

Chapter IX

Cultural Interpretation of E-Commerce Acceptance in Developing Countries: Empirical Evidence from Malaysia and Algeria

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ABSTRACT

Global deployment in information and communication technology requires understandings of the cultural constraints in technology acceptance and usage behavior. Prior research indicates that the salient technology acceptance models may not be applicable to all cultures since empirical support was mainly obtained from North America and developed countries. There has been little research done on technology acceptance and usage behavior in the context of developing countries which exhibit distinctive cultural differences from developed countries. The purpose of this study is to test the cross-cultural applicability of technology acceptance model in two developing countries, Malaysia and Algeria, and to investigate the influence of cultural values on the acceptance of e-commerce. The four cultural values of individualism/collectivism, power distance, uncertainty avoidance, and masculinity/femininity identified by Hofstede are posited to comparatively explain the e-commerce acceptance in the context of the two countries. Only uncertainty avoidance was found to moderate the relationship between perceived usefulness and intention to use e-commerce, whereas the other three national culture dimensions did not moderate the relationship, which validate the longstanding notion of important cultural differences between Malaysia and Algeria and show that those differences extend to the e-commerce context.

INTRODUCTION

Internet has always been considered as an open platform of e-business activities with its global connectivity, which makes it an important factor to incorporate the international dimension of the cross-culture studies in the information technology and e-commerce adoption literature. Globally, previous research has shown that developed countries and developing countries differ in terms of e-commerce use and the level of behavior toward its usage, and the factors shaping that behavior (Dewan and Kraemer, 2000).

In spite of many studies on the technology acceptance, the line of research has yet to reach a satisfactory level of extension beyond the boundaries of the developed countries, although a number of research has been done on countries such as Taiwan (Shih, 2004), Algeria (Belkhamza and Syed Azizi Wafa, 2006), Kuwait (Rouibah and Hamdy, 2006) and Saudi Arabia (Al-Gahtani et. al., 2007). However, given the ongoing rapid globalization of business and systems, there is pressing need to learn more about the impact of culture on information technology and e-commerce acceptance around the world. Cultural differences that exist between different countries may affect the organization's ability to adopt and implement e-commerce. It is important then for managers to learn about the cross-cultural differences that exist in the adoption of e-commerce. Such knowledge can make the difference between success and failure in implementing new technologies, as well as to allow the process of collaborate sharing of experience in the discipline.

This research analyzes e-commerce by employing the two constructs of TAM – perceived usefulness and perceived ease of use. The aim of this study is to investigate what cultural factors lead the behavioral intention toward e-commerce use. Further, in order to account for the increasing globalization of e-commerce, this research also addresses how national culture influence intention to use e-commerce. We address the

last question by including an examination of the cultural dimensions of the Dutch psychologist Geert Hofstede, drawing upon his categorization of national societies (1980). Malaysia and Algeria were chosen for this study because they represent nearly reverse positions on three important cultural dimensions.

CULTURE AND INFORMATION AND COMMUNICATION TECHNOLOGIES

The study of the relationship between culture and information technology has taken several directions in cultural anthropology. The reference discipline of anthropology provides additional insight as well as support for focusing on the relationship between cultural and information technology. Anthropologists like Bertolotti (1984) points out that the culture of a country or region greatly affects the acceptance of technology through its beliefs and values about modernization and technological development. Thus, ignoring the cultural context can result in delays or, at worse, failures in information technology adoption process (Matta and Boutros 1989).

Straub (1994) suggests that cultural factors have a significant effect on technology diffusion process ranging from evaluation to adoption, use and performance. Burn (1995) believes that cultural values affect the efficacy of technology transfer across national boundaries. Particularly, culture is considered to be the most important factor in technology transfer from industrialized countries to developing ones. As the way technology is perceived and used in organizations is embedded in certain cultural environment, successful information technology implementation across cultures addresses both the technological readiness and the wider cultural and national setting within which the organization operates (Cummings and Guynes, 1994; Tricker, 1988; Robey and Rodriguez-Diaz, 1989).

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