

## Research Paper



Received 26 March, 2009  
Accepted 29 October, 2009  
SAFA = 0.59

# Factors Affecting the Adoption of E-commerce: A Study of the Textile Industry in Wujin, China

<sup>a</sup>Alain Yee Loong Chong\*, <sup>b</sup>Keng Boon Ooi, <sup>c</sup>Yew King Tak and <sup>d</sup>Zhu ShuYang

<sup>ad</sup>Faculty of Computing & IT, INTI University College, Malaysia

<sup>bc</sup>Faculty of Business & Finance, University Tunku Abdul Rahman, Malaysia

**Abstract:** The purpose of this paper is to examine the factors that influence the adoption of e-commerce with emphasis on textile companies in Wujin, China. The factors are organizational readiness, innovation characteristics, government influence and culture. Binary logistic regression was applied to test the research model. The result shows that organizational readiness, innovation characteristics and culture influence the adoption of e-commerce among textile companies in Wujin. As China's culture is different from many western countries, it is found that relationships between organizations, or GuanXi as it is commonly known in China, needs to be established before organizations collaborating with each other are willing to adopt e-commerce. The findings of this study are useful for the Malaysian companies who are interested to adopt e-commerce with their business partners in China.

**Keywords:** E-commerce, Wujin, textile industry, culture, Organizational readiness

## INTRODUCTION

China is one of the fastest growing economies in the world. With the emergence of internet technologies, firms in China are now able to explore new market opportunities without being constrained by geographical locations. However, by engaging in businesses with companies in other countries, companies in China are also exposed with increased competitions. In order to stay competitive, many Chinese companies are starting to employ e-commerce in their businesses in order to be efficient in their business operations.

