

# Chamber SME E-Business Survey 2002

Prepared for Chambers of Commerce of Ireland  
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Survey was conducted by MORI MRC

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## The Business Position



The Chamber E-Business Survey 2002 is one of the largest independent pieces of research into the take up of e-business among small and medium sized businesses in Ireland. It is intended to highlight the progress that has been made since 2001 and more importantly the obstacles that remain to the increased use of ICT which is critical to the competitiveness of Irish businesses.

Cost is the biggest barrier to using the internet. The majority of SMEs have to dial-up every time they wish to access the internet and their time on-line is metered. Beyond the actual telecom costs, there are a whole host of other costs for businesses which include hardware, line rental and training required by staff. Costs also include the opportunity costs of staff on-line and the perceived impact on productivity. While cost is a significant issue for larger companies, most are prepared to absorb the costs in return for the very clear value to their business of having their employees on-line. For the small business sector cost is actually inhibiting the development of internet capability. Any government initiative must substantively reduce the cost of time spent on-line and provide better value for businesses.

While the number of firms that are connected to the internet has levelled off it is encouraging that there has been substantial increases in the use of on-line services, in particular banking on-line and on-line ordering and that the number of businesses with web sites has also increased.

The rise in demand for on-line services has also fueled the rise in demand for better telecommunication services which is reflected in the increase of the number of businesses connecting to the internet through ISDN the most affordable, widely available high bandwidth service for SMEs. The survey clearly reveals that the lack of competition in the telecommunications market for affordable flat rate always on internet access is limiting the capacity of small and medium sized firms to maximise the potential return on investment in ICT.

**1. The government must empower the regulator to rapidly enforce competition and facilitate the introduction of flat rate always on internet access.**

In the legal and regulatory area the uncertainty among SMEs is threatening to undermine the cost saving benefits that the internet can bring through the increased burden of compliance.

**2. Government should legislate only where proven necessary; the legislation should be technology neutral and a regulatory impact analysis should be conducted particularly on the impact on the SME sector.**

Basic computer and internet literacy, as critical in a knowledge society as reading and writing skills, remain a cause for concern based on the findings of this report and within the education and training sector this should be immediately prioritised.

**3. The government must use the National Training Fund to rollout standardised basic computer training (such as ECDL) to all employees.**

I welcome this report that demonstrates that where the business case exists businesses are prepared to adopt ICT to improve their overall competitiveness. It is now time for the government to respond to the needs of businesses by creating a competitive pro-enterprise environment that encourages investment and equips our workforce with the skills necessary for a knowledge based economy.

I would like to thank the Digital Business Council of CCI chaired by Annrai O'Toole for their expertise and direction in commissioning this research. I would also like to acknowledge the support of Cisco Systems and the Department of Enterprise, Trade and Employment.

**John Dunne**  
Chief Executive, CCI  
September 2002

## Message from Cisco

At Cisco Systems we have experienced first hand the tremendous potential to drive cost from our business by using innovative technologies and applications in many areas across our company. This includes, customer support, e-commerce, marketing, workforce optimisation and supply chain management.

Not only do these technologies and applications allow us to reduce the operational cost of conducting our business they have also allowed us to build a more agile, informed and well trained workforce. Taking advantage of all these benefits have allowed Cisco Systems to breakaway from our competition in a demanding and challenging economic market place.

There is perhaps a misplaced opinion that these technologies and applications will only benefit larger organisations, that the solutions are not applicable to the SME market place. However research in both the US and Europe proves that this perception is wrong. Data from the University of Texas suggest that SMEs deploying internet technologies increased profitability by 27% over those that did not and the results of the NetImpactStudy ([www.netimpactstudy.com](http://www.netimpactstudy.com)) in Europe show that the major effect of deployment of internet solutions would be reductions in traditional business cost models.

Cisco Systems strongly supports the opinion that SMEs can and will find positive benefits from the deployment of similar internet solutions. By deploying technologies such as IP, telephony, wireless local area networks and IP infrastructures, SMEs can quickly deploy low cost internet solutions to aid their business. To support your business we have launched a Cisco internet road map for SMEs in Ireland. Cisco internet road map is a free, innovative, online application that allows SMEs to build a customised road map for applications that support their business priorities. The Cisco internet road map can be found on our SME web page at [www.cisco.com/ie](http://www.cisco.com/ie).

Cisco Systems Ireland is delighted to be associated with this important piece of research from the Chambers of Commerce of Ireland. We firmly believe that this study and the Cisco internet road map will help to rapidly progress the benefit and deployment of internet technologies for SMEs in Ireland.

### Michael Galvin

Country Manager, Ireland  
Block P6  
Eastpoint Business Park  
Dublin 3

## Executive Summary

- In almost half of all companies (45%) surveyed, over 80% of their staff used computers on a daily basis.
- Similar numbers of companies purchased their computer equipment from a local retailer (33%) or direct from the manufacturer (32%). Companies with a turnover of €6.35million (£5million) were more likely to purchase directly from the manufacturer.
- The majority of companies outsourced their technical support with only a third (37%) having internal IT support. However, this figure represents a 10% improvement on last years level of internal support.
- Internet penetration appears to have stabilised (84%) within the SME market, with only a 3% increase on last year's figure. Firms in the retail and wholesale industry were the least likely to have Internet capability (69%).
- Over half (56%) of companies who do not have access to the internet say they are "very unlikely" (38%) or "rather unlikely" (18%) to establish an internet connection within the next 12 months, suggesting that internet penetration, in the short-term, will remain steady at its present rate.
- 62% of companies have had access to the internet for more than 3 years, with virtually all companies (89%) on-line for over a year.
- Connectivity to the internet via a standard telephone line (40%) is reducing close to last year's figure (16%) at 13%. ISDN and dedicated leased lines are taking up the slack with a 9% and 3% growth respectively (47% and 9% connection) on last year's figures.
- 55% of companies have their own website – up 9% on last year. 68% of companies with a turnover of over €1.27million (£1million) have their own website.
- 33% and 17% of SMEs respectively have intranet and extranet capability.
- For over half of companies (57%) their website acted as an information point (on-line), however for almost a quarter (23%) it fulfilled a more sophisticated role – allowing on-line transactions (26%), and with front and back end integration (7%).
- Sourcing information and e-mail are the most common e-business applications for companies with internet access. The use of on-line banking has grown by 21% to over half (55%) of companies and is forecasted to grow by a further 10% within the next year. On-line purchasing from suppliers (46%) and the on-line receipt of orders from customers (40%) were also prominent e-business applications used by businesses.
- The majority of companies (92%) expect their use of the internet and involvement in e-business to increase over the next 5 years, 8% expected their usage to remain the same.
- The main obstacles to e-business have remained unchanged from last year - "the cost of specialist technical skills in computer/e-business specialist companies" (46%) and "concerns regarding security when passing confidential information electronically" (41%). Concerns with regards to these two issues have increased in the last year, with a 7% and 5% increase respectively. Legal and regulatory uncertainty (32%) and the lack of broadband (40%) services in Ireland were further e-business obstacles.
- There was strong agreement with the statements that "technology and the Internet are increasing the pace at which we do business" (67%) and that it was "... allowing closer collaboration between trading partners and customers" (66%).



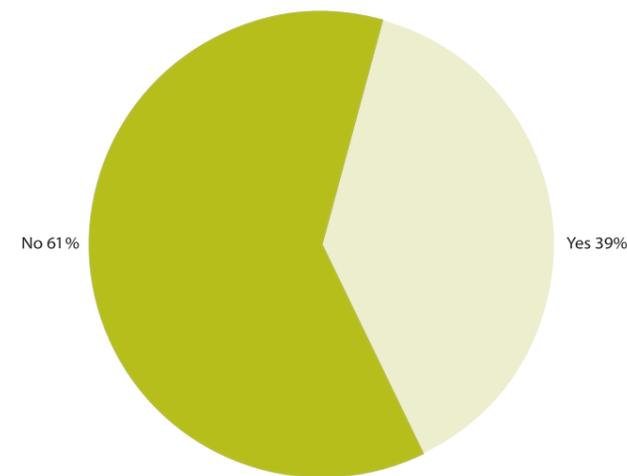
## Section 1 Telecommunications

### Are you currently availing of another telecommunications provider other than eircom to carry voice calls?

Base: 600 – All respondents

Almost two fifths of companies interviewed were availing of an alternative telecommunication supplier, to eircom, for their voice calls. With over half of those companies (52%) with a turnover greater than €6.35million (£5million) using an alternative provider, conversely those companies with a turnover of less than €127,000 (£100k) were the most likely (69%) to be utilising eircom services for their voice calls.

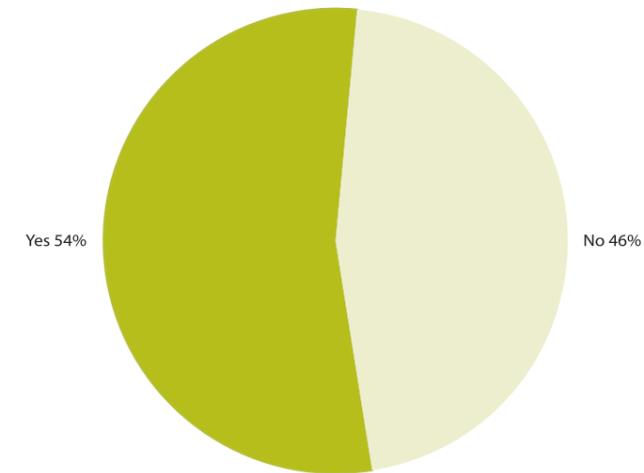
Those companies using eircom for their voice calls commented that they were happy (36%) with the service they received and believed that they were getting a better deal (11%) from their present provider. Consequently 12% argued that they had no need for an alternative telecommunications provider. Indeed 9% had left eircom but returned again after experiencing problems with their previous service provider. Inconvenience (too much hassle to change over – 6%) and time issues (too busy/haven't got round to it – 5%) also influenced respondents' decisions to remain with their present incumbent as did respondent's familiarity with the company (3%).



### Is there adequate competition in the telecommunications market?

Base: 600 – All respondents

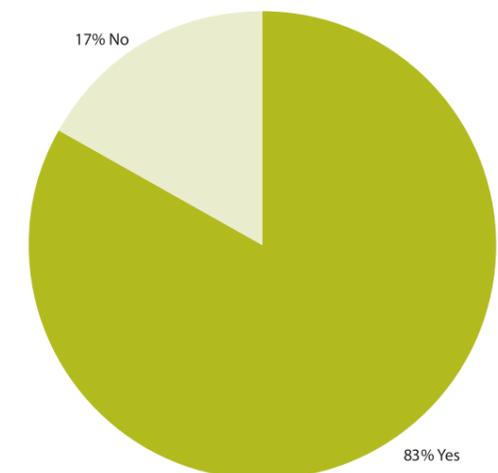
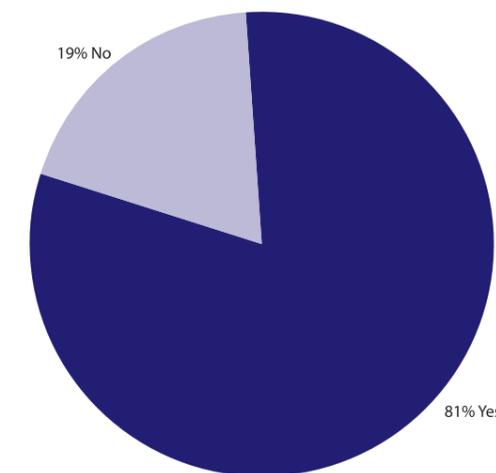
Opinion appeared to be almost evenly split between those who believed there was (54%) adequate competition in the telecommunications market and those who believed there was not (46%). Respondents in Galway (49%) and Dublin (49%) were less likely to agree with this statement than their counterparts in the other regions surveyed, particularly those based in Limerick (61%).



### Percentage of companies with internet access

Base 2001: 826 – All respondents

Base 2002: 600 – All respondents



Base 2002: 600 (100 in each region) – All respondents

Internet penetration appears to have stabilised within the SME market, with the rapid growth experienced between 2000 and 2001 (12% growth) slowing considerably and stabilising between 2001 and 2002.

The internet penetration data would suggest a technological divide across the regions interviewed, with Sligo/Ballina (74%) and Mullingar/Athlone (75%) having the lowest levels of penetration, particularly when compared to Galway (89%) and Limerick (93%). Although the differential may be “turnover” based, as a greater percentage of larger companies interviewed (in terms of “turnover”) were located in the Limerick and Galway region.

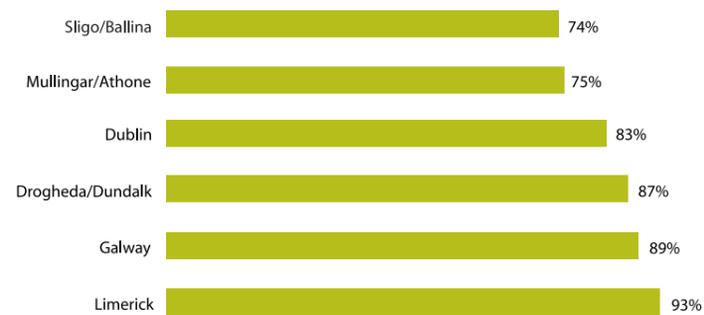
Company turnover was a large determinant as to whether a firm had internet access or not, with 77% of companies with a turnover of less than €317,499 (£249,999) having internet access, in contrast 87% of companies with a turnover greater than €635,000 (£500,000) had Internet capability.

In line with last year’s results those companies whose primary customers were individual consumers were the least likely to have access to the internet, with 71% on-line, however, this figure still represents a 7% increase on last year. Given this information, it is not surprising that firms in the retail and wholesale industry were the least likely to have Internet capability (69%).

Moreover, companies involved in the export market were more likely to have internet capability (92%) when compared to those who were not (80%).

The majority of the companies (58%) who do not have access to the internet said they do not need it, with 6% believing it would have no benefit for their business.

Almost a fifth (19%) of companies who do not have internet access have just not got round to it (11%), intend to do it soon (2%) or are in the process of having it installed (6%). A small minority (6%) were not familiar with or were unhappy using technology, with a further 4% having security concerns. Cost was a consideration for 3% of respondents.

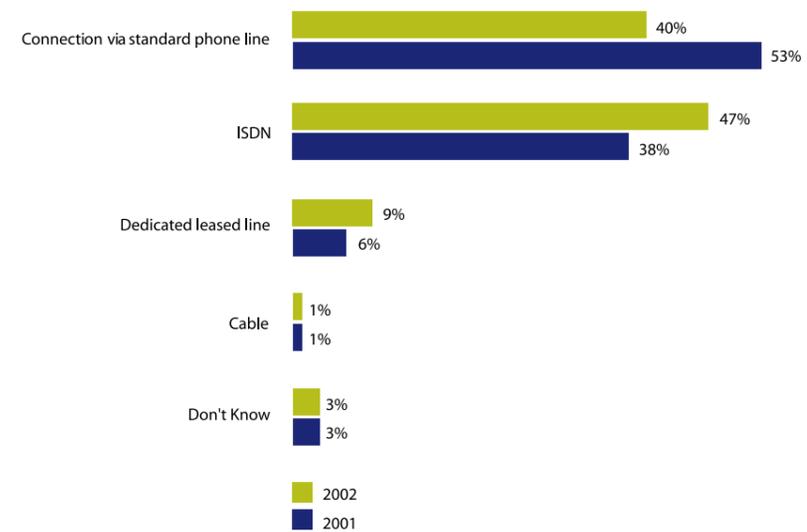


### Type of telecommunications connection to the internet

Base 2001: 681 – All with internet access

Base 2002: 501 – All with internet access

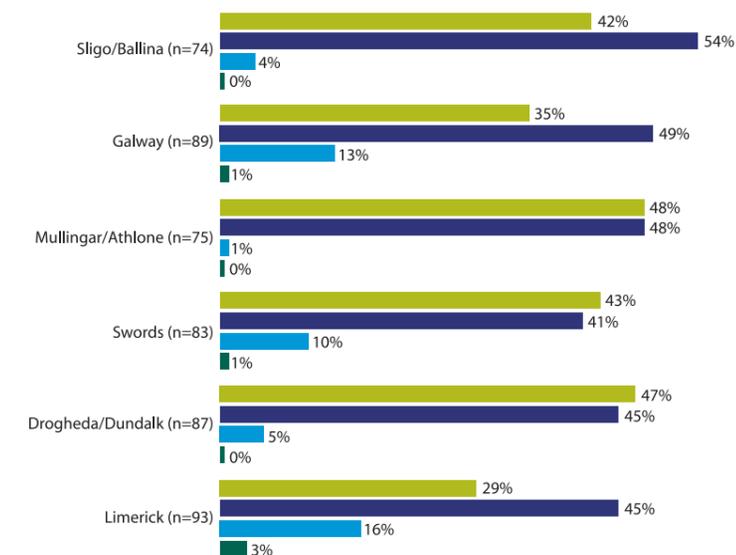
Similar to last year there is a continual move away from internet connectivity via standard telephone lines and an increase in usage of ISDN technology and dedicated leased lines. The 13% decrease in the use of standard telephone lines is in line with the 16% recorded last year. So whilst internet penetration has stabilised, companies are increasingly updating the capabilities of their Internet network.



### Regional internet connection

Base 2002: 501 – All with internet access

Comparing the choice of internet connection, companies in Limerick, particularly, and to a lesser extent Galway, were the least likely to be using standard telephone lines for internet connectivity. Although in most regions, telephone lines were no longer the dominant connection to the internet.

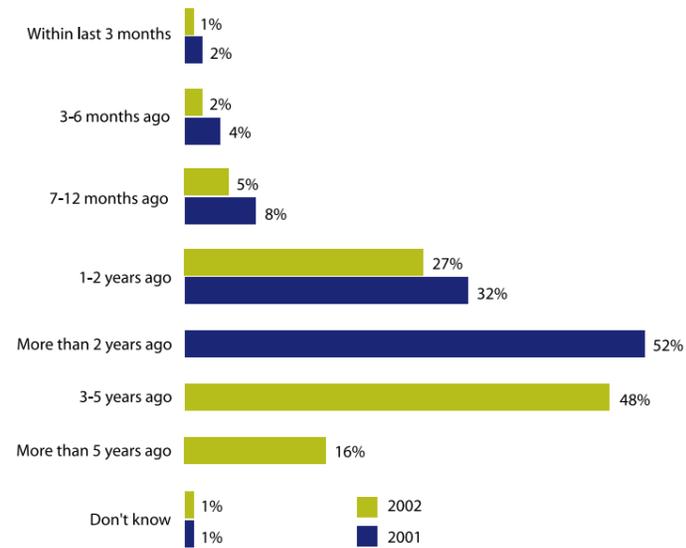


### When internet connection first established?

Base 2001: 681 – All with internet access

Base 2002: 501 – All with internet access

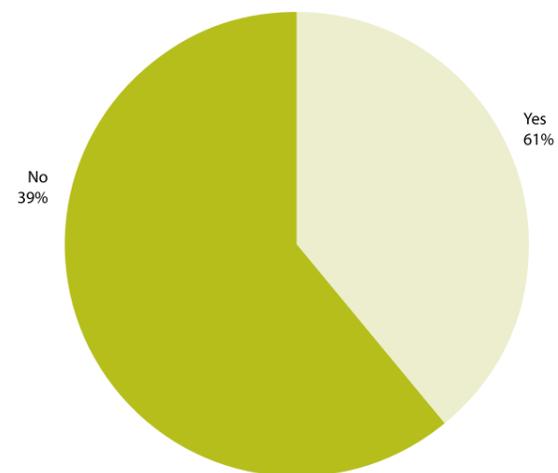
Virtually all the companies (89%) who have internet access have been online for over a year, with 62% having over 3 years internet experience. It can be assumed from these figures that the internet is becoming an increasingly established tool within the business environment, with only 8% of companies “novices” to the internet.



### Use internet more if an always on service available at a fixed monthly fee for unlimited access through the standard telephone line

This was an attractive proposition for the majority of organisations and marginally more so for the smaller companies, those employing less than 50 people, with 62% saying “yes” compared to 56% of those employing more than 50 and less than 250 employees.

Over two thirds (68%) of exporting companies reacted favourably to the above service idea compared to 59% whose business were not export related.



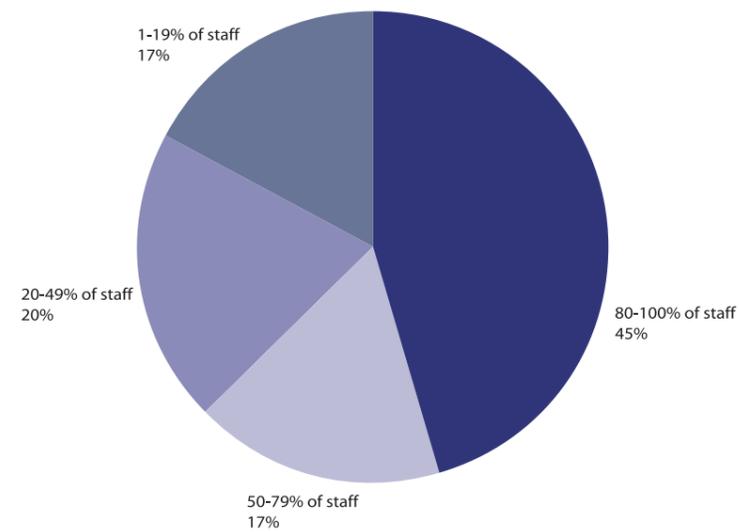
## Section 2 Hardware

### Percentage of employees using computer(s) on a regular basis, that is at least every day

Base 2002: 501 – All with internet access

The level of regular internal computer usage, within companies, with internet access appears relatively high with over half the staff daily accessing a computer within three fifths (62%) of companies surveyed.

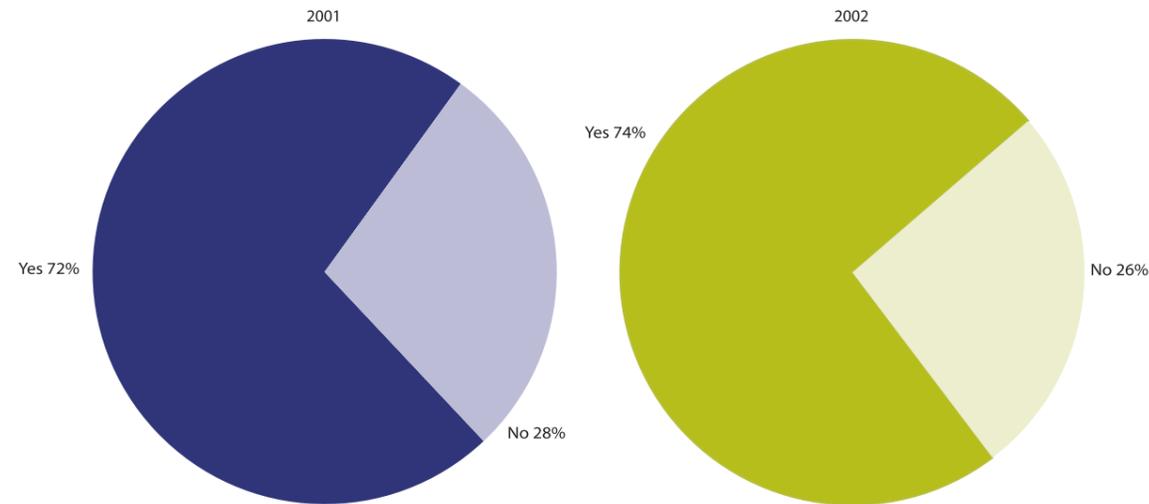
The service related industries, such as financial/insurance services and business/real estate services have the highest internal daily computer usage, with 84% and 73% respectively of companies with over 80% of their staff frequently accessing a computer.



### Whether have network

Base 2001: 608 – More than one computer  
 Base 2002: 459 – More than one computer and with internet access

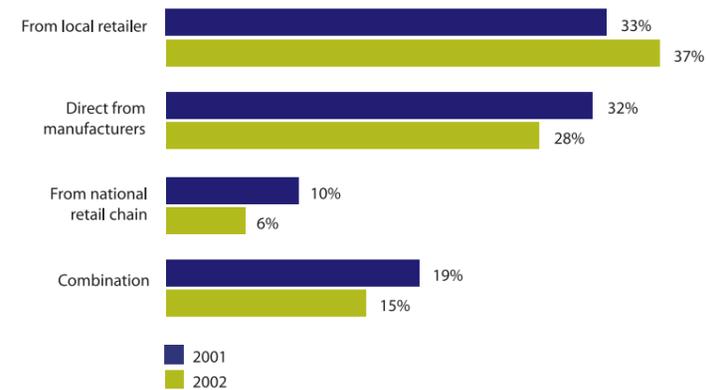
Network capability figures have largely remained unchanged between 2001 and 2002. In-line with last year, computer networking was more predominant in the larger companies (those employing more than 50 employees) with 94% linking terminals compared to 65% of companies employing less than 50 employees.



### Where purchased computer equipment

Base: 2001: 745 – All with computers  
 Base: 2002: 501 – All with internet access

Typically, organisations purchased their computer equipment either from a local retailer or direct from the manufacturer. Companies with a turnover of over €6.35million (£5million) were more inclined to purchase directly from the manufacturer, with half (49%) going direct to the manufacturer and only a quarter (24%) buying from a local retailer.

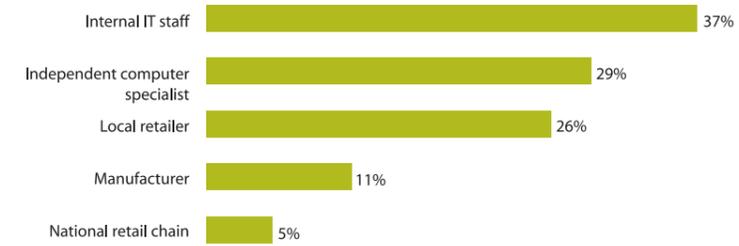


### Who does technical support/maintenance of computer hardware and software

Base 2002: 501 – All with internet access

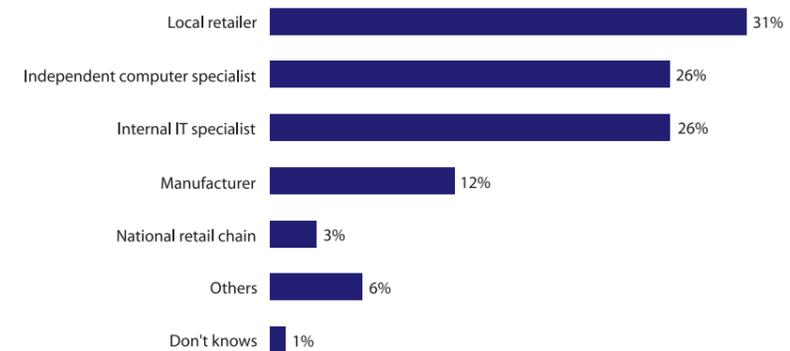
The majority of companies were outsourcing their technical support and computer maintenance, with only a third (37%) having internal IT support.

However, 61% of companies with a turnover greater than €6.35million (£5million) had internal IT staff to support the computer system compared to only 31% with a turnover of less than €6.35million.



### Who does technical support/maintenance of computer hardware

Base 2001: 729 – All with computers





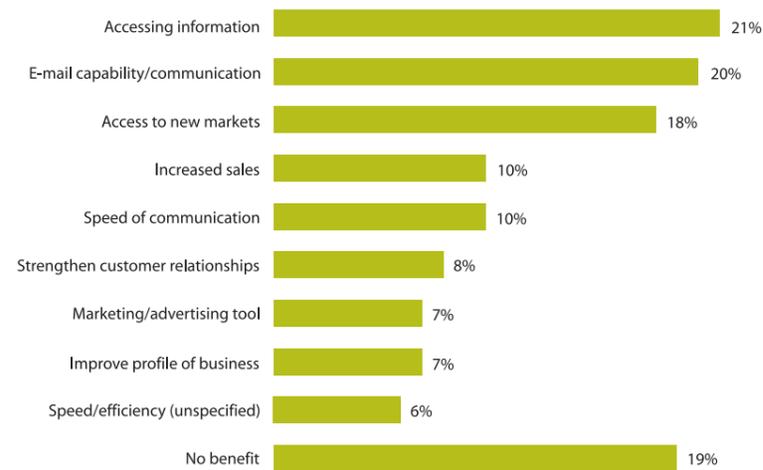
## Section 3 E-Business strategy

### Benefits internet/e-business has for your business

Base 2002: 501 – All with internet access

Internet/e-business had 3 core benefits for companies - accessing information, communications and marketing/sales related.

A third (32%) and a fifth (22%) of organisations with over 50 employees accredited the internet/e-business with providing access to new markets and increasing sales, compared to 16% and 8% respectively for companies with less than 50 employees.

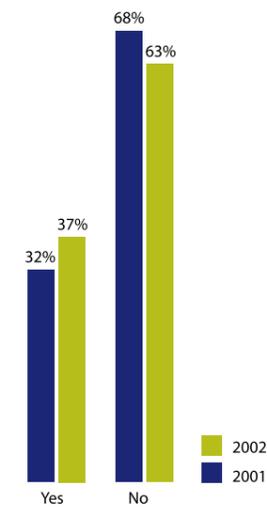


### Whether company has a defined e-business strategy

Base 2001: 681 – All with internet access

Base 2002: 501 – All with internet access

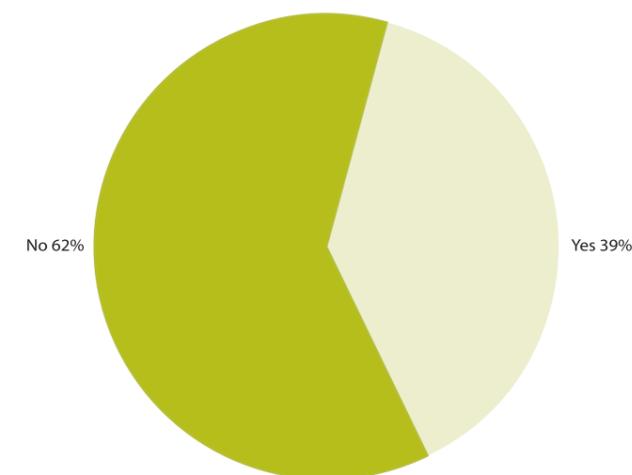
Although the majority of companies interviewed had a well-established internet service, only over a third (37%) had a defined e-business strategy. Although these figures varied depending on the organisations turnover, with over a half (54%) of companies with a turnover of over €6.36million having a defined strategy in place, compared to only 33% for the remaining organisations.



### Is e-business relevant to your business

Base 2002: 600 – All respondents (although only asked of companies with internet access)

Over a third (38% - this number includes those companies who do not have internet access) of companies believe that e-business is not relevant to their business. 40% of smaller organisations (under 50 employees) believed the internet was not relevant to their business compared to a quarter (25%) of larger companies. 55% of retail/wholesale companies and 47% of construction firms in particular did not believe that e-business was relevant to their business.

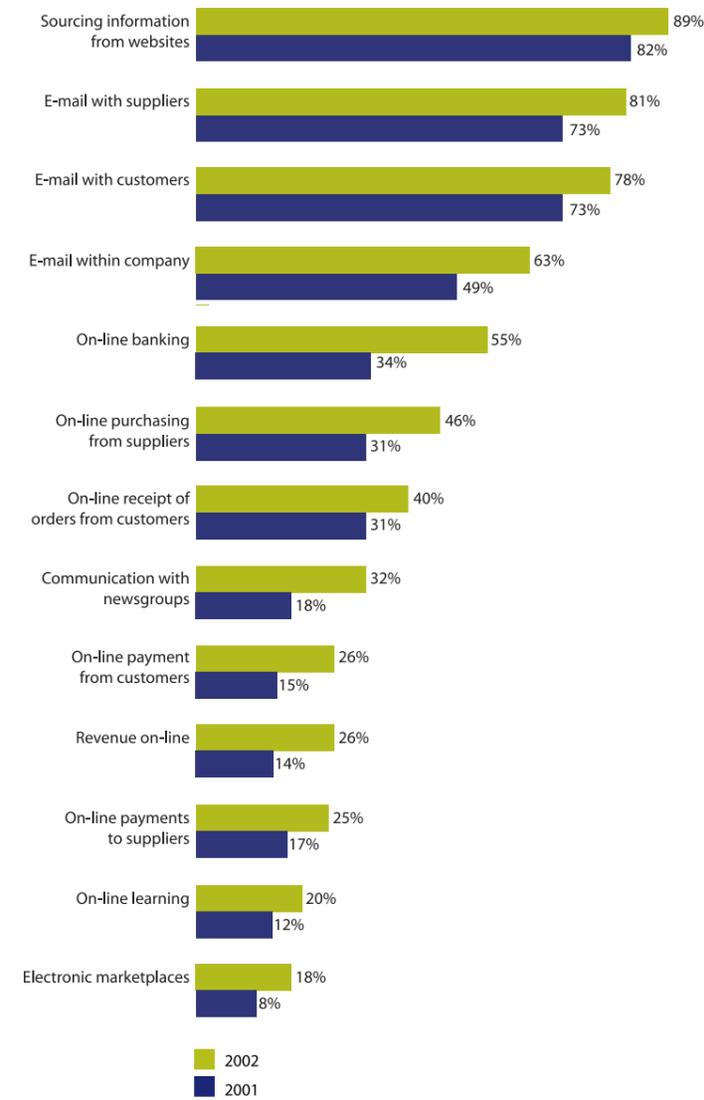


### Types of e-business applications used

Base 2001: 681 – All with internet access

Base 2002: 501 – All with internet access

Sourcing information and e-mail were the most common e-business applications for companies with internet access. The use of on-line banking has shown the most rapid growth since last year, as it is up 21% to over half (55%) of companies. On-line purchasing from suppliers (46%) and the on-line receipt of orders from customers (40%) were also prominent e-business applications.

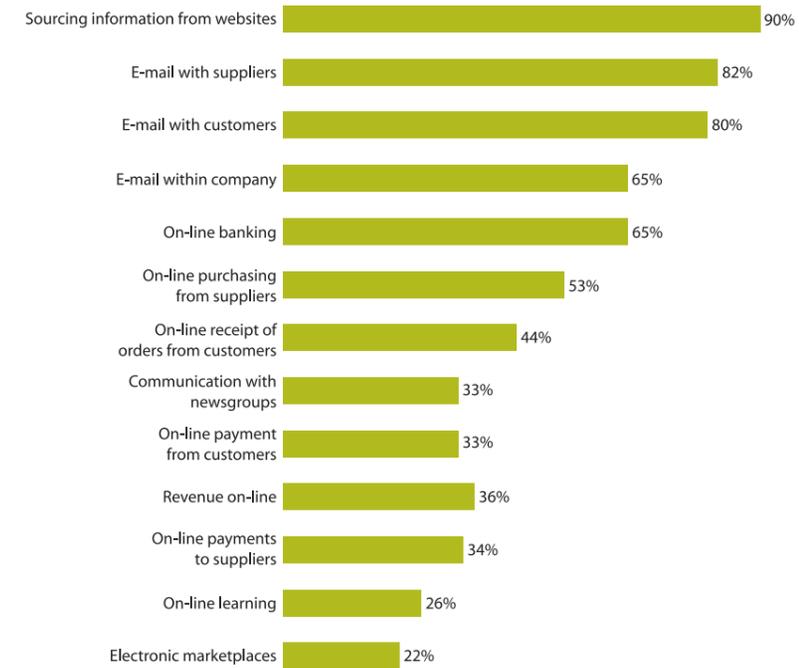


### Projected levels of usage by 2003 (current usage & those saying very likely to start using in 12 month's time)

Base 2002: 501 – All with internet access

The level of usage of the current main e-business applications will remain static over the next 12 months, suggesting these applications have increased to saturation point. Only on-line banking (10%), revenue on-line services (10%) and on-line payments to suppliers (9%) will increase to any large extent within the year. With smaller increases, 7% respectively, for on-line payments from customers and on-line purchasing from suppliers.

A series of statements were read to respondents and they were asked if they were a major problem, minor problem or no problem at all for their organisation.



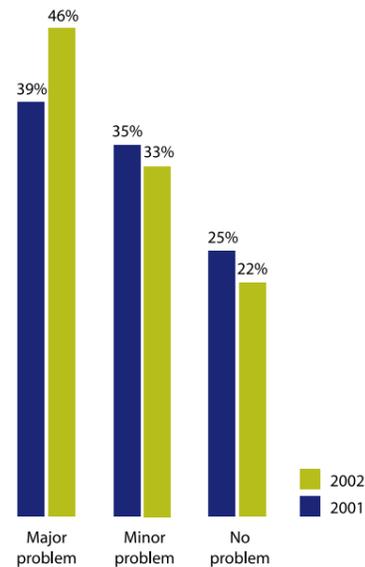
## Obstacles to E-Business

### The cost of specialist technical skills in computer/e-business specialist companies

Base: 2001: 681 – All with internet access

Base: 2002: 501 – All with internet access

The cost of specialist technical skills is an increasing problem for small to medium companies, with almost a half (46%) citing it as a major problem, which represents a 7% increase on last year's figure.

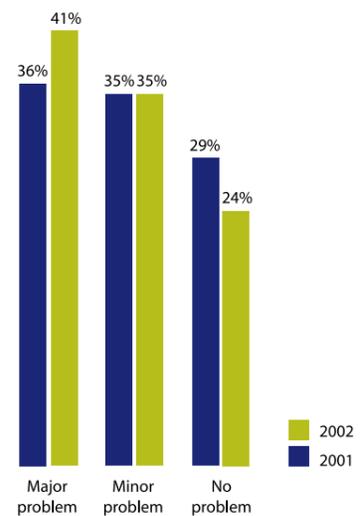


### Lack of security/concerns regarding security when passing confidential information electronically

Base: 2001: 681 – All with internet access

Base: 2002: 501 – All with internet access

Security concerns have not been assuaged in the intervening year and indeed have risen, with 5% citing concerns regarding security as a major problem.

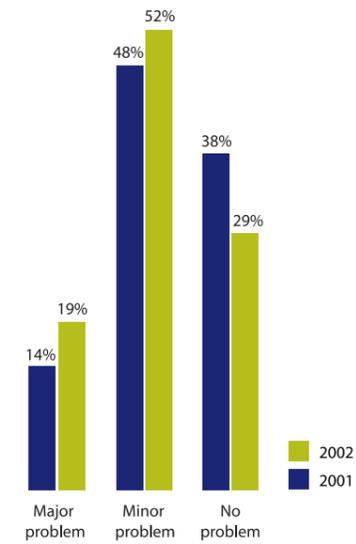


### The cost of accessing the internet

Base: 2001: 681 – All with internet access

Base: 2002: 501 – All with internet access

The cost of accessing the internet is not a major concern for most companies, although it is typically considered a minor problem. However, the numbers regarding it as a problem have increased by 9% in the last year.

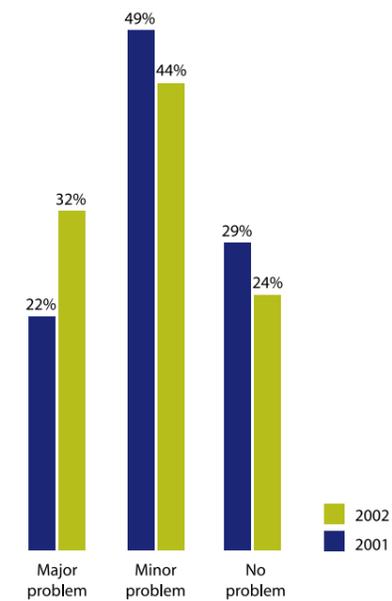


### The cost of hardware and computer equipment

Base: 2001: 681 – All with internet access

Base: 2002: 501 – All with internet access

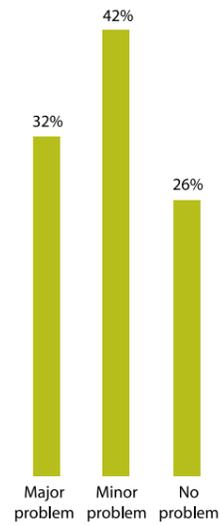
The cost of hardware is a major problem for a third of companies, plus this figure has increased by 10% in the last year.



### Uncertainty about the legal and regulatory environment

Base: 2002: 501 – All with internet access

Legal and regulatory uncertainty was a major problem for a third of SMEs, with only a quarter perceiving it not to be a problem.



### Lack of broadband services in Ireland

Base: 2002: 501 – All with internet access

Two fifths of Irish SMEs cited lack of broadband services in the country as a major problem for their business.

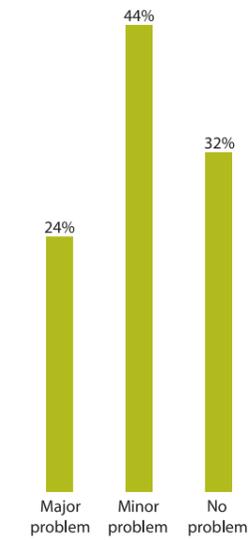
Particularly for businesses in the Sligo/Ballina region, with 59% of companies complaining that the lack of broadband services was a major problem.



### Lack of technical skills within your company

Base: 2002: 501 – All with internet access

Whilst a lack of technical skills was not a major concern for the majority of companies, it was a minor problem for over two fifths (44%) of organisations. This was more of a major issue for smaller companies (1-50 employees) with a quarter (26%) citing it as a major problem versus 16% of larger companies (over 50 less than 250 employees).

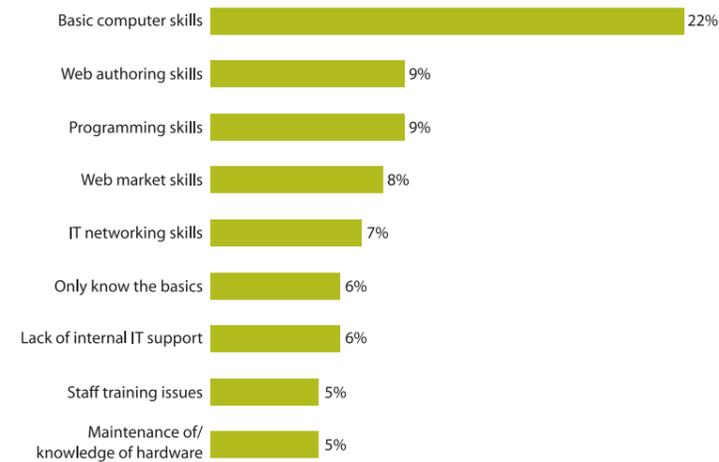


## Financial Planning for E-Business

### Technical skills lacking within the company

Base: 2002: 342 – All with internet access and where technical skills within the company are a problem.

Over a fifth (22%) of companies, who are lacking technical skills, are deficient in basic computer skills within their company – this is particularly the case in smaller organisations (24% versus 10% of larger companies). Web skills also appear to be an issue, with 9% and 8% of respondents respectively mentioning “web authoring skills” and “web marketing skills” as problem technical areas within their company. Otherwise it would appear that these organisations are struggling with “relatively basic” technical issues.



Financial commitment to e-business was measured by asking respondents the following questions:

- What percentage of your turnover in this financial year will be spent on IT hardware, software and services?
  - 1 – 50 employees: 6.7%
  - 51 – 250 employees: 5.1%
- What percentage of your turnover in this financial year will be spent on telecommunication services, including fixed line, mobile and internet access?
  - 1 – 50 employees: 6.7%
  - 51 – 250 employees: 5.1%

No doubt benefiting from economies of scale, larger companies spent marginally less, as a percentage of their turnover, on associated e-business costs such as hardware, software and telecommunication charges than companies employing 1 to 50 employees.

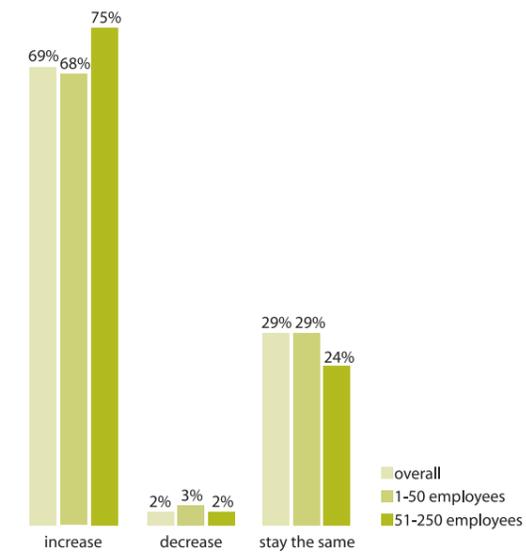
### Expenditure on e-business over the next 3 years as a percentage of turnover

Base: 2002: 501 – All with internet access

(1 – 50 employees: n = 438/51 – 250 employees: n = 63)

The majority of business believed that their expenditure on e-business over the next 3 years is likely to increase, with only a handful of companies expecting a decrease in their expenditure relative to turnover. Marginally more (7%) larger companies expect their expenditure on e-business to increase over the subsequent 3 years.

A series of statements were read to respondents, to which they could agree strongly, agree slightly, disagree slightly, disagree strongly or about which they could be neutral (neither agreeing nor disagreeing). Some respondents also spontaneously said they were unsure or did not know how they felt about a statement.

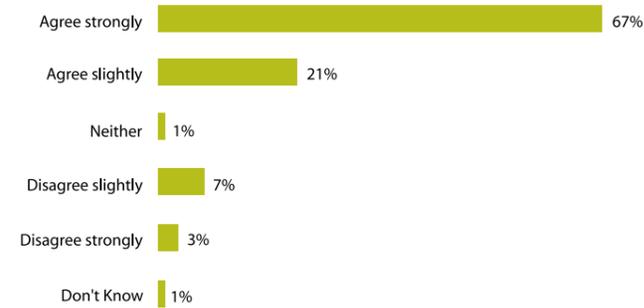


## Attitudes to E-Business

### “Technology and the internet are increasing the pace at which we do business”

Base: 501 – All with internet access

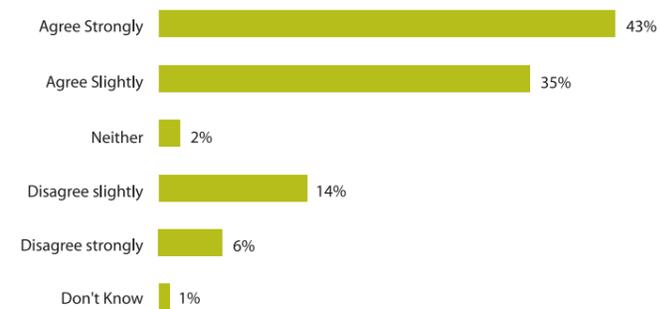
Overall there was a strong level of agreement with this statement, and few participants disagreed with the assertion that technology and the internet were increasing the pace at which companies do business.



### “Technology and the internet are reducing costs and increasing efficiency”

Base: 501 – All with internet access

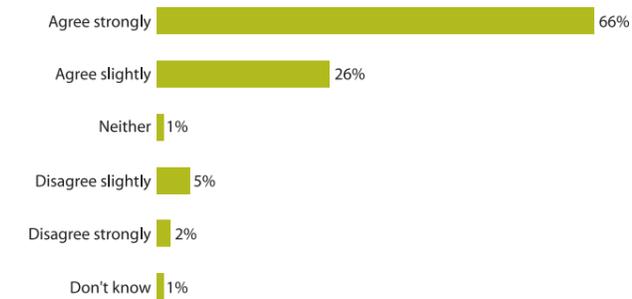
There was general agreement with this statement regarding cost reduction and increased efficiency with the introduction of technology and the internet.



### “Technology and the internet are allowing closer collaboration between trading partners and customers”

Base: 501 – All with internet access

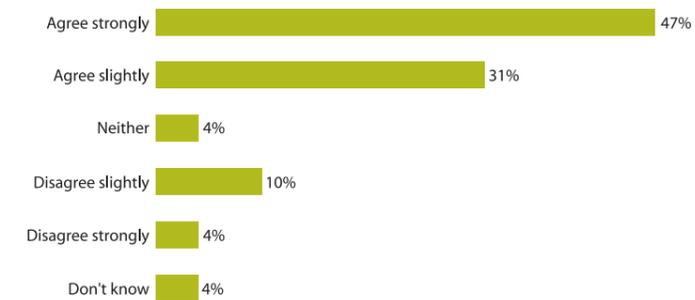
There was across the board agreement with this statement.



### “High bandwidth, always on internet access, would allow greater use of e-business applications by my business”

Base: 501 – All with internet access

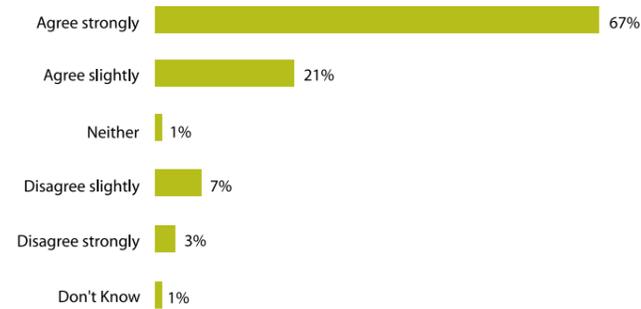
One in seven respondents disagreed with this statement. However, the majority of respondents agreed that high bandwidth and always on internet access would allow greater use of e-business applications by their business.



**“Apart from e-mail and basic brochureware web sites, e-business is not relevant to my business”**

Base: 501 – All with internet access

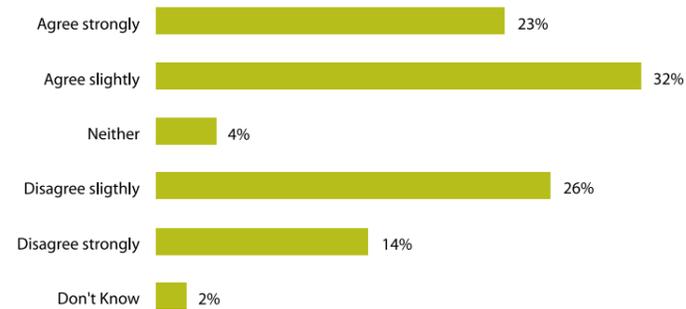
Whilst slightly less than two thirds (64%) of respondents disagreed with this statement, over a fifth (21%) agreed strongly with the assertion that apart from e-mail and basic brochureware the internet was not relevant to their business.



**“Access to the internet increases worker's productivity”**

Base: 501 – All with internet access

Respondents were relatively evenly split regarding their attitudes to the above statement, with 55% agreeing and 40% disagreeing with the declaration that access to the internet increases worker's productivity.

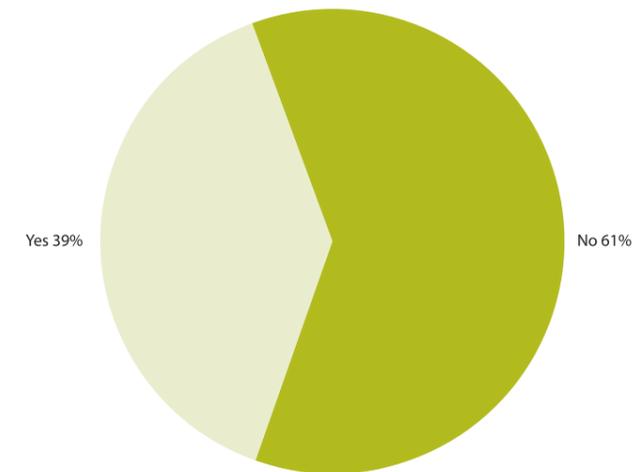


**Section 3**  
**E-mail**

**Guideline user policy for employees with internet access**

Base: 501 – All with internet access

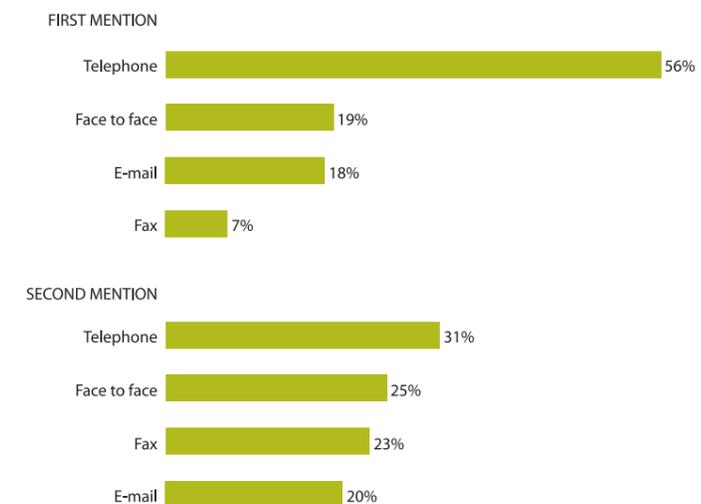
Almost two fifths (39%) of companies with internet capability have a guideline user policy for employees with internet access. This was significantly the case for larger organisations, where 67% had a guideline policy compared to 34% of smaller firms.



**Frequency of following forms of communication when contacting clients and suppliers**

Base: 501 – All with internet access

Typically telephone and face-to-face contact were the most frequent forms of communication used by SMEs when contacting clients and suppliers. Although for the larger companies (over 50 employees) e-mail had overtaken face-to-face contact as a first mention regarding frequency of contact (30% e-mail, 11% face-to-face).





## Section 4 Websites

### Whether company has own website

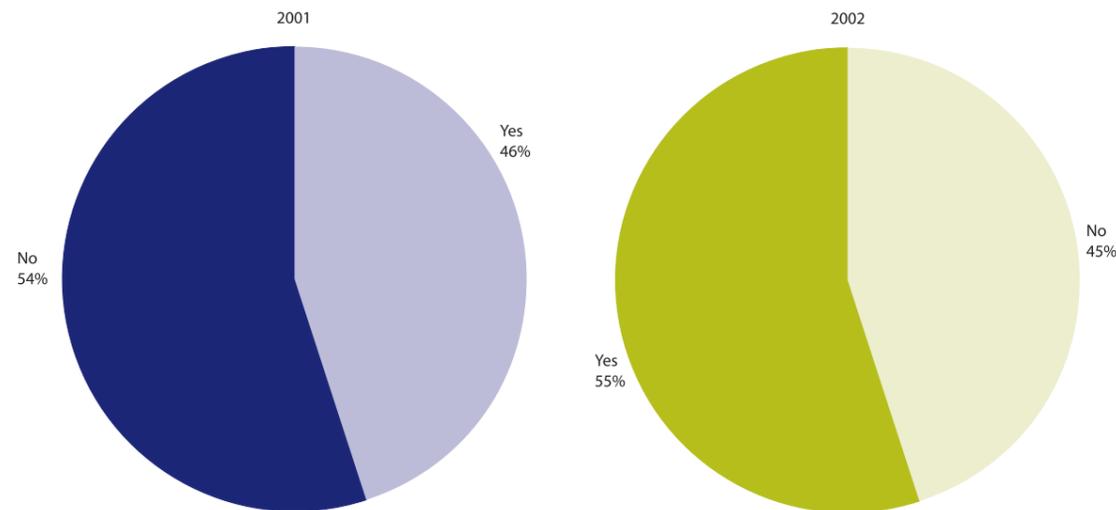
Base 2001: 826 – All respondents

Base 2002: 600 – All respondents

With a 10% increase in the number of companies having their own website (compared to 12% between 2000 and 2001), it appears that website penetration is still growing relatively rapidly and does not appear to have reached saturation levels just yet. 68% of companies with a turnover greater than €1.27million (£1million) had their own website (8% increase on last year) compared to 47% for companies with a turnover of less than €1.27million (£1million).

Businesses in the hotel and tourism sector (74%), leisure/personal services activities (88%) and financial/insurance services (71%) were the most likely to have a company website. Construction companies (48%) and those involved in retail/wholesale (58%) were the least likely to have website capability.

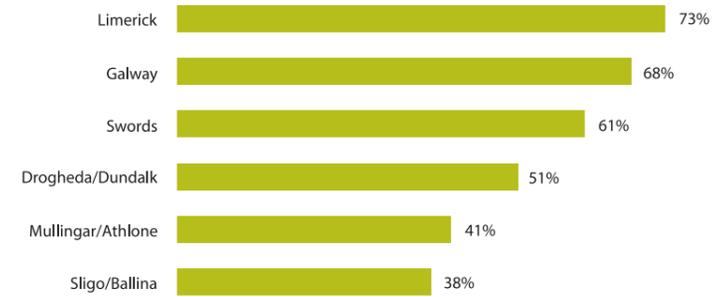
Those companies involved in exporting were significantly more likely (71% versus 50%) to have website capabilities than those who did not export.



### Percentage of companies with website

Base 2002: 600 (100 in each region) – All respondents

With percentage figures of companies with websites, for Limerick, almost double those for Sligo/Ballina, the divide between the companies in the smaller more rural towns and with the cities (Dublin/Limerick/Galway) is considerable.

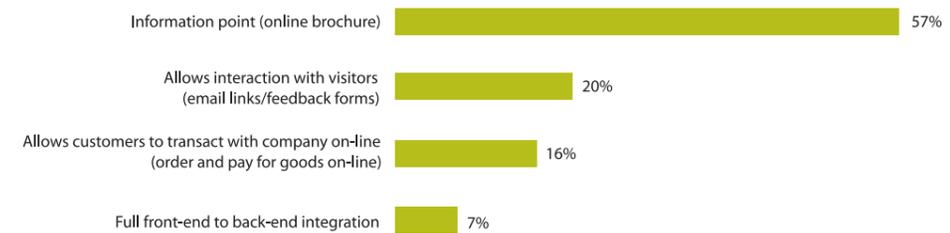


### Role of website within organisation

Base 2002: 332 – All with own website

Although half of company websites operate at a relatively rudimentary level, almost a quarter (23%) had a high degree of sophistication, allowing transactions on-line (16%) or operating a fully integrated internal company system (7%).

Almost two thirds (64%) of companies with websites had the ability to update website content in-house.

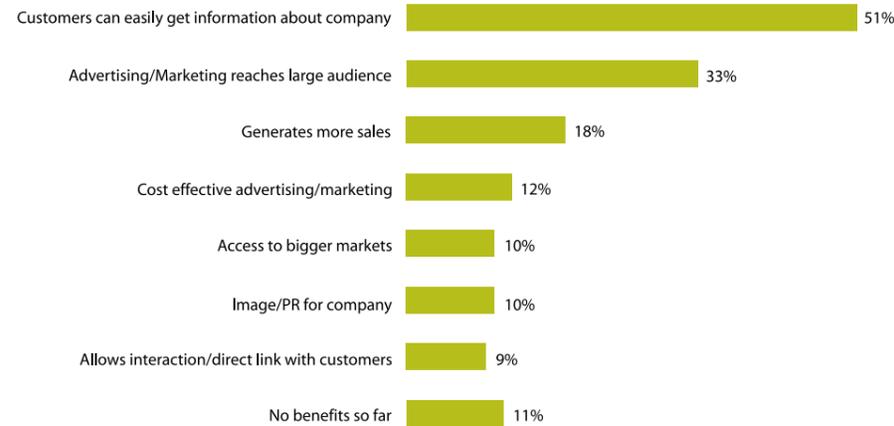


## Perceived benefits of website to business

Base 2002: 332 – All with own websites

Spontaneous benefits associated with website capability were typically information and advertising/marketing related. Not surprising considering over half of company websites were merely information points.

For almost a fifth of companies (18%) their website was generating more sales for the business, this was particularly the case for industries involved in hotel and tourism (46%).

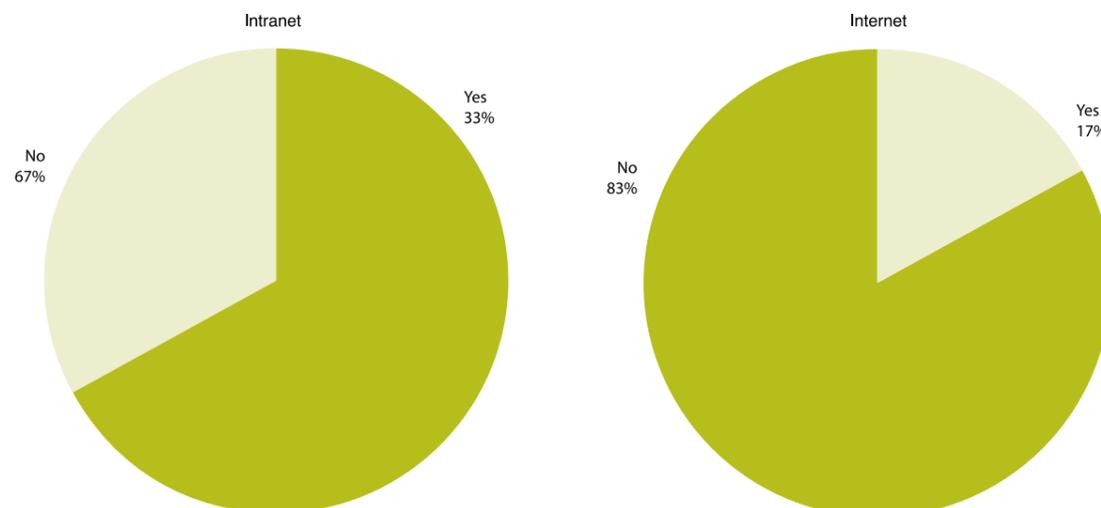


## Does your company have intranet/extranet capability

Base 2002: 332 – All respondents with websites

Only a minority of companies had intranet capability, although almost half (46%) of companies with more than 50 employees had an employee specific website.

Extranet capability was minimal (14%) amongst smaller companies (less than 50 employees) compared to a third (33%) of larger companies.



## Appendix 1 Methodology

### Objectives of Research

The main objective of this research was to determine the level of internet awareness and attitudes to e-business among SMEs, looking at the following issues:

- Hardware and software currently used
- E-business applications and strategy
- Perception of the role of e-business and its impact on business
- Obstacles to e-business
- Motivation to establish e-business presence.

### Methodology

- 600 interviews were conducted using CATI (Computer Assisted Telephone Interviewing) with Chamber members across Ireland in July 2002
- All businesses surveyed had less than 250 employees, most had less than 50 employees
- Interviewing was conducted with senior staff in each company surveyed

### Sample

The sample for this survey was drawn from the Chambers of Commerce of Ireland's member database\*. The results are therefore representative only of the Chamber members' population, within the regions where the research was conducted, and not the Irish business population as a whole. However, MORI MRC did endeavour to make the respondents, as far as possible, representative of the general business population.

### The number of interviews conducted in each region was as follows:

Drogheda/Dundalk	100
Galway	100
Limerick	100
Mullingar	100
Sligo/Ballina	100
Dublin	100

\* Some Chambers with smaller membership numbers combined their lists as one sampling area.

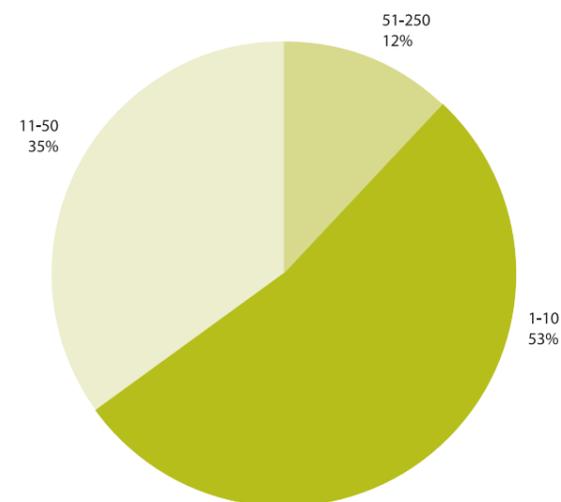
## Appendix 2 Profile of respondents

The four charts that follow briefly profile the companies interviewed for the research in terms of company size (by employee numbers and company turnover), sector and company type.

### Number of employees

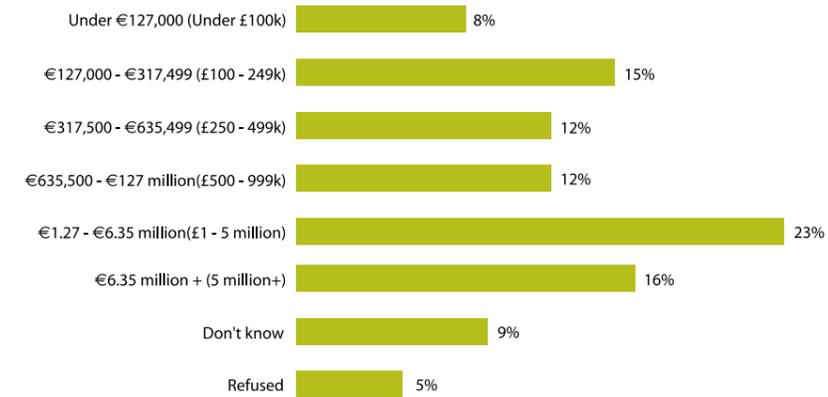
Base: 600 – All respondents

Transport/distribution and communication companies, closely followed by manufacturing organisations, tended to have the greatest number of employees, with 31% and 27% of these companies respectively in the 51-250 employee range. Business services and leisure/personal services companies, not surprisingly, considering the nature of their business employed smaller numbers of employees. Approximately two thirds (66-70%) of companies in these sectors had between 1 and 10 employees.



### Annual turnover

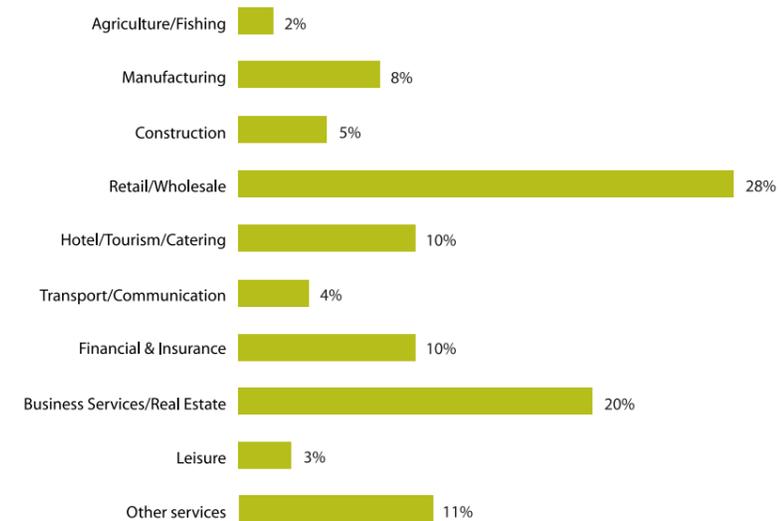
Base: 600 – All respondents



### Business sector

Base: 600 – All respondents

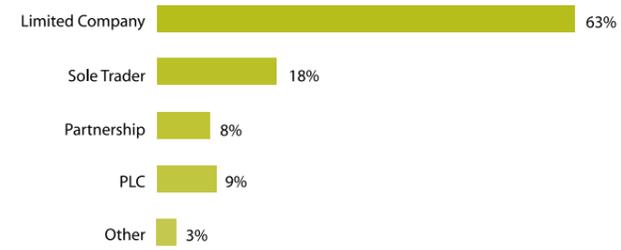
Companies surveyed spanned a range of business sectors, reflecting the pan-sectoral membership profile of the Chambers.



### Type of business

Base: 600 – All respondents

The majority (63%) of companies, who participate in the project, were limited liability companies



### Ever purchased any goods or services online

Base: 600 – All respondents

Almost two thirds (64%) of respondents interviewed, at some stage, had purchased a product or service online.



