

Feasibility Study for an E-commerce Development Programme through the Institute of Private Enterprise Development (IPED)

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A. Abstract

The Institute of Private Enterprise Development (IPED) commissioned a feasibility study for an e-commerce development programme in Guyana. The study analysed the national readiness for e-commerce and found that there were some enabling factors and some deficiencies.

A survey was carried out with a random sample of clients of IPED to get a sense of their interest and it was found that the current client base of IPED has limited awareness and needs capacity building to implement e-commerce.

The recommendations for the IPED e-commerce development programme are therefore :-

1. to raise awareness about e-commerce
2. to integrate e-commerce techniques in training activities
3. to provide a web portal to expand the exposure of IPED clients to new markets
4. to advocate for the conditions locally which are needed to stimulate e-commerce

This study was conducted by DevNet, an NGO promoting the use of Information and Communications Technologies in Guyana's Development .

B. Background of Study

The Institute of Private Enterprise Development (IPED) is the leading institution in Guyana which provides financial and non-financial services to the most needy sector of the economy (i.e. the underprivileged, micro and small entrepreneurs). The Entrepreneurial Development Centre(EDC) of IPED is interested in executing an E-Commerce Development Programme which would allow interested clients to leverage the use of Information and Communications Technologies (ICTs) in the development of their businesses, specifically to increase the access to new markets.

DevNet is an non-governmental organisation which promotes the use of Information and Communications Technologies for Development. DevNet conducted the Feasibility Study for an E-commerce Development Programme for the EDC.

The terms of reference for this feasibility study are to :

1. Review the national environment (legislation, infrastructure, policy, capacity) and recommend a framework for the level and type of e-commerce activities which are possible in the existing environment
2. Survey IPED clients to determine their readiness to use ICTs to enhance their enterprises. This survey was done in specific sectors
3. Recommend the components of an appropriate programme for IPED to offer its clients to enable them to effectively use ICTs for e-business.
4. Identify the components of an advocacy strategy for IPED to support e-commerce development in Guyana
5. Review the opportunities for m-commerce in Guyana

C. What is e-commerce?

E-commerce has been referred to as 'business done electronically'¹ , but this concept is complex and there are many definitions.

A broad definition of e-commerce is the use by enterprises of Information and Communications Technologies to keep in contact with customers and suppliers. The OECD has two definitions : a broad definition which refers to the “ *sale or purchase of goods or services, whether between businesses,*

1 “Draft Bill for Stakeholder Discussion” - Ministry of Tourism, Industry and Commerce, April 2005
<http://www.mintic.gov.gy/e-commerce.html>

households, individuals, governments, and other public or private organisations, conducted over computer-mediated networks. The goods and services are ordered over those networks, but the payment and the ultimate delivery of the good or service may be conducted on or off-line.”

There is a narrow definition which restricts the “computer mediated networks” to the Internet.

The e-ASEAN Task Force proposed a complete definition “*E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform, and redefine relationships for value creation between or among organizations, and between organizations and individuals*”²

E-commerce also refers to the electronic exchange of information pre-sales and to the use of electronic communications for after sales support.³

The different types of e-commerce are business-to-business (B2B); business-to-consumer (B2C); business-to-government (B2G); consumer-to-consumer (C2C); and mobile commerce (m-commerce)

B2B e-commerce refers to the e-commerce between companies and includes supplier chain processing, application hosting (e.g. for inventory and financial management); distribution and transportation management. This is estimated to be the largest form of e-commerce.

B2C e-commerce refers to the relationships between businesses and individual consumers. It involves the consumers seeking product information, and actually purchasing the products – whether physical products, services, information goods – and the after sales support of these products and services. In some instances, this form also includes the delivery of information goods (such as software, electronic material, etc.) The models of B2C e-commerce range from the ability to advertise and receive orders for products and services online, to those which involve the complete purchase to delivery and after sales support online.

B2G e-commerce refers to the relationship between businesses and the public sector – for public procurement, payment of licensing fees, duties and taxes and for conducting other business with the public sector. This form of e-commerce requires a strong commitment from the public sector to e-commerce, especially with public procurement.

C2C e-commerce refers to the e-commerce between private individuals as consumers facilitated by technology – e.g. auction sites such as e-Bay. Consumer to business e-commerce refers to the type of e-commerce where Consumers lead the transactions and negotiations e.g. a consumer looking for a particular property, and real estate agents reply with bids.

M-commerce (mobile commerce) refers to the use of hand held wireless devices such as mobile phones, PDAs, etc. for commercial transactions. This type of includes the ability to order and confirm products and services immediately, and to check on financial services and telecommunications services. Annex 1 to this report has the subsection on the opportunities for m-commerce in Guyana.

2 “E-commerce and e-business” e-ASEAN Task Force, e-primer, May 2003

3 “A Rainbow Technology for a Rainbow People: E-Business Capacity Development for the CARICOM” Alwyn Didar Singh, 2001

It is important to note that

- E-commerce is more than buying and selling on the internet – it includes a range of applications of Information and Communications Technologies to achieve the business goals
- E-commerce can be applied in stages – from use of email to stay in contact with customers and suppliers, to the use of dynamic websites to process orders and payments and enable contact for after sales support.
- E-commerce techniques could be applied to parts of a business and not the entire business
- E-commerce goals should be linked to business goals, some successful entrepreneurs would probably not need e-commerce to grow their businesses
- E-commerce also offers opportunities of completely new kinds of business which would be based on offering ICT enabled products and services (e.g. website design, graphics design, document preparation, translation, etc.)
- E-commerce is not only about the technology, but involves rethinking ways of doing business

D. Readiness for e-commerce in Guyana

Guyana's readiness for e-commerce can be assessed against a framework based on two approaches. The UNCTAD Background Paper “*Electronic Commerce Strategies for Development: The Basic Elements of an Enabling Environment for E-Commerce*” noted that there are some common elements in national strategies which would enable e-commerce. These, incorporated with the Harvard e-readiness guide from www.readinessguide.org provide criteria for assessing Guyana's current e-readiness for e-commerce and describing the environment in which IPED's clients are operating.

D.1 Access and Infrastructure

<p><i>Internet quality, affordability and availability</i></p>	<p>The telecommunications provider GT&T maintains a monopoly on land-line and Internet infrastructure.</p> <p>The costs of dial up connections and DSL are high relative to the average household income.⁴ There are options for wireless connections which are costed on par with the wired connections. There have been indications that the costs will reduce with the advent of competition and other options for bandwidth.</p>
<p><i>Electricity</i></p>	<p>The unreliable electricity supply continues to be a source of concern to</p>

⁴ The 1999 Living Standards Measurement Survey suggested an average monthly income of USD275. DSL residential rates are USD50 while unlimited dialup access is USD30.

	<p>many businesses. The cost of investment in IT is increased by the need to have protection and backup electricity supply – sometimes as much as 50%.</p> <p>Many micro and small entrepreneurs rely on the standard electricity supply through the main electricity provider.</p>
<i>Hardware and Software</i>	<p>Hardware is available in Guyana for sale, with no VAT or duties on computer equipment. The absence of intellectual property legislation has enabled the availability of proprietary software at little or no additional cost. This could pose a problem when Guyana implements Intellectual Property legislation.</p>
<i>Other Infrastructure</i>	<p>The ability for micro and small entrepreneurs to deliver their products retail rely on effective transportation networks. The coastland is served by a road network but the cost of transportation in the hinterland increases the costs for distribution of products from these areas.</p>

D.2 Awareness building and education

<i>Literacy</i>	<p>There are concerns about the low levels of functional literacy in Guyana. Functional literacy is a critical asset in the “information and knowledge economy” since information sharing requires the ability to create information and to communicate effectively across borders.</p> <p>The growth in digital literacy has been supported by the drive to introduce IT education in schools. At the same time, there are private sector training enterprises which continue to offer training services. The ability to communicate in English is an asset,</p>
<i>Computers in Schools</i>	<p>The Government has committed to providing computer skills education in schools and is working to make Information Technology a compulsory subject. This vision is limited by the ability to deploy enough equipment and to have trained teachers in all the schools. The President has indicated that he will be working on making low cost equipment available to schools and communities.</p>
<i>ICT Professionals</i>	<p>The University of Guyana has a degree programme in Computer Science. There are other training opportunities which are available. However, anecdotal evidence suggests that many of the persons with these skills migrate from Guyana. There are claims of underemployment of persons who have trained in this area as well.</p>

<i>General Awareness</i>	<p>There have been several efforts to promote e-commerce awareness in Guyana. The efforts have fluctuated, since there is a belief that the telecommunications sector must be liberalised before the full benefits of e-commerce can be realised.</p> <p>Stabroek News at the time of this report has a series of articles focussed on the legal aspects related to electronic transactions. Some business owners in Guyana outside the tourism sector have built retail websites while other small businesses have promoted their products and services using the Internet. Some website developers in Guyana offer e-commerce solutions which are based on third party providers.</p>
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D. 3 Legal and Regulatory issues

<i>Banking and Online Payments</i>	<p>The banks are now offering various debit and credit cards to customers in Guyana who can no pay for services online. The Bank of Nova Scotia offers a merchant account solution to facilitate the processing of credit card payments , including online payments. The transaction costs of processing in Guyana however restrict such payments to businesses which have low volume high value transactions or to the hotel industry. Other credit transfer options such as PayPal exist but there are various opinions of its usage for micro and small entrepreneurs.</p>
<i>Electronic transactions</i>	<p>The Ministry of Tourism, Industry and Commerce had drafted a “National E-Commerce Bill” in 2005. This bill seeks to deal with electronic transactions and related issues. The absence of this legislation would limit the recourse to the courts if there are disputes on some transactions.</p>
<i>Telecommunications reform</i>	<p>The Government has been pursuing reform of the Telecommunications sector to liberalise the sector and to improve the availability of telecoms services. The current monopoly with GT&T is scheduled to end in 2015</p>

D. 4 Sector specific policies to promote e-commerce

<i>ICT Sector</i>	<p>The Guyana Office for Investment⁵ has promoted Guyana as a viable location for IT enabled services such as call centres, and for some forms of Business Process Outsourcing.</p> <p>The taxation policy enables investment. Special incentives are offered to investors in this sector.</p>
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⁵ [Http://www.goinvest.gov.gy](http://www.goinvest.gov.gy)

Other sectors	<p>There are no specific e-commerce policy sections for the other economic sectors. The following initiatives are noted :-</p> <p>Agriculture</p> <p>The New Guyana Marketing Corporation maintains its website at http://www.newgmc.com as a “useful resource for doing business with, and from Guyana, in the fresh produce and processed non-traditional agricultural sector.”</p> <p>The New GMC manages in collaboration with Digicel, an Agriculture Market Information Service in which persons can use SMS text to keep updated on wholesale and retail prices for commodities.</p> <p>This includes Livestock, Fishing and Farming. The Forestry Sector has no specific policies though there is interest in promoting value added forestry in Guyana.</p> <p>Tourism</p> <p>There is no clear policy for e-commerce and the tourism sector in Guyana. The <i>UNCTAD Background Report - “ Electronic commerce and tourism : New perspectives and challenges for developing countries “ July 2000</i> suggests that “ <i>A developing country tourism producer may find it advantageous to establish and broaden its online offer by including booking for other local producers in an effort to offer consumers a comprehensive tourist product. Both private and public sector "destination marketing organizations" (DMOs) in developing countries should adopt a “total internet strategy” and by example and assistance should encourage all domestic industry players to do the same. </i>”⁶</p> <p>The Guyana Tourism Authority maintains a website for birding enthusiasts. The GTA website has changed and does not list tourism and hospitality providers in Guyana at the moment. The Tourism and Hospitality Association of Guyana provides links to the websites of its members. The site http://www.lindentourism.com promotes travel opportunities around Linden. Destination Guyana however is still not very visible on the Internet.</p> <p>Manufacturing and Services</p> <p>The Guyana Manufacturing and Services Association shares a list of their membership organised by sector on their website at http://www.gma.org.gy</p>

D.5 E-government

Strategies	<p>The Government has a draft ICT Strategy which is available from http://www.ict4d.gov.gy . There has been no update to the strategy or any commitment to implementation of the various sectors. The Office of the President has oversight of the Telecommunications Sector and is overseeing the developments in the sector.</p>
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6 UNCTAD Background Report - “ Electronic commerce and tourism : New perspectives and challenges for developing countries “ July 2000 available from <http://www.unctad.org>

<i>Specific initiatives</i>	<p>Public sector agencies have been using ICT to improve their internal processes. The Guyana Revenue Authority has been implementing several internal computerised systems to improve its service to the public. The Ministry of Home Affairs has digitised sections of the processing for passport applications.</p> <p>The interface with the public however requires face to face interaction in most instances.</p>
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D.6 How can e-commerce be conducted in Guyana?

There are different case studies of SMEs using e-commerce in Guyana. Some examples are :-

1. The website developer who negotiates with her clients on Skype and via email, and then receives payments through bank transfers;
2. The knowledge worker who performs research and is paid via a bank transfer to an account of his choice;
3. The graphics designer who uses his website and various social networks to advertise his work, and is paid via a money transfer scheme
4. The hotels and guest houses which accept and confirm reservations via email
5. The tour operators who advertise on the Internet with their websites, and then make arrangements and confirm bookings via email
6. The travel agents who negotiate their tickets with passengers via email or chat; and then receive payments at a later date in person
7. The small business offers a service for institutions who want to do e-learning.
8. The service technician who purchases spare parts on the Internet for customers
9. An auditor liaises with his NGO client, all letters are transacted electronically, some of the accounting records are transferred electronically , saving on the need to visit the office of the client.
10. The journalist who lives in Guyana and does editing services for a news agency based in another country and is paid via wire transfer or money transfer services

These cases show that some business processes can benefit from e-commerce techniques within the current environment as shown in Figure 1.

Figure 1 : Business Processes and associated e-commerce techniques which are feasible in Guyana

Business Process	E-commerce technique
<i>Marketing and Sales</i>	Use of the Internet to advertise products and services and to connect with customers (and suppliers) . Web searches also reveal competitors' products

	and prices. The Internet can be used to share customers feedback – common especially in the tourism sector where visitors for example would comment on hotels , restaurants and other services. Register with online databases
<i>Order processing</i>	Using email exchanges, voice chat to communicate with prospective clients. Some businesses are happy with scanned contract documents, and purchase orders . Improving relationships with existing customers and suppliers with whom some level of trust already exists.
<i>Invoicing and payments</i>	Accepting payments by wire transfer or money transfer services, or in payment. There are payment intermediary services such as Paypal which facilitate payments. These however operate outside of financial regulators and are themselves e-commerce ventures. The Merchant Account services which are available in Guyana are not feasible for micro or SMEs.
<i>After sales support and service</i>	Using email , chat for after sales support and service; posting frequently asked questions on websites; soliciting feedback
<i>Back office processes</i>	Using the Internet to identify supplies , new processing technologies, to identify new sources of items and to make contact with them

E. E-readiness of IPED clients

E.1 Framework for E-readiness of IPED Clients

A guide for United States Agency for International Development (USAID)⁷ suggests a framework which a business could use to assess its readiness for e-commerce. This framework applied to SMEs but some of the criterion could be used by micro-entrepreneurs.

Criteria	Issues
Motivation for e-commerce	The entrepreneur should be clear of the expectations of e-commerce. There should be some familiarity with the issues and the technology. In some cases, e.g. the tourism sector, there is no choice but to get involved in e-commerce. Is the entrepreneur willing to invest the time and resources needed to change the business to accommodate the new techniques?
Identification of e-commerce opportunities	The entrepreneur should do an analysis of their current position in terms of product analysis, market access, business practices – successful and unsuccessful; access to technology, skills to use technology, plans for growing business and entering into new markets. The entrepreneur should also check on incentives in the sector for e-commerce and what the trends are for making contact with suppliers and new customers. Is

⁷ E-Commerce readiness for SMEs in developing countries: A guide for development professionals by *Judith E. Payne*, *Academy for Educational Development* and available for <http://www.is-watch.net/node/598>

Criteria	Issues
	the diaspora a potential market?
Identification of business processes which could be changed	The entrepreneur should be decide on which aspects of the business would benefit from e-commerce. There is usually a phased approach, starting with improving customer relations with email/mobile communications.
Selection of e-commerce techniques	The entrepreneur should have some awareness of the options and be able to investigate the options available - types, costs, access points, lead-time needed to obtain technology, support available, extent of use by suppliers, market providers.
Awareness of geography, sectoral considerations, infrastructure as part of the context	The entrepreneur should be aware of issues which are affecting national implementations of e-commerce, paying attention to legislation, policies, etc. There might be constraints in terms of the location of the entrepreneur – so access to some markets might not be feasible because of transportation costs for example. There might be a need to invest in additional sources of electricity for example.

E.2 Survey to determine e-readiness of IPED clients

IPED had agreed to use a sample of their existing client base to survey their readiness for e-commerce (e-readiness) . The survey instrument is in Annex 2 to this report. The survey was administered via telephone to a sample size of 51 clients distributed by sector as follows :-

Sector	Number of respondents
Agriculture	7
Distribution	6
Fishing	1
Forestry	2
Livestock	3
Manufacturing	29
Services	3
TOTAL	51

Sampling and Interview Methodology

IPED selected a random sample of their clients from different sectors The clients were informed before

the start of the survey. The interviewers had to confirm the willingness of the respondents to participate. This took some time since there was some logistical challenges in getting letters out to the prospective respondents. The survey was conducted between May and October 2009. Most of the persons expressed willingness to answer the questions. In some cases, there was a time factor, e.g. the persons had to be dealing with their businesses and could not remain on the phone.

The use of the phone enabled a wider cross section of participants from a larger geographical area.

E.3 Results of the Survey

The detailed results of the survey are in Annex 3 to this report. The profile of the respondent is a sole trader with one or two employees. Most of the respondents did not use computers for their businesses.

The results of the survey can be reflected in the framework from Section E.2

Motivation for e-commerce

The clients who were surveyed did not know about e-commerce. Only 1 of the respondents had heard the term. This indicates a low level of awareness which would influence the motivation to e-commerce. 25% of the respondents indicated that they had an interest in learning more about e-commerce.

Identification of e-commerce opportunities

The majority of the respondents indicated the customers lived near them, and a few had clients who were outside of Guyana. Some of the respondents did business with tourists. None of the clients had a website or had plans to build one, though some were aware that their competitors had websites. Most of them do not import regularly, nor are they involved in exporting. Customers tended to be mostly individuals rather than other businesses, so the opportunities for B2B e-commerce would not appear to be important.

Identification of business processes which could be changed

The persons who had a computer most used it for word processing and printing. Those with internet access used for email and browsing with a few (2) using it for phone calls (VOIP or Skype) or online purchasing. None indicated doing online banking. None of the respondents indicated whether they had interest in use for contact with customers and suppliers. 31% of the respondents indicated that they could not afford a computer but would be interested in having one.

Selection of e-commerce techniques

The majority of the respondents did not own a computer. There is wide ownership of cell phones, some persons had two, though persons had not transferred phone credit as payment for goods or services. A few persons were able to access the Internet on their phones. There is a low level of ICT skills in the client base surveyed. A minority of persons were willing to invest some amounts in e-commerce. Most of the respondents did not have an e-mail address.⁸

⁸ An observation was made that many of the small and micro-businesses which participate in international trade expositions with the support of the Government do not have email addresses on their business cards, and some potential

Awareness of geography, sectoral considerations, infrastructure as part of the context

The questions related to the context for e-commerce were not answered by the majority. The one person who answered about legal issues indicated that they did not have any concerns.

These results indicate that the existing IPED client base shows a tendency not to be ready for e-commerce activities given their current knowledge and capacities.

F. Recommendations for IPED's e-commerce development programme

The recommendations for IPED's e-commerce development programme takes into consideration the low level of e-commerce awareness in the community of IPED clients and potential clients; and the low level of national e-readiness for e-commerce.

IPED could therefore consider the following :-

1. Engaging in awareness raising

IPED could raise awareness through various mechanisms, by discussing e-commerce as part of their information and entrepreneurial development sessions, providing information (the Resources section of this report lists some information which could be tailored for Guyana) and discussing case studies of e-commerce users. IPED's interest in e-commerce could also be shared with prospective entrepreneurs in the tourism and hospitality service industries and other specific sectors. The importance of literacy should be a part of the awareness raising.

2. Training

IPED could integrate e-commerce techniques into existing training programmes, for example the use of web tools for staying in touch with customers and building customer loyalties. Specific ICT skills such as word processing, email and Internet use should be linked to business processes rather than separate from the business training. Alternatively, collaboration could be established with other IT training agencies to develop the appropriate programmes at appropriate costs.

3. Promoting clients products and services through an IPED portal

The clients who are desirous of advertising their products and services through IPED could do that through a portal developed by IPED. IPED's endorsement will give potential customers some confidence when doing business with the entrepreneurs who are clients. The IPED clients should be able to at the minimum handle e-mail interchanges. IPED might not be able to do this as a for payment service since it would require some further usage to show what benefits would accrue to the IPED customers

overseas customers are often bemused as to how the entrepreneurs intended to keep contact.

4. Participation in the national discussions to stimulate the growth of e-commerce

IPED should use its influence to advocate on behalf of micro-entrepreneurs for the conditions necessary to stimulate e-commerce. The advocacy strategy should address the following issues :-

- the need for remedial literacy programmes to promote functional literacy. Literacy is essential to an information based economy
- the passing of the National E-commerce Bill which would legislate for electronic transactions
- the liberalisation of the telecommunications sector
- the regulation of the cost of Internet bandwidth
- the implementation of the National Information and Communications for Development (ICT4D) Strategy

G. Resources

Policy

- *National ICT4D Strategy 2006* – available from <http://www.ict4d.org>
- *Consultation Papers on the National E-commerce legalisation available from the Ministry of Tourism, Industry and Commerce* website at <http://www.mintic.gov.gy/e-commerce.html>

Training and Awareness Resources

- *eCommerce for Small Enterprise Development: A Handbook for Entrepreneurs in Developing Countries* , Richard Heeks et al, Institute for Development Policy and Management (IDPM), University of Manchester, UK. This and other handbooks offer information sheets for entrepreneurs which can be modified for Guyana , and they are available from <http://www.ecomm4dev.org/handbooks.htm>
- *E-Commerce Readiness for SMEs in Developing Countries: A Guide for Development Professionals* , Judith E. Payne , accessible from <http://www.is-watch.net/node/598>

This document contains information which could guide a training curriculum.

Submitted by DevNet, November 2009

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Annex 1 : Opportunities for m-commerce in Guyana

The liberalisation of the cellular market has resulted in a proliferation of mobile phones and other devices in Guyana as in other parts of the world. There is global interest in *m-commerce*, the use of mobile phones and other mobile devices for financial transactions to purchase goods and services. The growth in use of 'smartphones' which enable web browsing also presents opportunities which are being realised. A Business Week article suggests that m-commerce is growing rapidly in the United States⁹ .

There are some products such as ringtones and games which are specific to the mobile market. M-commerce has offered advantages for on the road purchasing, easy payments, and consumers in Asia were the first to participate in mobile payments.

The entrepreneurs who wish to engage in m-commerce have to consider the following :-

- websites and other applications have to be designed specifically for mobile devices and this would be an extra investment
- privacy and security concerns remain for example when financial data is being transferred via mobile networks
- the capacity of mobile networks to handle increased data traffic
- the ability to process micro-payments – the cost of some products and services would be below the feasibility for the merchant bank accounting charges in Guyana

Cellular service providers would also have to provide some services to enable secure payment for goods and services outside of the credit system used to pay for cellular airtime . The cellular service providers in Guyana do not offer these services and there are no public announcements as to when these would be available.

Some entrepreneurs would probably start offering services which use other payment options. The opportunities for m-commerce are therefore limited to the use of the mobile phones to negotiate transactions and to offer customer support which is not restricted to the availability of a land line.

IPED should however remain aware of the national discussions which are going to be inevitable as local entrepreneurs seek new ways of accessing their customers.

9 “M-Commerce’s Big Moment” by Olga Kharif, Business Week 11 October, 2009 and accessed from http://www.businessweek.com/technology/content/oct2009/tc20091011_278825.htm

Annex 2 : Questionnaire used as part of Survey of IPED Clients 2009

This survey is collecting data for a project jointly funded by IPED and DevNet. IPED has contracted DevNet to do a random survey of their clients about their interest in using information technology and the internet to do business, or e-commerce.

This survey would take about 15 minutes to complete.

Created for IPED e-commerce project

There are 45 questions in this survey

Your business

1 Business name (if any)

Please write your answer here:

2 Location

Please write your answer here:

3 Your name *

Please write your answer here:

4 Phone number(s) *

Please write your answer here:

5 Email address (if any)

Please write your answer here:

6 Web site address (if any)

Please write your answer here:

7 Number of full-time employees (approx.) *

Please choose only one of the following:

* 3 or less 3 or less

* 4 to 10 4 to 10

- * 11 to 50 11 to 50
- * more than 50 more than 50
- * Other Other

8 Sector

Please write your answer here:

Your products and services

9 Please list briefly the kind of products and services you produce

Please write your answer here:

10 Does your business import?

Please choose only one of the following:

- * Yes Yes
- * Sometimes Sometimes
- * No No

11 What do you import?

[Only answer this question if you have NOT answered 'No' to question '2]

Please write your answer here:

12 Do you import every month?

[Only answer this question if you have NOT answered 'No' to question '2]

Please choose only one of the following:

- * Yes Yes
- * No No
- * Other Other

13 How important is this to your business?

[Only answer this question if you have NOT answered 'No' to question '2]

Please choose only one of the following:

- * Very Very
- * Moderately Moderately
- * Not very Not very

14 Does your business export?

Please choose only one of the following:

- * Yes Yes
- * Sometimes Sometimes
- * No No

15 What do you export?

[Only answer this question if you have NOT answered 'No' to question '6]

Please write your answer here:

16 Do you export every month?

[Only answer this question if you have NOT answered 'No' to question '6]

Please choose only one of the following:

- * Yes Yes
- * No No
- * Other Other

17 How important is this to your business?

[Only answer this question if you have NOT answered 'No' to question '6]

Please choose only one of the following:

- * Very Very
- * Moderately Moderately
- * Not very Not very

Your customers

18 Are your business customers small or large companies / organisations or are they individuals?

Please choose only one of the following:

- * Individuals Individuals

- * Small Small
- * Large Large
- * Mixed Mixed
- * Other Other

19 The customers I am trying to reach are

Please choose all that apply:

- * Low income Low income
- * Middle income Middle income
- * High income High income
- * In my locality In my locality
- * In Guyana In Guyana
- * The diaspora The diaspora
- * Overseas Overseas
- * Children Children
- * Youth Youth
- * Adults Adults
- * Local Local
- * Tourists Tourists
- * Other:

20 Do you communicate with clients overseas?

Please choose only one of the following:

- * Yes Yes
- * Sometimes Sometimes
- * No No

21 How important is this to your business?

Please choose only one of the following:

- * Very Very
- * Moderately Moderately
- * Not very Not very

IT in your business

22 A computer in your business - do you *

Please choose only one of the following:

- * have one or more computers you use for business? have one or more computers you use for business?
- * use a computer at a café or elsewhere when you need to? use a computer at a face or elsewhere when you need to?
- * want to buy a computer but cannot afford it? want to buy a computer but cannot afford it?
- * have no interest in using or owning a computer? have no interest in using or owning a computer?
- * Other Other

23 Do you use the internet yourself?

Please choose only one of the following:

- * Many times per week Many times per week
- * A few times a week A few times a week
- * A few times a month A few times a month
- * Someone else does that Someone else does that
- * We don't use it We don't use it
- * Other Other

24 What type of internet access do you have?

Please choose only one of the following:

- * None
- * Dialup
- * DSL
- * Wireless
 - Use internet café
 - Other

25 What do you use computers for?

[Only answer this question if you have NOT answered 'have no interest in using or owning a computer?' to question '1]

Please choose all that apply:

- * Word processing Word processing
- * Billing Billing
- * Payroll Payroll

- * Point of sale Point of sale
- * Inventory Inventory
- * Graphics Graphics
- * Printing Printing
- * Email Email
- * Browsing Browsing
- * Online banking Online banking
- * Online purchases Online purchases
- * Forums Forums
- * Social networks Social networks
- * Making phone calls e.g. Skype Making phone calls e.g. Skype
- * Other:

26 Number of computers in business use *

Please choose only one of the following:

- * None None
- * 1 1
- * 2 2
- * 3-5 3-5
- * 6-10 6-10
- * more than 10 more than 10
- * Other Other

27 Computer operating systems used

[Only answer this question if you have NOT answered 'None' to question '5]

Please choose all that apply:

- * Windows XP Windows XP
- * Windows Vista Windows Vista
- * Mac Mac
- * Linux Linux
- * Other:

28 Do you have a local network?

[Only answer this question if you have NOT answered 'None' to question '5]

Please choose only one of the following:

- * Cable Cable
- * Wireless Wireless
- * No No
- * Not sure Not sure
- * Other Other

29 Do some of your employees have ICT skills?

Please choose only one of the following:

- * High level High level
- * Low level Low level
- * No No
- * Not sure Not sure

30 Do you have a computer technician / manager on staff?

Please choose only one of the following:

- * Yes Yes
- * No No
- * Other Other

31 Does your business have a web site?

Please choose only one of the following:

- * Yes Yes
- * No No
- * Hope to have soon Hope to have soon
- * Other Other

32 Do any of your competitors have web sites?

Please choose only one of the following:

- * No No
- * Yes Yes
- * Other Other

33 Do you have a cell phone? *

Please choose all that apply:

- * Yes (Digicell) Yes (Digicell)
- * Yes (GTT) Yes (GTT)
- * No No
- * Don't need one Don't need one
- * Too expensive Too expensive
- * Other:

34 If so do you have internet on your cell phone?

[Only answer this question if you have NOT answered 'No' to question '12]

Please choose only one of the following:

- * Yes Yes
- * No No
- * Not sure Not sure
- * Other Other

35 Have you used a cell phone to transfer credit to another person?

Please choose only one of the following:

- * Yes Yes
- * No No
- * Hope to do so soon Hope to do so soon
- * Other Other

36 Have you ever exchanged credit with customers or suppliers for goods or services using a cell phone?

Please choose only one of the following:

- * Yes Yes
- * No No
- * Hope to do so soon Hope to do so soon
- * Other Other

37 Do you understand the term 'e-commerce'? *

Please choose only one of the following:

- * Yes Yes
- * No No
- * Other Other

38 Do you have any concerns about legal issues in Guyana regarding e-commerce? *

[Only answer this question if you answered 'Yes' to question '16]

Please choose only one of the following:

- * Yes Yes
- * No No
- * Not sure Not sure
- * Other Other

39 Are you able to purchase items online for your business?

Please choose only one of the following:

- * Yes using a card Yes using a card
- * No No
- * Other Other

40 Do you have a way of accepting online payments made to you?

Please choose only one of the following:

- * Yes for card payments Yes for card payments
- * No No
- * Other Other

Your plans for the future

41 Do you have a written plan for 2009/2010? *

Please choose only one of the following:

- * Yes Yes

- * No No
- * I have a plan but not written down I have a plan but not written down
- * Other Other

42 How interested are you in e-business or e-commerce? *

Please choose only one of the following:

- * Very Very
- * Moderately Moderately
- * Not right now Not right now
- * Other Other

43 How much are you willing to invest in e-business or e-commerce?

[Only answer this question if you have NOT answered 'Not right now' to question '2]

Please choose only one of the following:

- * Nothing Nothing
- * G\$5 000 G\$5 000
- * G\$50 000 G\$50 000
- * G\$500 000 G\$500 000
- * Not sure Not sure
- * Other Other

44 What aspect of e-business do you think you can benefit from at this time?

[Only answer this question if you have NOT answered 'Not right now' to question '2]

Please write your answer here:

45 And does your plan, if any, include e-business or e-commerce?

[Only answer this question if you have NOT answered 'Not right now' to question '2]

Please choose only one of the following:

- * Yes Yes
- * No No
- Other Other

Thank you for completing this survey.

Annex 3 : Detailed analysis of survey responses

1. Sectors represented

Although an attempt was made to equally represent all sectors this proved impossible as the original lists did not have equal numbers and many persons could not be reached by phone especially in rural areas. The representation of the sectors in the completed survey was as follows:

Sector	Number of respondents
Agriculture	7
Distribution	6
Fishing	1
Forestry	2
Livestock	3
Manufacturing	29
Services	3
TOTAL	51

Contact phone numbers of a total of 142 persons were used in this survey in order to reach and get a response from 51 persons. Those persons from whom no response was obtained were almost all unreachable due to the number no longer being in use, change of address, voice mail only etc.

2. Summary by question

2.1 Business details

Phone number

Question summary for 4:			
Phone number(s)			
Answer	51	100.00%	
No answer	0	0.00%	

All persons had a functioning phone number due to the method by which they were contacted.

Email address

Question summary for 5:			
Email address (if any)			
Have address	5	10%	
None	46	90%	

Only 5 persons had an email address which is a good indicator of their general e-readiness.

Breakdown by sector of positive response: Agriculture 1 Manufacturing 4

Web site

Question summary for 6:			
Web site address (if any)			
Have web site	0	0.00%	
None	51	100.00%	

None of those surveyed currently had a web site.

Size of business

Question summary for 7:			
Number of full-time employees (approx.)			
Answer	Count	Percentage	
3 or less (a)	46	%	
4 to 10 (b)	6	11.76%	
11 to 50 (c)	0	0.00%	
more than 50 (d)	0	0.00%	
No answer	0	0.00%	

The businesses were very small, mostly single person enterprises, with none over 10 persons.

Breakdown by sector of 4 or more employees : Distribution 1 Fishing 1 Forestry 1 Manufacturing 3

Sector

Question 8. See above for breakdown by sector.

Question 9. The answers given for this question (list briefly the kind of products and services you produce) gave more detail for question 8 and could not be summarised easily.

2.2. Products and services

Importing

Question summary for 10:			
Does your business import?			
Answer	Count	Percentage	
Yes (a)	2	3.92%	
Sometimes (b)	4	7.84%	
No (c)	45	88.24%	
No answer	0	0.00%	

Question summary for 12:			
Do you import every month?			
Answer	Count	Percentage	
Yes (a)	0	0.00%	
No (b)	3	5.88%	
Other	3	5.88%	
No answer	45	88.24%	

Question summary for 13:			
How important is this to your business?			
Answer	Count	Percentage	
Very (a)	3	5.88%	
Moderately (b)	2	3.92%	
Not very (c)	1	1.96%	
No answer	45	88.24%	

A review of all the responses regarding importation showed that the great majority (88%) did not import. Of the few who did half of these (6%) regarded this as very important for their business. None imported frequently, usually a few times per year.

Breakdown by sector of importing : Distribution 1 Forestry 1 Manufacturing 4

Question 11 (What do you import) had the following responses:

Stationery

Machinery for the business

Islamic products

Sports and electrical goods

Craft materials

Ribbons, flowers

Ready made clothing from USA

Exporting

Question summary for 14:			
Does your business export?			
Answer	Count	Percentage	
Yes (a)	4	7.84%	
Sometimes (b)	3	5.88%	
No (c)	44	86.27%	
No answer	0	0.00%	

Question summary for 15:			
Do you export every month?			
Answer	Count	Percentage	
Yes (a)	1	1.96%	
No (b)	3	5.88%	
Other	3	5.88%	
No answer	44	86.27%	

Question summary for 16:			
How important is this to your business?			
Answer	Count	Percentage	
Very (a)	6	11.76%	
Moderately (b)	0	0.00%	
Not very (c)	1	1.96%	

No answer	44	86.27%	
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The pattern for exportation is very similar to that of importation. The analysis shows that the great majority (86%) did not export. Of the few who did most of these (12%) regarded this as very important for their business. Only one imported frequently, most a few times per year.

Breakdown by sector of exporting : Manufacturing 7 (all)

Question 15 (What do you import) had the following responses:

Nettings and nightgowns

Craft items (2)

Doors and shutters

Jewellery

Nibbi furniture

Cushions

2.3 Customers

Question summary for 18:			
Are your business customers small or large companies / organisations or are they individuals?			
Answer	Count	Percentage	
Individuals (a)	35	68.63%	
Small (b)	4	7.84%	
Large (c)	0	0.00%	
Mixed (d)	11	21.57%	
Other	1	1.96%	
No answer	0	0.00%	

Question summary for 19:			
The customers I am trying to reach are			
Answer	Count	Percentage	
Low income (a)	16	31.37%	
Middle income (b)	17	33.33%	
High income (c)	4	7.84%	
In my locality (d)	27	52.94%	
In Guyana (e)	29	56.86%	

The diaspora (f)	1	1.96%	
Overseas (g)	8	15.69%	
Children (h)	6	11.76%	
Youth (i)	8	15.69%	
Adults (j)	10	19.61%	
Local (k)	7	13.73%	
Tourists (l)	8	15.69%	
Other	6	11.76%	

The analysis showed a range of customers but with a strong preference for selling to individuals (69%) and none selling to large companies. Other characteristics varied but with preference for low and middle income customers in the immediate locality or in Guyana. A small but significant percentage were trying to reach overseas customers (16%) and tourists (16%).

Communicating with clients overseas

Question summary for 20:			
Do you communicate with clients overseas?			
Answer	Count	Percentage	
Yes (a)	3	5.88%	
Sometimes (b)	2	3.92%	
No (c)	44	86.27%	
No answer	2	3.92%	

Question summary for 21:			
How important is this to your business?			
Answer	Count	Percentage	
Very (a)	4	7.84%	
Moderately (b)	1	1.96%	
Not very (c)	9	17.65%	
No answer	37	72.55%	

These responses reflected a low involvement in import/export. Only 5 survey respondents (10%) communicate with clients overseas.

Breakdown by sector of communicating with clients overseas: Distribution 1 Manufacturing 4

2.4 IT in business

Using a computer in business

Question summary for 22:			
A computer in your business - do you			
Answer	Count	Percentage	
have one or more computers you use for business? (a)	9	17.65%	
use a computer at a café or elsewhere when you need to? (b)	0	0.00%	
want to buy a computer but cannot afford it? (c)	16	31.37%	
have no interest in using or owning a computer? (d)	19	37.25%	
Other	7	13.73%	
No answer	0	0.00%	

The responses showed a low level of computer ownership (18%) while nearly twice that number (31%) indicated an interest in buying one but being unable to afford the cost. The responses under 'Other' were negative.

The low level of computer ownership meant that few respondents answered some of the following questions.

Breakdown by sector of having a computer : Agriculture 1 Distribution 1 Forestry 1 Manufacturing 4 Services 2

Using the internet

Question summary for 23:			
Do you use the internet yourself?			
Answer	Count	Percentage	
Many times per week (a)	5	9.80%	
A few times a week (b)	3	5.88%	
A few times a month (c)	0	0.00%	
Someone else does that (d)	1	1.96%	
We don't use it (e)	36	70.59%	
Other	5	9.80%	

No answer	1	1.96%	
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Question summary for 24:			
What type of internet access do you have?			
Answer	Count	Percentage	
None (a)	38	74.51%	
Dialup (b)	3	5.88%	
DSL (c)	2	3.92%	
Wireless (d)	1	1.96%	
Use internet café (e)	5	9.80%	
Other	2	3.92%	
No answer	0	0.00%	

The number of businesses with internet access was very low (12%). This was significantly less than the number owning a computer (17%) so that there were a number (7%) of businesses which could probably gain internet access relatively easily.

The number using an internet café was small but significant (10%). These businesses showed a definite interest in using the internet.

Breakdown by sector of using the internet : Agriculture 1 Distribution 1 Manufacturing 6 Services 1
 Breakdown by sector of using an internet café : Agriculture 1 Forestry 1 Services 3

Computer use

Question summary for 25:			
What do you use computers for?			
Answer	Count	Percentage	
Word processing (a)	7	13.73%	
Billing (b)	2	3.92%	
Payroll (c)	0	0.00%	
Point of sale (d)	0	0.00%	
Inventory (e)	3	5.88%	
Graphics (f)	2	3.92%	
Printing (g)	6	11.76%	

Email (h)	6	11.76%	
Browsing (i)	6	11.76%	
Online banking (j)	0	0.00%	
Online purchases (k)	2	3.92%	
Forums (l)	0	0.00%	
Social networks (m)	0	0.00%	
Making phone calls e.g. Skype (n)	2	3.92%	
Other	9	17.65%	

This question was only answered by those owning a computer. Of those answering this question (9) most used it for word processing and printing. Those with internet access used for email and browsing with a few (2) using it for phone calls (VOIP or Skype) or online purchasing. None indicated doing online banking.

Numbers of computers

Question summary for 26:			
Number of computers in business use			
Answer	Count	Percentage	
None (a)	41	80.39%	
1 (b)	9	17.65%	
2 (c)	1	1.96%	
3-5 (d)	0	0.00%	
6-10 (e)	0	0.00%	
more than 10 (f)	0	0.00%	
Other	0	0.00%	
No answer	0	0.00%	

The responses to this question indicated that all businesses surveyed who had a computer had only one except for one business which had two computers.

Operating system

Question summary for 27:			
Computer operating systems used			
Answer	Count	Percentage	

Windows XP (a)	8	15.69%	
Windows Vista (b)	3	5.88%	
Mac (c)	0	0.00%	
Linux (d)	0	0.00%	
Other	1	1.96%	

All respondents used some version of Windows except for one who was unsure.

Local Area Network

Question summary for 28:			
Do you have a local network?			
Answer	Count	Percentage	
Cable (a)	0	0.00%	
Wireless (b)	0	0.00%	
No (c)	11	21.57%	
Not sure (d)	0	0.00%	
Other	0	0.00%	
No answer	40	78.43%	

No respondents had a local area network.

ICT skills on staff

Question summary for 29:			
Do some of your employees have ICT skills?			
Answer	Count	Percentage	
High level (a)	1	1.96%	
Low level (b)	9	17.65%	
No (c)	37	72.55%	
Not sure (d)	1	1.96%	
No answer	3	5.88%	

Question summary for 30:			
Do you have a computer technician / manager on staff?			
Answer	Count	Percentage	
Yes (a)	0	0.00%	
No (b)	50	98.04%	
Other	1	1.96%	
No answer	0	0.00%	

No respondents had such a person on staff which was to be expected given the small size of the businesses.

Web Site

Question summary for 31:			
Does your business have a web site?			
Answer	Count	Percentage	
Yes (a)	0	0.00%	
No (b)	46	90.20%	
Hope to have soon (c)	3	5.88%	
Other	0	0.00%	
No answer	2	3.92%	

None of the respondents had a web site but a small number (6%) hoped to have one soon.

Competitors web site

Question summary for 32:			
Do any of your competitors have web sites?			
Answer	Count	Percentage	
No (a)	13	25.49%	
Yes (b)	10	19.61%	
Other	12	23.53%	
No answer	16	31.37%	

A significant number (20%) of those surveyed were aware that competitors had web sites. Those responding 'Other' were unsure.

Breakdown by sector of positive response: Forestry 1 Manufacturing 8 Services 1

Cell phone ownership

Question summary for 33:			
Do you have a cell phone?			
Answer	Count	Percentage	
Yes (Digicel) (a)	25	49.02%	
Yes (GTT) (b)	29	56.86%	
No (c)	5	9.80%	
Don't need one (d)	1	1.96%	
Too expensive (e)	1	1.96%	
Other	0	0.00%	

The use of cell phones was very wide spread (96%) with a slight preference for GTT.
 Note: some had more than one phone.

Internet service on cell phone

Question summary for 34:			
If so do you have internet on your cell phone?			
Answer	Count	Percentage	
Yes (a)	6	11.76%	
No (b)	35	68.63%	
Not sure (c)	2	3.92%	
Other	2	3.92%	
No answer	6	11.76%	

A significant number of businesses had a cell phone with internet access (12%). Other responses were positive but qualified – one was not using the service and one reported that it did not work well. Adding these gives a total of 16%.

Breakdown by sector of positive response: Manufacturing 6 (all)

Transfer of credit by cell phone

Question summary for 35:			
Have you used a cell phone to transfer credit to another person?			
Answer	Count	Percentage	
Yes (a)	8	15.69%	
No (b)	43	84.31%	
Hope to do so soon (c)	0	0.00%	
Other	0	0.00%	
No answer	0	0.00%	

Again a significant number (16%) of those surveyed had transferred credit to someone else. This indicated a higher level of use than just making calls.

Breakdown by sector of positive response: Agriculture 1 Manufacturing 6 Services 1

Using cell for payment

Question summary for 36:			
Have you ever exchanged credit with customers or suppliers for goods or services using a cell phone?			
Answer	Count	Percentage	
Yes (a)	0	0.00%	
No (b)	51	100.00%	
Hope to do so soon (c)	0	0.00%	
Other	0	0.00%	
No answer	0	0.00%	

None of the respondents made use of this method of payment. Payment using phone credit would only be useful under some circumstances and is not widely considered.

E-commerce

Question summary for 37:			
Do you understand the term 'e-commerce'?			
Answer	Count	Percentage	
Yes (a)	1	1.96%	

No (b)	50	98.04%	
Other	0	0.00%	
No answer	0	0.00%	

Respondents showed a very low level of understanding of the term 'e-commerce'. In most cases it was briefly explained to them.

Question summary for 38:			
Do you have any concerns about legal issues in Guyana regarding e-commerce?			
Answer	Count	Percentage	
Yes (a)	0	0.00%	
No (b)	1	1.96%	
Not sure (c)	0	0.00%	
Other	0	0.00%	
No answer	50	98.04%	

Due to the responses to the previous question only one person was asked this question.

Purchasing online

Question summary for 39:			
Are you able to purchase items online for your business?			
Answer	Count	Percentage	
Yes using a card (a)	2	3.92%	
No (b)	47	92.16%	
Other	2	3.92%	
No answer	0	0.00%	

Only two businesses purchased online (4%) with a further two using a third party to do it for them.

Question summary for 40:			
Do you have a way of accepting online payments made to you?			
Answer	Count	Percentage	
Yes for card payments (a)	0	0.00%	
No (b)	51	100.00%	

Other	0	0.00%	
No answer	0	0.00%	

None of the businesses had any way to accept online payments.

2.6 Plans for the future

Business plan

Question summary for 41:			
Do you have a written plan for 2009/2010?			
Answer	Count	Percentage	
Yes (a)	3	5.88%	
No (b)	21	41.18%	
I have a plan but not written down (c)	24	47.06%	
Other	3	5.88%	
No answer	0	0.00%	

Very few businesses had a written plan but a majority (57% including 2 'Other') had some plan or vision (written or not).

Interest in e-commerce

Question summary for 42:			
How interested are you in e-business or e-commerce?			
Answer	Count	Percentage	
Very (a)	4	7.84%	
Moderately (b)	7	13.73%	
Not right now (c)	38	74.51%	
Other	2	3.92%	
No answer	0	0.00%	

A significant minority (25% including 2 'Other') expressed some interest in e-commerce.

Breakdown by sector of positive response (Very): Forestry 1 Manufacturing 3

Breakdown by sector of positive response (Moderately): Agriculture 1 Distribution 3 Manufacturing 2 Services 1

Question summary for 43:			
How much are you willing to invest in e-business or e-commerce?			
Answer	Count	Percentage	
Nothing (a)	1	1.96%	
G\$5 000 (b)	1	1.96%	
G\$50 000 (c)	0	0.00%	
G\$500 000 (d)	0	0.00%	
Not sure (e)	5	9.80%	
Other	3	5.88%	
No answer	41	80.39%	

This was a difficult question for most businesses especially given the lack of a clear business plan and the responses were not very useful.

E-Business benefit

Question summary for 44:			
What aspect of e-business do you think you can benefit from at this time?			
Answer	Count	Percentage	
Answer	11	21.57%	
No answer	40	78.43%	

The answers were summarised as follows:

web site	6
internet access	2
e-commerce	4
hardware	1
bank card	1
training	1

Question summary for 45:			
And does your plan, if any, include e-business or e-commerce?			
Answer	Count	Percentage	
Yes (a)	0	0.00%	
No (b)	5	9.80%	

Other	2	3.92%	
No answer	44	86.27%	

The 'Other' responses indicated possible future involvement.

End of Report