

Outline of research paper impact of the internet on a small business

[Business](#)



Impact of the Internet on Small Businesses Outline Introduction Size of a business no longer matters in the age of technology. Competition is now defined by a company's ability to operate and communicate with potential business targets in a global scale because of the power of the Internet (" The Influence of Internet," 2009). In other words, the Internet now serves as an equalizing factor to both small and big businesses in terms of the level of the business playing field.

Objectives

This paper aims to present the positive impacts of Internet to small business, specifically:

1. To inter-organizational and enterprise-to-consumer businesses
 2. To relationship with trading partners
 3. To implement cost-saving
 4. To locate and purchase resources from distant markets, e. g. business outsourcing and off-shoring
 5. To promote small businesses through advertising and social networking
- and to present the negative impacts of Internet:
- a. To local customers from non-local Internet businesses
 - b. To small scale industries which are threatened by multinational companies that have also access to Internet
 - c. To the relationship between and among employees and owners who are free to express their sentiments over social media, such as Facebook, Twitter, and blogs
 - d. To the business' Internet security

Research Question

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This research primarily aims to know the impacts, both positive and negative, of the Internet on small businesses in this age of globalization and competition.

Methodology

Basically, this research explored Internet research, as well as reading of books and journals related to Internet and business. Some of the journals, books, and websites being discussed talked about the advancements of traditional commerce into what is now called as e-commerce. Poon (1997) also discussed some research findings regarding competitive advantage and the extent to which the Internet helps in achieving that advantage. The Net Imperative (2009) and other Internet sources were also used as references in making their findings enhanced the contents of this paper. The rest of the paper includes the perspectives and interpretation of the researcher based on the sources used, both offline and online.

Findings

Among the major findings of the research suggest that the positive impacts outweigh those of the negative. According to Poon (1997), the Internet affects small businesses especially inter-organizational and enterprise-to-consumer because IT costs are relatively low and efficient. Furthermore, the Internet also intensifies relations with trading partners by requesting quotes or perishable stocks of goods through online auction (The Net Imperative, 1999). In addition, the Internet is also a major help in locating and purchasing resources from distant market while it lessens the costs of marketing because it lessens the overseas taxes. In other cases, off-shoring is also a positive impact of the Internet because small companies with high

operating cost in their home country can venture into overseas business in countries with lower operational costs. On the contrary, the research also reported the negative impact of Internet in terms of the company's competitive advantage over big industries since both engage in Internet marketing and operations, as well. Lastly, Internet security is also a negative impact since information about the company, as well as its transactions and strategies, are also available via websites and blogs.

Conclusion

The Internet has both positive and negative impacts to small businesses. The positive impacts outweigh the negative. Therefore, the Internet is a vital tool in today's commerce, especially to struggling small businesses.

References

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