

Chapter 6

Internet Portals in Rural Areas: An Investigation of Their Provision in Rural Scotland

Laura Galloway
Heriot-Watt University, UK

David Deakins
Massey University, New Zealand

John Sanders
Heriot-Watt University, UK

ABSTRACT

This paper investigates the ownership structure, operating characteristics and sustainability of six rural internet portals located in Scotland. It builds upon a previous study conducted by Deakins et al. (2003), which examined the characteristics of internet portals. In-depth interviews were conducted with six owners or the operators responsible for maintaining and developing the internet portal. The study discovered that two distinct forms of ownership structure existed. The first form of ownership structure involved dedicated private individuals who self-funded their internet portal activities, while the second form were managed by not-for-profit organisations, such as charitable trusts, that either hired part-time staff or employed volunteer staff to operate their internet portal. The privately owned portals were most effective because they demonstrated a higher degree of commitment via content richness, fullness of the services offered, and the extent of community and local business usage. In contrast, the not-for profit owned internet portals suffered from limited content, a narrow selection of services, some political in-fighting, low employee commitment, and modest community and business usage. Despite the differences both forms of ownership structure struggled to achieve commercial viability.

DOI: 10.4018/978-1-61520-597-4.ch006

INTRODUCTION

In today's fast changing economy it is increasingly important for firms to participate in internet-based activity. Rodgers, et al. (2002) state that "for all intents and purposes, you cannot compete nowadays without some kind of e-business strategy" (p.184). The internet is a medium for achieving growth and global markets, but also opening up new niche market areas, which can facilitate entrepreneurial growth. Even for low growth rural businesses, some form of internet presence is increasingly important. For successful exploitation of opportunities presented, careful planning, strategy and management are said to be essential (Porter, 2001) (though conversely, in the Web 2.0 environment particularly, there is some evidence that progressive, most often pure-Web, firm owners are employing strategies more akin to prospecting and involving reactionary (to markets) activities to identify and exploit opportunities (Chen, 2005)).

Strategy is most often developed at firm level, but strategy can also be developed collectively. There is evidence that the internet has provided a means for collective action amongst rural business owners, for example, through local area marketing of rural locations, for example in Scotland (Galloway, et al., 2004); industry-focused marketing such as tourism (Pease, et al., 2005); and combinations of these, notably agri-food, for example in Greece (Baourakis, et al., 2002; Vakoufaris, et al., 2007) and Wales (Thomas, et al. 2002). Such strategies can benefit member firms that may not have a direct internet presence: as Pease and Rowe (2005) note, in many cases, particularly in rural locations, "the premise...is the realisation that on its own an SME is not able to cope with the increasingly complex [internet] environment... nor does it possess the skills and expertise needed to compete in that environment". This is, in part, as a result of a paucity of dissemination of useful information on how (rather than why) those in peripheral locations, with their itinerant issues,

particularly relating to knowledge, skills and experience, can use evolving internet technologies to advantage (Thompson, 2005).

The current paper reports findings from a study supported by the Carnegie Trust for the Universities of Scotland that seeks to investigate the role of internet portals with rural entrepreneurs in selected rural business communities in Scotland. Internet portals are defined as collective activity using the internet to present businesses via a collective brand, most often industry or location-specific. It will build upon previous research supported by the Scottish Economist's Network (Deakins, et al. 2003) to examine the nature of changes (if any) in the role of internet portals and their impact over this five year period on the rural business communities that they serve. In the previous research internet portals were referred to as 'internet forums'. Since completion some five years ago, the term 'forum' has been adopted generally as referring to communications amongst online communities on specific topics or amongst particular interest groups. For this reason the more appropriate term to be used for the subjects of study in the present research was considered to be 'portal', as identified by writers such as Turban, et al. (2004) and Pease, et al. (2005), the latter of whom describe a portal as "an information gateway using internet technologies [that] can be used by the customer to view products and services and to place orders...and as a point of collaboration between businesses...They...serve as a single point of content management".

RURAL ENTREPRENEURSHIP

In the developing literature on rural business owners and entrepreneurs, it is claimed that there are a number of characteristics of rural entrepreneurship, compared to entrepreneurship in urban areas that determine its distinctiveness. It is now well established that rural areas have relatively more self-employment and business ownership

12 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/internet-portals-rural-areas/41150

Related Content

Online Interactivity and Achieving Business Value Through Digital Media Entrepreneurship

James P. Gleason and Paul Clemens Murschetz (2019). *International Journal of Media Management and Entrepreneurship* (pp. 14-30).

www.irma-international.org/article/online-interactivity-and-achieving-business-value-through-digital-media-entrepreneurship/232700

Entrepreneurial Tricks and Ethics Surveyed in Different Countries

Miroslav Pivoda, Frank Hoy, Kiril Todorov and Viktor Vojtko (2011). *International Journal of E-Entrepreneurship and Innovation* (pp. 46-63).

www.irma-international.org/article/entrepreneurial-tricks-ethics-surveyed-different/58356

Competencies, Skills, and Goals Needed for Social Enterprises: Case of the Czech Republic

Zuzana Palová and Jarmila Šebestová (2020). *Developing Entrepreneurial Competencies for Start-Ups and Small Business* (pp. 109-128).

www.irma-international.org/chapter/competencies-skills-and-goals-needed-for-social-enterprises/251724

Women as Social Entrepreneurs in Turkey

Berat Cicek and Mehmet Ali Türkmenolu (2019). *Social Entrepreneurship: Concepts, Methodologies, Tools, and Applications* (pp. 1075-1090).

www.irma-international.org/chapter/women-as-social-entrepreneurs-in-turkey/224800

Innovation, Programmable Media and the Human Computer Interface

William J. Gibbs (2019). *International Journal of E-Entrepreneurship and Innovation* (pp. 30-46).

www.irma-international.org/article/innovation-programmable-media-and-the-human-computer-interface/218281