CONTENTS

6.1 Summary of the Research
   6.1.1 Review of the Purpose
   6.1.2 Review of Supporting Literature
   6.1.3 Review of Hypotheses
   6.1.4 Review of Methods and Procedures

6.2 General Findings

6.3 Major Findings
6.1: SUMMARY OF THE RESEARCH

In the age of technology where the world has become a hamlet, e-commerce is one of the successful approaches for a prosperous trade. For this reason the researcher studies on the effectiveness of e-commerce as applied to small and medium sized enterprises (SMEs) in Karnataka state, specifically in the Bangalore district.

When the researcher gathered theoretical information about e-commerce and SMEs and also tried to provide the sample size. There are two ways to distinguish small and medium size enterprises in the world, one of them is the number of employees and the other is turnover. Since there are many labor jobs in India with low-cost work, turnover is a base for the separation of small and medium enterprises manufacturing sector (small: above Rs.25 lakh but up to and including Rs.5 crore, medium: Above Rs.5 crore but up to and including Rs.10 crore) and services sector (small: above Rs.10 lakh but up to and including Rs.2 crore, medium: above Rs.2 crore but up to and including Rs.5 crore).

After the questionnaire was revised due to the feedback from the pilot study, the study entered its general survey phase, which was intended to collect data from a larger sample of SMEs to test the validity and reliability of the instrument and also to test the associated hypotheses proposed in the study.

For the data collection, the researcher searched for an enterprise possessing a total list of Small and Medium size enterprises (SMEs) in Bangalore. After some time the District Industrial Center of India (DICI) branch of Karnataka in Bangalore was introduced by Dr H-Rajashekar. The researcher got the list of SMEs in Bangalore's Urban and Rural area and then
wrote the relevant sample size. Subsequently, the researcher searched for a Consultant Company that helped locate the addresses of the small and medium size enterprises in Bangalore. With their great help, the researcher found the SMEs using e-commerce to distribute questionnaires. Through Neha Company, the researcher called SMEs and found 1983 SMEs that uses e-commerce in Bangalore's Urban and Rural areas. In the following step, through the random proportionate stratified statistics, the researcher clarified small and medium enterprises in Bangalore Urban and Rural area. Then through that company, the researcher made contact with those SMEs which led to an appointment with the manager or executive director whom to distribute the questionnaires. The researcher was able to deliver questionnaires manually to the SMEs that were comfortable to acceptability; however, for some others, the researcher sent the questionnaires through the E-mail and got the answer.

6.1.1: Review of the Purpose

The purpose of this study was to assess the level of e-commerce acceptability in SMEs, to find the factors affecting on the level of e-commerce acceptability and to study the kind of e-commerce applications through the review of literature. In addition, the researcher aimed to clarify the role of e-commerce in marketing and to investigate the effectiveness of e-commerce on the performance. The researcher had also observed customer behavior in e-commerce activity.

6.1.2: Review of Supporting Literature

To pursue the aim of this study, the researcher began to review the literature on the Benefits of e-commerce to small and medium size enterprises (SMEs), e-commerce acceptance in small and medium size enterprises (SMEs),
payment in e-commerce, consumer behavior in e-commerce, contract in e-commerce, trust in e-commerce, and security in e-commerce in deference sores.

According to Sarmadsaeedi, Soheil and Mirabi, Vahid R. (2004), the combination of commerce and electronics began in 1970. Expanding and accepting e-commerce need some preparations for this technology such as telecommunication infrastructure, legal affairs and information security.

There are some definitions pertaining to different kinds of e-commerce; the number of people has been defined with little change. In conformity with Tiwari, Sanjay and Shukla, Narendra. (2003), there are nine kinds of e-commerce such as B2B (Business to Business), B2C (Business to Consumer), C2B (Consumer to Business), C2C (consumer to consumer), G2C (Government to Customer), G2B (Government to Business), B2G (Business to Government), C2G (Customer to Government), G2G (Government to Government). Also Awad, Elias M. (2008), Sarmadsaeedi, Soheil and Mirabi, Vahid R. (2004) have defined peer to peer (P2P) as one kind of e-commerce. In addition, Sarmadsaeedi, Soheil and Mirabi, Vahid R. (2004) used Business to Administration (B2A) and consumer to Administration (C2A) instead of B2G (Business to Government) and C2G (Customer to Government).

According to Verheugen, Günter. (2005), micro, small and medium are defined based on staff, turnover and balance sheet. For micro enterprises, staff should be less than ten persons and turnover should be equal to or below € 2 million and balance sheet equal to or below € 2 million. For small enterprises staff should be less than 50 persons and turnover should be equal to or below € 10 million and balance sheet should be equal to or below € 2 million. For small
entreprises staff should be less than 250 persons and turnover should be equal and below € 50 million and balance sheet should be equal to or below € 43 million. In the definition of Mark Turnbull (2006), the Department of Trade and Industry (DTI) uses the following terms:

• Micro firm: 0-9 employees
• Small firm: 0-49 employees (includes micro)
• Medium firm: 50-249 employees
• Large firm: over 250 employees

In India the Micro, Small and Medium Enterprises Development (MSMED) Act (2006) which came into effect on October 2, 2006 classifies enterprises into three categories Micro, Small and Medium based on investment levels in manufacturing sector as under:

Small: Above Rs.25 lakh but up to and inclusive of Rs.5 crore
Medium: Above Rs.5 crore but up to and inclusive of Rs.10 crore

In the same way in Services Sector that is as follow:

Small: Above Rs.10 lakh but up to and inclusive of Rs.2 crore
Medium: Above Rs.2 crore but up to and inclusive of Rs.5 crore

6.1.3: Review of Hypotheses

Five hypotheses were tested in an investigation of small and medium size enterprises (SMEs) which used e-commerce.

The following presents each of the null and alternative hypotheses:

Hypothesis 1:

H_{0}: E-Commerce acceptability level does not differ in Small and Medium Size enterprises (SMEs).
H$_{11}$: E-Commerce acceptability level differs in Small and Medium Size enterprises (SMEs).

*Hypothesis 2:*

H$_{02}$: Different elements and nature of contracts do not affect the level of acceptability of the E-Commerce in (Small and Medium Size Enterprises) SMEs.

H$_{12}$: Different elements and nature of contracts affect the level of acceptability of the E-Commerce in (Small and Medium Size Enterprises) SMEs.

*Hypothesis 3:*

H$_{03}$: The customers' behavior does not get a prompt influence by e-commerce application in (Small and Medium Size Enterprises) SMEs.

H$_{13}$: The customers' behavior gets a prompt influence by e-commerce application in (Small and Medium Size Enterprises) SMEs.

*Hypothesis 4:*

H$_{04}$: New marketing practices and tools cannot be effective factors in (Small and Medium Size Enterprises) SMEs development.

H$_{14}$: New marketing practices and tools are effective factors in (Small and Medium Size Enterprises) SMEs development.

*Hypothesis 5:*

H$_{05}$: E-commerce application does not have a great impact on the (Small and Medium Size Enterprises) SMEs functional performance.

H$_{15}$: E-commerce application has a great impact on the (Small and Medium Size Enterprises) SMEs functional performance.

**6.1.4: Review of Methods and Procedures**

Following the accumulation of all the information about SMEs in Bangalore urban and rural areas, the researcher tried to make sample size. The
researcher found from 4452 small and medium enterprises in Bangalore that there are 1983 enterprises which use e-commerce in their activities and among the 1727 enterprises were small and 256 enterprises were medium. Since the researcher had to select 322 enterprises based on Morgan's table, the selected sample size was divided between the small urban, rural and medium urban, rural enterprises due to the proportionate stratified formula.

For the present study, the researcher used primary and secondary data. Based on the objectives of the study and hypotheses, the researcher designed a questionnaire to be measured by five point Likert scales as well as tested the pilot survey to achieve validity and reliability. Then questionnaires were distributed among enterprises for the primary data.

The research theme was based on secondary information sources relevant with the comprehensive definitions e-commerce, SMEs, and some complementing information, listed in the bibliography.

The responses to the structured questionnaire were collated with the help of the SPSS package and relevant statistical tools like the stratified random sampling technique, Chi-Square mean value and standard deviations which were adopted to arrive at meaningful conclusions.

The method of statistical analysis used in research to analyze data was usually determined by the way in which data was expressed. Therefore, for sampling, the researcher used stratified statistics. For this survey, descriptive statistics were used to examine means and standard deviations to display the distribution of the data in each variable. Nominal variables in this study distinguished data into categories and counted frequencies while order variables ranked data in terms of degree. In addition, Likert scales and Nominal
and Ordinal scales were also used in the study. A non-parametric test such as a Chi-square was used to test the stated hypotheses. Frequency distributions inspected the range of responses and their repeated occurrence, arraying the data from highest to lowest values with counts and percentages.

### 6.2: General Findings

1- In the review of the literature, the researcher determined the nature of small and medium size enterprises (SMEs). This section illustrated the distinguished scale of firms to the turnover or the number of employment. The researcher realized that in India turnover is the base on the distinguished scale of SMEs.

2- In the review of the literature, the researcher found that there are many advantages if the enterprises use e-commerce in business. For instance, if SMEs use e-commerce, it can gain a greater share of the global market and increase their efficiency.

3- In a chapter reflecting e-commerce, the researcher found e-commerce with a stunning technology presented to the world of business which opened a new approach for both customers and sellers. Both the vast structure of Internet and low cost of utilizing it introduced the interconnection of new and existing information and communication technologies. Such a chance not only offers businesses and consumers a new and powerful information system but also a new form of communication. This makes it possible for buyers and sellers to come together in more efficient ways.

4- As can be found in the review of this study, the various definitions of e-commerce are highlighted. In fact, there are many definitions of e-
commerce that refer to selling and buying through the World Wide Web and all processes relevant to trade.

5- Based on the profile of the study area the researcher found that after India's independence in 1947, Bangalore gradually became a manufacturing hub for public sector heavy industries, particularly aerospace, telecommunications, machine tools, heavy equipment, space and defense. After the liberalization of India’s economy, software services firms were successfully established in Bangalore, thereby leading to the growth India’s Information Technology industry. Now, Bangalore accounts for 35 percent of the software exports from India.

6- In the general questions it is found that 85.4 percent of respondents were male while 14.6 of respondents were female (Table 5.1). The researcher also came to know that 33 percent of them were 20-29 years old, 44 percent of them were 30-39 years old, 18 percent of them were 40-49 years old and five percent of them were 50 years and above (Table 5.2).

7- In the section referring to the education qualifications of the respondents, it was found that three percent of them were literate, 11 percent of them were undergraduate, 70 percent of them were graduate and 16 percent of them were post graduate (Table 5.3). It was also found that 90 percent of them were familiar with Kanada language, 97 percent of them were familiar with English language, 57 percent of them were familiar with Hindi language and 12 percent of them were familiar with another language such as Tamil (Table 5.4).
8- The following part deals with the position of respondents in a specific enterprise. The researcher found that 37 percent worked in a sole proprietorship, 18 percent in partnership and 45 percent in an Incorporate Company (Table 5.5).

9- In the section revealing the branches of business, it is evident that the enterprises were 50 percent Manufacturing, 35 percent Industry, 8 percent Service-trading, 4 percent Retail, 2 percent Transportation and 1 percent Healthcare (Table 5.6). It is found that 6 percent of the enterprises have existed less than 2 years, 29 percent of them have existed about 2-5 years, 32 percent of them have existed about 6-10 years, 10 percent of them have existed about 11-15 years, 8 percent of them are working about 16-20 years and 15 percent of them have existed 21 years and above (Table 5.7).

10- Based on the questionnaire and reviews of literature, the researcher determined the kind of e-commerce that is used in SMEs. There are B2B, B2C, C2B, G2B, B2G, C2G, G2C, G2G and P2P in e-commerce trade and it should be mentioned that B2B, B2C and C2B are more important in e-commerce. Subsequently in 322 enterprises in Small Urban, 53 percent used Business to Business, 93 percent used Business to Consumer, 46 percent used Consumer to Business, 7 percent used Government to Business and 20 percent used Business to Government in their trade. In Small Rural, 47 percent used Business to Business, 94 percent used Business to Consumer, 31 percent used Consumer to Business, 5 percent used Government to Business and 16 percent used Business to Government in their trade. In Medium Urban, 60 percent
used Business to Business, 94 percent used Business to Consumer, 55 percent used Consumer to Business, 12 percent used Government to Business and 33 percent used Business to Government in their trade. In Medium Rural, 67 percent used Business to Business, 100 percent used Business to Consumer, 56 percent used Consumer to Business, 22 percent used Government to Business and 44 percent used Business to Government in their trade. In the overall form of SMEs 52 percent used Business to Business, 93 percent use Business to Consumer, 44 percent used Consumer to Business, 7 percent used Government to Business and 20 percent used Business to Government in their trade (Table 5.8).

11- In the questionnaire the researcher asked which classifications of e-commerce are more effective than others. The researcher analyzed questions through the frequency and considered over medium limit answers for L group questions and on the whole form for SMEs. L2 that referred to Business to Consumer had the highest percentage 92% and L8 that referred to Consumer to Government had the lowest percentage 57%. Some of the questions had over 50% positive answers such as L1 that referred to Business to Business 84%, L7 that referred to Business to Government 77%, L3 that referred to Consumer to Business 76%, L6 that referred to Government to Business 75%, L4 that referred to Consumer to Consumer 69%, L5 that referred to Government to Consumer 63%, and L9 that referred to Government to Government 62% (Table 5.9).

12- There were eighteen sub questions for motivation. Some of the enterprises had mostly positive frequency for answers. Respondents in
totally for SMEs had mostly positive percentage of the answers to J3 around 80%. This shows that the improvement of their competitiveness was one of the important reasons of the driving force for the initial usage of e-commerce. J14 with 18.3% had the lowest positive percentage of answers which reveals financial support for SMEs had the lowest value for starting e-commerce. In general, some items were more important driving forces for starting e-commerce in SMEs such as getting smaller stock, leading to improved customer service, reduced time between the outlay of capital and receipt of products/service, getting support/education during development, making the internal efficiency higher and reducing time between order and delivery (Table 5.10).

13-There were ten sub questions for difficulties. For SMEs the respondents as a whole had the most positive percentage of the answers: K7 around 73% meaning investment for starting e-commerce activities was one of the most important reasons of difficulties in applying e-commerce to their enterprises. In all, K6 with 28% had the lowest positive percentage of the answers which means 'to service by consultant' for SMEs did not have problems for the starting e-commerce. In the same way for the questions, 'to change the routines', 'to get knowledge/learn about the new technique', 'to purchase hard- and software' and 'to get the acceptance from personnel' were the most common difficulties for starting e-commerce after item K7, (Table 5.11).
6.2: Major Findings

The results of this study indicate that a majority of respondents use e-commerce in business activities in small and medium size enterprises, 322 questionnaires distributed among small urban, rural and medium urban, rural size enterprises in Karnataka state for investigated purposes of e-commerce application. All hypothesis were tested at the p-value < 0.05 level.

In hypothesis one, after testing through statistical tools (chi-square and standard deviation), clarified null hypothesis were rejected and alternative hypothesis were approved. The researcher surveyed questions through frequency and concluded that in the overall form, for SMEs the total positive answers for A, B, and C questions, A1 that referred to Send / Retrieve e-mail had the highest percentage 100% and A3 that referred to download digital products had the lowest percentage 29.19%. And also some of the questions had above 50% positive answers such as A10 that referred to EDI with supplier 83.85%, A9 that refers to EDI with customer 81.99%, A16 that referred to studies for product and market 68.01%, A4 that referred to General information research 67.07%, A11 that referred to EDI with partnership 67.07%, and A15 that referred to a digital catalogue. B1 that referred to order had the most percentage 87.89% and B8 that referred to consignment note had the lowest percentage 20.05%. As well, some of questions had above 50% positive answers such as B11 that referred to advertisement 85.09%, B12 that referred to Price-list/Article-list 78.57%, B3 that referred to plan of delivery 70.81%, B7 that referred to booking of transport 66.15% and B9 that referred to information about debiting 64.06%. And C9 that referred to information about
debiting had the most percentage 82.92% and C8 that refers to consignment note had the lowest percentage 16.46%. In addition, some of the questions had above 50% positive answers such as C1 that referred to order 78.88%, C12 that referred to price-list/article-list 73.06%, C11 that referred to advertisement 72.05%, C7 that referred to booking of transport 69.25% and C3 that referred to plan of delivery 64.06%.

Consequently, for small urban, rural and medium urban, rural for hypothesis 1 we have:

1- The total positive answers of small urban for A, B, and C questions, A1 had the highest percentage 100% and A6 had the lowest percentage 31.13%. Some of the questions had over 50% positive answers such as A10 with 84.11%, A9 with 81.46%, A16 with 70.02%, A4 with 66.89%, A11 with 58.28%, A15 with 54.30% and A8 with 52.32%. For B group questions, B1 had the highest percentage 86.75% and B8 had the lowest percentage 18.54%. Moreover some of questions had more than 50% positive answers such as B11 with 82.78%, B12 with 81.46%, and B3 with 67.55% and B7 and B9 both of them with 63.58%. For the questions of group C, C9 had the most percentage 81.48% of the positive percentage and C8 had the lowest percentage 16.54% of positive percentage. In addition some of questions had above 50% positive answers such as C1 with 76.82%, C3 and C12 with 67.55%, C11 with 66.89% and C7 with 53.64%.

2- For small rural the total positive answers for A, B, and C questions, A1 had the highest percentage 100% and A7 had the lowest percentage 26.36%. Also some of questions had more than 50% positive answers
such as A9 and A10 with 82.95%, A16 with 69.77%, A4 with 68.22%, and A11 with 61.24% and A15 with 57.36%. For B group questions, B11 had the highest percentage 86.82% and B5 had the lowest percentage 19.38%. Moreover some of questions had over %50 positive answers such as B1 with 86.05%, B12 with 73.64%, B3 with 72.09%, B7 with 66.67% and B9 with 66.67%. And for the C group questions, C7 had the highest percentage 82.95% and C8 had the lowest percentage 18.60%. In addition some of questions had more than %50 positive answers such as C9 with 81.04%, C1 with 79.84%, C12 with 75.97%, C11 with 70.54% and C3 with 53.64%.

3- For medium urban the total positive answers for A, B, and C questions, A1 had the highest percentage100% and A3 and A6 had the lowest percentage18.18%. Some of questions had more than 50% positive answers such as A10 with 87.88%, A9 with 78.79%, A8 with 72.73%, A4 with 69.70%, A2 with 66.70%, A7, A12 and A13 with 63.64%, A5 with 60.61%, A11 with 57.58%, A16 with 54.55% and A15 with 51.52%. And for the B group questions, B1 had the highest percentage 96.97% and B8 had the lowest percentage 21.21%. Moreover some of questions had over 50% positive answers such as B11 with 87.88%, B12 with 81.82%, B3 with 78.79%, B5 and B7 with 69.70%, B6 and B9 with 66.67% and B2 and B9 with 57.58%. And for C group questions, C11 had the highest percentage 96.97% and C8 had the lowest percentage 9.09%. In addition some of questions had over 50% positive answers such as C9 with 93.94%, C7 with 87.88%, C12
with 84.85%, C1 with 81.82%, C3 had 75.76%, C5 with 66.67%, C6 with 63.64%, C2 and C10 with 60.61% and C4 with 54.55%.

4- For medium rural the total positive answers for A, B, and C questions, A1 had the highest percentage %100 and A3 had the lowest percentage 11.11%. And also some of questions had more than 50% positive answers such as A9 and A15 with 88.89%, A2 and A10 with 77.78%, A8 with 76.78%, A4, A7 and A13 with 66.67%, A6, A12 and A16 with 55.56%. And for B group questions, B1 had the highest percentage %100 and B5 had the lowest percentage 22.22%. Moreover some of questions had over 50% positive answers such as B7, B11 and B12 with 77.78%, B2 with 66.67%, B4 and B6 with 55.56%. And for C group questions, C12 had the highest percentage 100% and C8 had the lowest percentage 11.11%. In addition some of questions had over 50% positive answers such as C9 with 93.94%, C7 with 87.88%, C12 with 84.85%, C1, C9 and C11 with 88.80%, C3 with 77.78%, C2 and C7 with 66.67%, C4 with 64.67%, C6 and C10 with 55.56%.

For hypothesis two after testing through the statistical tools (chi-square and standard deviation) clarified null hypothesis was rejected and alternative hypothesis was approved. The researcher analyzed questions through the frequency and considered over medium limit answers for D, E and F questions and on the whole form for SMEs, D5 that referred to trust had the highest percentage 100% and D1 that referred to domain name had the lowest percentage 34.78%. Some of the questions more over 50% positive answers such as D3 that referred to easy payment for the customers 91.61%, E that referred to what extent, do you think, clear contract can be effectives on the
level of E-commerce acceptability of these enterprises 83.85%, D4 that referred to avoidance of fraud 77.64%, D2 that referred to suitable place for internet site 62.42% and F that referred to what extent, do you think, the government protection can be effectiveness on the level of E-Commerce acceptability of these enterprises 50%.

Subsequently small urban, rural and medium urban, rural for hypothesis 2 we will have:

1- For **small urban** the researcher analyzed questions through the frequency and considered over medium limit answers for D, E and F questions. Afterward, D5 had the highest percentage 100% and D1 had the lowest percentage 30.46%. Moreover some of questions had over 50% over medium limit answers such as D3 with 91.39%, E with 83.44%, D4 with 79.47% and D2 with 61.59%.

2- For **small rural**, D5 had the highest percentage 100% and D1 had the lowest percentage 34.11%. Also some of questions had more than 50% over medium limit answers such as D3 with 93.02%, E with 89.15%, D4 with 76.74%, D2 with 64.34% and F with 58.91%.

3- For **medium urban**, D5 had the highest percentage 100% and F had the lowest percentage 34.11%. As well some of questions had over 50% over medium limit answers such as D3 with 87.88%, D4 and E with 66.67%, D1 and D2 with 57.58%.

4- For **medium rural**, D4 and D5 had the highest percentage 100% and D1 had the lowest percentage 33.33%. Also some of questions had over 50% over medium limit answers such as D3 with 88.89%, E with 77.78% and D2 with 66.67%.
For hypothesis *three* after testing through statistical tools (chi-square and standard deviation) clarified null hypothesis was rejected and alternative hypothesis was approved. The researcher surveyed questions through frequency and considered over medium limit answers for G questions. Entirely for SMEs, G2 that referred to the affected customer value displayed the highest percentage 81.68% and G5 that referred to category management issue and computing had the lowest percentage 31.99%. Moreover some of questions had more than 50% over medium limit answers such as G6 that referred to customer franchise had 79.81%, G4 that referred to communication and customer relationship had 77.33%, G7 that referred to customer care and services had 69.88%, and G1 that referred to convenience for the customer had 54.35%.

Then for small urban, rural and medium urban, rural for hypothesis 3 we will have:

1- For **small urban**, through the frequency analysis G2 had the highest percentage over medium limit answers 81.46% and G5 had the lowest percentage over medium limit answers 35.76%. In addition some of questions had more than 50% over medium limit answers such as G4 with 78.81%, G6 with 75.50%, G7 with 72.85% and G1 with 54.97%.

2- For **small rural**, G2 had the highest percentage over medium limit answers 82.95% and G5 had the lowest percentage over medium limit answers 27.13%. Subsequently some of questions had more than 50% over medium limit answers such as G6 with 80.86%, G4 with 79.84%, G7 with 68.99% and G1 with 51.94%.
3- For **medium urban**, G6 had the highest percentage over medium limit answers 93.94% and G5 had the lowest percentage over medium limit answers 30.30%. Also some of questions had more than 50% over medium limit answers likewise G2 with 78.79%, G3 with 69.70%, G4 with 66.67%, G7 with 60.61%, and G1 with 57.58%.

4- For **medium rural**, G6 had the highest percentage over medium limit answers 88.89% and G5 had the lowest percentage over medium limit answers 44.44%. Furthermore some of questions had more than 50% over medium limit answers likewise G2 and G3 with 77.78%, G1 and G7 with 66.67% and G4 with 55.56%.

For hypothesis **four** after testing through statistical tools (chi-square and standard deviation) the clarified null hypothesis was rejected and the alternative hypothesis was approved. The researcher analyzed questions through the frequency and considered over medium limit answers for H question in overall form for **SMEs**. The researcher had 81.68% percentage over medium limit answers.

After that for small urban, rural and medium urban, rural for hypothesis 4 we will have:

1- For **small urban** the researcher had 86.75% over medium limit answer.

2- For **small rural** the researcher had 84.50% over medium limit answer.

3- For **medium urban** the researcher had 54.55% over medium limit answer.
4- For **medium rural** the researcher had 55.56% over medium limit answer.

For hypothesis *five* after testing through statistical tools (chi-square and standard deviation) the clarified null hypothesis was rejected and the alternative hypothesis was approved. The researcher analyzed questions through the frequency and considered over medium limit answers for questions I. in whole for **SMEs**, I4 that referred to reduced stock had the highest percentage over medium limit answers 94.72% and I2 that referred to lower costs for production/distribution had the lowest percentage over medium limit answers 24.22%. In addition, some of the questions had more than 50% over medium limit answers such as I6 that referred to increased internal efficiency had 85.46%, I16 that refer to lack of need of environment had 85.09%, I3 that referred to reduced lead time had 83.85%, I10 that refer to improved marketing-possibilities had 75.47%. I8 that referred to new customers/markets had 70.50%, I12 that referred to don't need to personal seller had 57.45%, I5 that referred to increased sale and marketing cost had 55.90% and I1 that referred to lower administration costs had 53.73%.

Next for small urban, rural and medium urban, rural for hypothesis 5 we will have:

1- For **small urban**, through the frequency analysis I4 had the highest percentage over medium limit answers 95.46% and I2 and I7 had the lowest percentage over medium limit answers 23.84%. Also some of questions had more than 50% over medium limit answers likewise I3 with 84.11%, I6 and I16 with 83.44%, I10 with 76.16%, I8 with
68.21%, I13 with 66.23%, I1 with 62.25%, I5 with 60.93%, I12 with 59.60% and I9 with 50.99%.

2- For **small rural**, I4 had the highest percentage over medium limit answers 96.09% and I13 had the lowest percentage over medium limit answers 9.30%. As well some of questions had more than 50% over medium limit answers likewise I6 and I16 with 86.05%, I3 with 81.40%, I10 with 57.97%, I8 with 75.19%, I5 with 53.49% and I12 with 50.39%.

3- For **medium urban**, I3 had the highest percentage over medium limit answers 90.91% and I2 and I7 had the lowest percentage over medium limit answers 27.26%. In addition some of questions had more than 50% over medium limit answers such as I6 and I16 with 78.89%, I4 with 81.82%, I12 and I13 with 75.76%, I10 with 72.73%, I1 with 66.67% and I8 with 63.64%.

4- For **medium rural**, I4 and I6 had the highest percentage over medium limit answers 100% and I2 had the lowest percentage over medium limit answers 22.02%. Also some of the questions had more than 50% over medium limit answers such as I3 and I16 with 88.80%, I13 with 77.70%, I8 and I10 with 66.60%, and I12 and I15 with 55.50%.