

**AN ANALYSIS OF E-COMMERCE (B2B)
AWARENESS IN MANUFACTURING
INDUSTRIES OF SRI LANKA**

**MASTER OF BUSINESS ADMINISTRATION
IN
INFORMATION TECHNOLOGY**



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December 2007

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AWARENESS IN MANUFACTURING
INDUSTRIES OF SRI LANKA**

By

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The Dissertation was submitted to the Department of Computer Science & Engineering of the University of Moratuwa in partial fulfillment of the requirement for the Degree of Master of Business Administration.



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**Department of Computer Science & Engineering
University of Moratuwa
December 2007**

Declaration

“I certify that this dissertation does not incorporate without acknowledgment of any material previously submitted for the degree or diploma in any university to the best of my knowledge and believe it does not contain any material previously published, written or orally communicated by and other person or myself except where due reference made in the text. I also give consent for my dissertation if accepted, to be made available for photocopying and inter library loans and for the titles and summary to be available to outside organizations.”

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.....

Dr. Kennedy D Gunawardana
Supervisor

18/02/2008

Abstract

The purpose of this research is to discuss the potential of e-commerce in Sri Lankan manufacturing industries by reviewing the awareness and readiness. This study reveals the present level of awareness and readiness of e-commerce applications in manufacturing industries. Further the study is to find out the potential constraints to implement the e-commerce applications and the initiatives that they are planning to invest in next few years. Also it explores the relationship between the e-commerce awareness and the firm based characteristics of the manufacturing industries. It is important to note that the focus of this study is on Business-to-Business (B2B) in manufacturing industries.

The methodology used in this study, a database of manufacturing companies in Sri Lanka developed by Ministry of Industrial Development was used to develop the sample for survey. Out of 531 large scale manufacturing companies 100 companies were selected at random. The questionnaire was developed based on information collected from the literature review and the analysis of similar studies performed abroad. Thereafter the questionnaire was distributed to the senior executive in their respective companies. The resulting response rate was 40 %, with 40 total usable responses out of the 100 companies which is an expected rate for the surveys.

The results indicate the awareness of e-commerce technologies among the Sri Lankan manufacturing companies and it is very high. But future investment to develop e-commerce application is very low according to the survey. Most popular e-commerce applications are e-mail, Internet and the company website. E-mail still seems to be the prevalent methods of communication with business partners and their suppliers. The results show that there are no relationship between the e-commerce awareness level and the business type with p_value (0.391). But another result show there is a significant relationship between e-commerce awareness level and company age with p_value (0.009), also there is a significant relationship between e-commerce awareness level and company size with p_value (0.029), further more there is a significant relationship between e-commerce awareness level and annual turnover with p_value (0.012).

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G.Sudarshan

18/02/2008

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Abbreviations

WWW	World Wide Web
MRP	Materials Resource Planning
ERP	Enterprise Resource Planning.
B2B	Business-to-Business
B2C	Business-to-Customer
C2C	Customer-to-Customer
B2G	Business-to-Government
G2C	Government-to-Customer
EDI	Electronic Data Interchange
ICT	Information and Communication Technology
BTO	Build to Order
JIT	Just-in-Time
ECR	Efficient Customer Response
QR	Quick Response
UNIDO	United Nations Industrial Development Organisation
CINTEC	Council for Information Technology
SME	Small and Medium Enterprises
DTI	Department of Trade and Industry
LAN	Local Area Network
SA	South Africa



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