The development of technology has been substantial over the last two decades. For the small business sector, principal among the changes has been the use of the Internet and e-commerce in the day-to-day running of the business. E-commerce involves the application of Web-based information technologies towards automating business processes, transactions, and workflows, and buying and selling information, products, and services using computer networks (Kalakota & Whinston, 1997). For small businesses, e-commerce is seen as a major source of competitive advantage, allowing them to both reach customers on a global level as well as compete with larger businesses within that global marketplace. Governments worldwide have recognised this potential and created various funding schemes and initiatives to facilitate e-commerce adoption in small businesses.

Despite government support for e-commerce adoption by small businesses, it is mainly the larger businesses that have reaped the benefits of this technology (Riquelme, 2002). In contrast, the rate of e-commerce adoption in the small business sector has remained relatively low (Magnusson, 2001; Poon & Watman, 1998; Van Akkeren & Cavaye, 1999). This sluggish pace of e-commerce diffusion into small businesses has been attributed to various barriers or impediments that are faced by these organisations. A number of different e-commerce adoption barriers have been documented in research studies (Lawrence, 1997; Purao & Campbell, 1998; Quayle, 2002; Riquelme, 2002; Van Akkeren & Cavaye, 1999). At the same time, a number of studies (Butler, 2000; Rodgers & Harris, 2003; Sexton, Johnson, & Hignite, 2002) have compared the use of e-commerce by males and females. Our study is concerned with the effects of gender on e-commerce adoption barriers, specifically.

This chapter will present the findings of two studies undertaken in Sweden and Australia to examine the differences in how e-commerce barriers are perceived by male and female small business owners/managers. The chapter begins by examining the nature of small businesses and identifying features that are unique to the sector in order to set the context for the study. This is followed by a literature review of e-commerce adoption barriers and relevant gender studies. The research methodology is subsequently presented and followed by the statistical analysis of the results. In the final part of the chapter, the results are discussed and conclusions are drawn.

**Small Business**

There are numerous definitions of what constitutes a small business. These are primarily based on two factors: the number of employees in the organisation and the annual revenue. In Australia, the Australian Bureau of Statistics defines a small business as an organisation which employs less than 20 individuals. By contrast, in Sweden a business is deemed small if it has fewer than 50 employees (Gustafsson, Klefsjo, Berggren, & Granfors-Wellemets, 2001). This is in line with the European Union definition which classifies organisations with 10 to 49 employees as being in the small business category. Since this study