

**THE USE AND BENEFITS OF EBUSINESS  
TO ABORIGINAL AND TORRES STRAIT ISLANDER ART  
CENTRES IN 2014**

**IRIS BENDOR**

**Bachelor of Communication and Multimedia Design (CMD)**

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## Statement of Originality

I certify that the substance of this thesis has not been already submitted for any degree and is not currently being submitted for any other degree or degrees. I certify that to the best of my knowledge any help received in preparing this work, and all sources used, have been acknowledged in this thesis.

A handwritten signature in blue ink that reads "Iris Bendor". The letters are cursive and somewhat slanted to the right.

[Candidate's signature]

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## **ABSTRACT**

An increasingly large number of people and organisations are using the internet to conduct business. While the literature highlights the benefits of digital innovation in the wider industry, little is known about how effective ebusiness practices are in the context of Aboriginal and Torres Strait Islander art centres. This thesis identifies the knowledge gaps in the field of ebusiness in Aboriginal and Torres Strait Islander art centres. The objective guiding the thesis research is:

**To determine how ebusiness is being used in, and whether it is beneficial to, Aboriginal and Torres Strait Islander art centres.**

A literature review is undertaken to explore current ebusiness models and assess the benefits and opportunities, as well as drawbacks and barriers of ebusiness in the wider industry. The literature on engagement of small and medium-sized enterprises with ebusiness is examined, and current uses of ebusiness in Aboriginal and Torres Strait Islander art centres are investigated.

Primary research for this thesis involved a multi-case study approach. Eight art centres with advanced ebusiness practices, a location in remote Australia and a willingness to participate in research were identified. In-depth interviews were conducted with nine Aboriginal and Torres Strait Islander art centres staff members to gain the data and insights needed to address the research objective.

Five key ebusiness themes emerged from the literature review and classified the interview data: Strategy, digital marketing, resources, website, and user-generated content (UGC) platforms. Most research participants indicated that ebusiness was important to them, although only minimal sales were estimated to be created online. While some art centres reported being challenged to stay abreast of the rapid technological shifts, customers' feedback to staff members about the art centres' ebusiness was perceived as supportive and encouraging.

This thesis research provides a set of key ebusiness success factors for Aboriginal and Torres Strait Islander art centres, especially those that are remotely located. This information enables organisations in this sector to enhance their use of digital and non-digital resources to improve their marketing communications, revenue streams, customer satisfaction and organisational performance.

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# Chapter 1 – Introduction

## 1.1 Introduction

This chapter consists of eight sections. Section 1.2 presents a brief background to the research subject. The need for the study is identified, the growth of electronic business outlined, and the context of Aboriginal and Torres Strait Islander art introduced. Section 1.3 defines the research objective, presents the three research questions and outlines the research aim. Section 1.4 emphasises the importance of the research. Section 1.5 summarises the research design of, and methods for the study. Section 1.6 provides an overview of the thesis. Section 1.7 presents key definitions including business definitions, and definitions specific to the Aboriginal and Torres Strait Islander art sector. Section 1.8 identifies the limitations and delimitations of the study and finally, section 1.9 concludes this chapter.

## 1.2 Background

### 1.2.1 The need for the study

The need for a study about art centre ebusiness was identified as a priority for the Aboriginal and Torres Strait Islander Art Economies research project being undertaken by the Cooperative Research Centre for Remote Economic Participation (CRC-REP). The overall purpose of the Art Economies research project is to:

*“...support the development of the remote Aboriginal and Torres Strait Islander arts and crafts sector towards increased sustainability of remote arts and crafts enterprises, greater average income per artist and improved artist and art-community livelihoods.”*  
(Acker n.d.)

There has been comprehensive research undertaken into the ethnographic aspect of indigenous and tribal art, in addition to other research which has investigated the economy of Aboriginal and Torres Strait Islander art in the secondary (auction) market. However, only a few studies have focused on the commercial aspect of Aboriginal and Torres Strait Islander art organisations, and even fewer have investigated the potential of technology in this sector. There is little in-depth data to support or deny the belief that new media technologies are significant to small Aboriginal and Torres Strait Islander arts businesses (Cardamone and Rentschler 2008).

### **1.2.2 Ebusiness in the industry**

New technology is transforming many economic markets. Companies that adopt electronic business solutions are likely to create stronger buyer-supplier relationships, increased revenue, efficiency, customer satisfaction and exposure domestically and internationally (Theodosiou and Katsikea 2012). Australian ebusiness was worth \$27 billion in 2010; with the market value expected to rise to \$33.3 billion by 2015 (Noble 2011). It is also expected that the number of Australian small and medium-sized enterprises (SMEs) managing an online environment will increase in future years (Baldwin et al. 2012).

In the USA there was a 22% increase in sales over the web between 2003 and 2004 (Markillie 2005). Mulpuru (2013) predicts a 13% annual growth rate in online retail sales in the USA between 2012 and 2013. Online sales in the USA are expected to reach \$370 billion by 2017 (Mulpuru 2013). 571 new websites are launched worldwide every minute (Alfred et al. 2014). In addition, there is an ongoing increase in product and service delivery over the web (Daniel et al. 2002, Quesenberry and Sykes 2008). The ebusiness environment is constantly evolving, growing and integrating new technologies such as electronic and mobile devices, user-generated content platforms and new business-to-customer models (Cardamone and Rentschler 2008, Zhang et al. 2012). This explains why ebusiness increasingly affects the sustainability and success of enterprises (Holsapple and Singh 2000).

### **1.2.3 The Aboriginal and Torres Strait Islander art context**

There are approximately 1,200 geographically remote communities in Australia, with a total population of 120,000-150,000 people (Altman 2005). It is estimated that between 5,000 and 6,000 Aboriginal and Torres Strait Islander artists reside in remote communities (Altman 2005). The income level in remote communities is low and the living conditions poor (Dussart 2006, Fisher 2012b). The artists typically live in “culturally very distinct contexts” (Altman 2005, p. 1). They are expected to share their accommodation, funds and diverse resources with fellow kin members, and money is mainly used for basic and immediate necessities (Dussart 2006, Fisher 2012b).

Only 2.4% of the Australian population are Aboriginal or Torres Islanders. However, Coate (2008) reveals that Aboriginal and Torres Strait Islander artists make up 32% of all artists in Australia. While statistics regarding the number of Aboriginal and Torres Strait Islander-owned enterprises are missing (Cardamone 2007b), as a proportion of all art sales, Aboriginal and Torres Strait Islander artworks represent 13% of the market. This highlights the cultural wealth that Aboriginal and Torres Strait Islander people contribute to Australia (Coate 2008).

Ebusiness has been identified as a channel with potential to enhance business opportunities (Alfred et al. 2014, Bergendahl 2005, Daniel et al. 2002, Holsapple and Singh 2000). As such, ebusiness may uncover commercial opportunities for Aboriginal and Torres Strait Islander art centres. It is, however, necessary to investigate what ebusiness activities are already undertaken by art centres and what, if any, benefits they create.

### **1.3 Statement of the research objective**

This study investigates the scope and scale of Aboriginal and Torres Strait Islander art centre ebusiness, including strategic planning, digital marketing practices and availability of resources for ebusiness. The study also analyses the ways in which ebusiness affects the commercial success of Aboriginal and Torres Strait Islander art

centres and identifies ebusiness patterns between various art centres. The objective guiding the current research is:

**To determine how ebusiness is being used in, and whether it is beneficial to, Aboriginal and Torres Strait Islander art centres.**

Whilst a significant knowledge base about ebusiness broadly is available, (e.g. ebusiness impact within the hotel industry, the food industry and the automotive industry) there is little to no research focused on Aboriginal and Torres Strait Islander art centres and their use of ebusiness solutions. Furthermore, there is a shortage of data in general about art centres. Some art centres have been researched in the past, with a focus on the history of the art they produce and the culture of their member artists (see, for example, Gibson 2008, Taylor 2005), but little research has been conducted about the organisations themselves. In addition, Acker et al. (2013) note that many researchers have used outdated methodologies in such undertakings. Thus, three questions are derived from the main research objective:

1. How is ebusiness currently being used by Aboriginal and Torres Strait Islander art centres?
- 2a. What are the *benefits* and *opportunities* of wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?
- 2b. What are the *drawbacks* and *barriers* to wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?
3. Which ebusiness practices in Aboriginal and Torres Strait Islander art centres are effective and which are ineffective?

The focus of this study is in understanding the impacts of internet technologies on the economic development of Aboriginal and Torres Strait Islander art centres. It aims to expand on the opportunities and challenges of implementing ebusiness solutions within these organisations. Through the findings the research aims to contribute to the stability and sustainability of Aboriginal and Torres Strait Islander art centres.

## **1.4 Significance of the research**

The research is significant at this time as ebusiness is a relatively recent practice for Aboriginal and Torres Strait Islander art centres and artists. Arts activities are important in providing income to remote communities by accessing consumer markets.

Aboriginal and Torres Strait Islander people are interested in sharing their tradition and culture (Cardamone 2007a, Gibson 2008). According to Fisher (2012) the art they produce manifests a specific cultural background, as well as requirements for recognition and land rights. Through their art, artists from remote areas hope to educate westerners about their country, heritage and circumstances. Thus, this study (in its broader scope) will contribute to the resilience and performance of organisations that are involved in the preservation of culture and traditional heritage, while providing Aboriginal and Torres Strait Islander people a greater voice through art.

The current role of ebusiness in the Aboriginal and Torres Strait Islander art sector needs to be explored in order to optimise art centre performance, identify new commercial opportunities and justify government support through investment in art centre ebusiness. Evaluation of art centre ebusiness will provide immediate and future recommendations and solutions. This entails assessing the adequacy of available resources such as technology, training programs, funding, staff and time to ensure that resources are properly allocated.

## **1.5 Research design and methods**

To obtain the rich data needed to answer the three research questions, this study utilises a multiple case study approach. In-depth data gathered from nine Aboriginal and Torres Strait Islander art centre staff members in eight art centres informs the research. An intensive analysis within these selected art centres, of business made

possible by internet technologies, is conducted in order to understand trends and determine the effectiveness and efficiency of art centre ebusiness.

The selection criteria for the eight cases were based on the level of ebusiness development in the organisation according to ebusiness trends and critical success factors, which will be discussed in the literature review. Additional selection criteria included the location, and reputation and level of collaboration of the organisation. The selection criteria were applied by investigating the overall online presence of the art centre through a pilot study and secondary research, and by obtaining advice from stakeholders about the character, resources, and ebusiness engagement of the art centre. The final case studies facilitated a comparison process of ebusiness practices in remote area art centres and lay out major strengths and weaknesses of current ebusiness models.

## **1.6 Outline of this thesis**

The thesis is divided into five chapters. The first chapter provides an introduction to the topic and outlines the aims and purpose of the research. The second chapter is a review of the relevant literature identifying the key issues of the study. The third chapter provides details about the design and methods of the research including the selection criteria, the way interviews were conducted, and the data analysis method. The fourth chapter applies the data analysis methods described in Chapter 3 to process the data. The fifth chapter presents the findings of the study and identifies the scope for future research.

## **1.7 Definitions**

### **Aboriginal and Torres Strait Islander people**

The artist population discussed in this paper includes people from both Aboriginal and Torres Strait Islander descent. Thus, the population is referred to as Aboriginal and Torres Strait Islander people. The CRC-REP guidelines indicate that this is the appropriate term; to be used in its complete form, i.e. may not be abbreviated.

### **Aboriginal and Torres Strait Islander art**

There are diverse art practices that may be associated with the Aboriginal and Torres Strait Islander cultural sector including dance, music, theatre, visual art, design, craft, motion pictures, photography and literature (Cardamone and Rentschler 2006). This study is concerned with art centres and the full range of art they produce.

Categorising or defining works of art is fraught, reflecting the multitude and fluid process of artwork production (Bendor et al. 2013). In order to perform a detailed analysis of the Aboriginal and Torres Strait Islander art market, Coate (2008) uses generalisations such as the ‘tourist market’ and ‘the high-end market’. These markets consist of artworks that vary in quality and price, and thus require different marketing strategies. Collectors or institutions are the main players in the high-end market. The high-end market comprises artworks which usually have larger dimensions and a high value. The tourist and mid-range market comprises small pieces of artworks often produced by emerging artists, and is typically priced under \$1,000 (Cardamone 2007b, Coate 2008).

### **Aboriginal and Torres Strait Islander art centres**

Many artworks produced by Aboriginal and Torres Strait Islander artists are facilitated and initially distributed by art centres (Coate 2008). They are distinct, community-owned organisations, generally supported in part by public funds. They have social, cultural and commercial roles: they contribute to the wellbeing of their members, they provide artistic professional development, they navigate between artists located in geographically remote and culturally unique communities and the art market, they connect Aboriginal and Torres Strait Islander culture and non-indigenous culture, they act as wholesalers to private galleries, and they facilitate retail sales directly to customers (Coate 2008, Wright and Morphy 1999).

### **‘Art industry’, ‘art market’ and ‘art sector’**

‘Art industry’ refers to the specific group of organisations that have in common the dealing with art. ‘Art market’ is used with an emphasis on the target customer, while discussing the relationship between seller and buyer. ‘Art sector’ is a broader term

encompassing commercial elements as well as creative and cultural processes underpinning them (Acker et al. 2013).

### **Digital economy**

Information and communication technologies provide the means for a universal system of business and social activities. This system has created a digital economy which is based on the internet and mobile networks. It consists of tools such as computers, mobile phones, and social networks, which we use regularly to connect and find information (Department of Broadband, Communications and the Digital Economy, n.d.) .

### **Ebusiness**

Alongside traditional ways of doing business, electronic or ebusiness is a practice that encompasses commercial transactions and the exchanging and sharing of information, goods or services with customers, suppliers and business partners over the world-wide web (Fillis et al. 2004). Ebusiness is used to create new opportunities and improve business processes in the value chain through activities such as “emarketing,” “web-based business,” or “ecommerce” (Zott et al. 2011). There is no consensus about the definition of ebusiness. For instance, Zott et al. (2011) limit their definition to activities that involve a commercial transaction whereas Lin and Hsia (2011) view ebusiness in a wider scope; the authors include in their definition any business activities that are supported by digital information systems. The current research uses the broad definition of ebusiness.

Several ebusiness relationships are possible, e.g. business-to-business (B2B) and business-to-consumer (B2C) (Van der Vorst et al. 2002). Examples of these business exchange types are online suppliers and electronic auctions. This research thesis is concerned with diverse facets of these relationships in considering the multiple roles of art centres, as outlined below.

### **Micro, small and medium-sized enterprise**

A microenterprise consists of less than ten employees and, sometimes, less than five. Many microenterprises comprise only one employee and are considered the 'base' for medium or large enterprises (Bruce et al. 1983, Fillis 2002, Song and Qureshi 2011). Microenterprises often serve to train community members in much needed skills and in their career progression, with the benefits of achieving sustainable community development while addressing social and economic concerns (Vargas 2000). The microenterprise generally has fewer resources than the large firm; however, it grows rapidly and therefore provides proportionally more employment than larger businesses (Hart 2000).

SMEs are firms of any industry, from any geographic area, with less than 250 employees (Department of Trade and Industry 1999). They form a significant part of the economy, providing jobs, and creating innovation (Barnes et al. 2012). This study considers Aboriginal and Torres Strait Islander art centres as both microenterprises and SMEs.

## **1.8 Limitations and delimitations**

A number of key limitations and delimitations have been identified for this study. First, the research focuses on art centre practices and provides conclusions relevant to art centres. It includes ebusiness practices and trends of other agents such as commercial galleries, dealers, or artists selling independently in a limited manner, i.e. only for the purpose of comparison.

Second, the research is limited by a specific time frame. Due to the fast changing art market environment, changes may occur during the proposed research or upon its completion. In addition, data from the past may not be accurate due to loss or improper recording of data or inaccuracy in people's memory.

Third, this study investigates technological developments that directly relate to ebusiness. It does not explore diverse technological developments in art centres that

are perhaps beneficial to daily operations but not to ebusiness. For instance, art centres may use an automated facility that registers staff attendance. However, this study is limited in the scope of activities it can explore, and focuses on trading opportunities based on internet technologies.

Fourth, the study limits itself to Aboriginal and Torres Strait Islander art, and does not cover other cultural and creative industries such as theatre or dance. Further, this study has not endeavoured to investigate all or most art centres in Australia although there may be differences between each art centre's ebusiness activities. Nonetheless, generalising conclusions are being drawn from the research, and may be relevant to the Aboriginal and Torres Strait Islander art centre model in general.

Last, conscious choices were made about the data collected and analysed. Although this may result in an incomplete vision of the subject, the aim of this research is to gain holistic knowledge in the field of the study. It is impossible to establish absolute truth (Leedy and Ormrod 2005). The data obtained is multifaceted and may reveal several simultaneous meanings which may not result in a straightforward solution for the research objective, but rather provide several possible conclusions.

## **1.9 Summary**

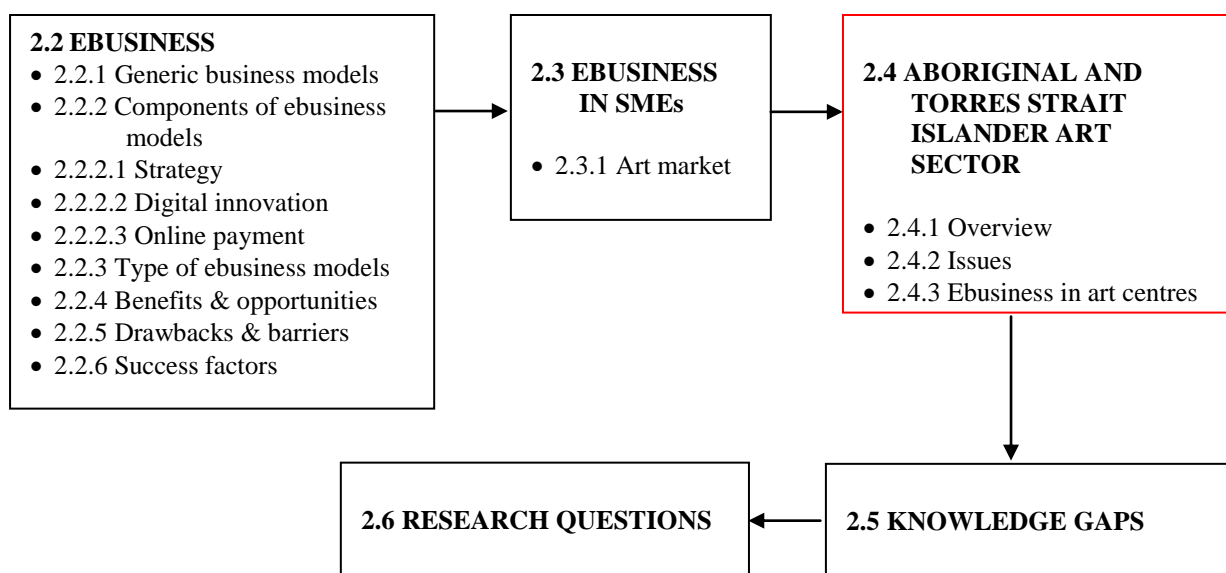
Chapter 1 explored the background for the study. The foundation of the thesis was discussed and the research objective and three research questions introduced. The purpose of the research project was identified and its significance explained. Key issues were defined, and a general overview of the research methodology was presented. Finally, each chapter of the thesis was outlined. Chapter 2 will provide an overview of the relevant literature and will identify the key issues concerning ebusiness activities in Aboriginal and Torres Strait Islander art centres.

## Chapter 2 - Literature review and research issues

### 2.1 Introduction

This chapter provides the theoretical foundations for the research. A literature review of previous research in the parent and intermediate literature is undertaken with the aim of identifying the gaps in current knowledge and the research problems to be addressed in this study (see Figure 1). The parent literature focuses on current ebusiness models and marketing in large enterprises and on developments in the Aboriginal and Torres Strait Islander art sector. The intermediate literature considers current ebusiness activities in SMEs and in the art industry in general, and in community art centres in particular.

*Figure 1 - The parent and intermediate theoretical concepts of the study*



## 2.2 Ebusiness

There is debate among consultants and academics about the meaning and limitations of both ecommerce and ebusiness, and the terms are often used interchangeably (Laudon and Traver 2013). Laudon and Traver (2013) prefer to distinguish the terms, referring to **ebusiness** as “the digital enabling of transactions and processes within a firm, involving information systems under the control of the firm” (p. 51). As soon as a digitally enabled commercial transaction between and among individuals and organisations occur, Laudon and Traver (2013) refer to **ecommerce**. The authors acknowledge that a blurring together of ebusiness and ecommerce occurs at the business firm boundary, i.e. at the point where internal business systems link up with suppliers or customers. For the purposes of this thesis, a broad definition of ebusiness is adopted, that is one that is inclusive of a diversity of commercial and organisational activities that are made possible through technological networks. This is consistent with the view that ebusiness is concerned with web-based methods of doing business, providing internal and external services and collaborating with customers and commercial partners (Fillis et al. 2004).

Ebusiness has impacted a wide diversity of industries. Table 1 provides an overview of the objectives, methodologies, and findings that have been explored in studies of the hotel industry (Theodosiou and Katsikea 2012), the food industry (Van der Vorst et al. 2002) and the automotive industry (Wiengarten et al. 2013).

The objectives of these studies relate to specific aspects of ebusiness in particular industries. The current study, however, also examines the benefits of certain ebusiness solutions and explores available ebusiness models. The research designs, as well as research findings pertaining to these studies are relevant to the art centre context of interest in the current research. The latter uses the case study method rather than the survey approach.

Table 1 - Recent research: objectives, methods and findings

Source	Industry	Research Objective	Research method	Key findings
(Theodosiou and Katsikea 2012)	Hotel industry	What is the relation between companies that use ebusiness intensively and their level of performance?	Survey of 154 hotels in Greece and 104 hotels in Cyprus.	(1) Ebusiness adoption is directly related to attitudes towards innovation and to consumers' behaviour and expectation patterns. (2) Competition doesn't determine the level of ebusiness adoption.
(Wiengarten et al. 2013)	Automotive industry in Germany	What are the benefits of business to value chain collaborations?	Survey of 152 German automotive suppliers.	Electronic value chain collaborations improve the operational performance of companies.
(Van der Vorst et al. 2002)	Food industry	What types of ebusiness models are available and what are their benefits to a company in a specific context?	Case studies of 30 IT managers in the food industry in the Netherlands.	Three factors are influencing effective ebusiness models: (1) demand and price point (2) customer needs and information transparency (3) value chain collaboration.

### 2.2.1 Elements of generic business models

A business model is an outlined plan that describes the expected profits and costs within the activities of an organisation (Teece 2010). It is the logic behind decision making in a business, while making valuable investments that result in revenue (Li-Min Lin 2001). Laudon and Traver (2013, p. 326) identified eight key elements of a business model in any arena, not just ebusiness:

1. Value proposition: Why should the customer buy from you?
2. Revenue model: How will you earn money?
3. Market opportunity: What marketplace do you intend to serve and what is the size?
4. Competitive environment: Who else occupies your intended marketplace?
5. Competitive advantage: What special advantages does your firm bring to the marketplace?
6. Market strategy: How do you plan to promote your products or services to

your target audience?

7. Organisational development: What types of organisational structures within the firm are necessary to carry out the business plan?
8. Management team: What kinds of experiences and background are important for the company's leaders to have?

Laudon and Traver (2013) emphasise that all business model elements are equally important when evaluating business models and plans or when attempting to understand why a particular company has succeeded or failed.

### 2.2.2 Components of ebusiness models

Ebusiness enablers are models concerned with service providers that enable the infrastructure and support of ebusiness. Table 2 presents a list by Laudon and Traver (2013) identifying ebusiness enablers, which are essential for the development, growth and success of the online marketplace.

*Table 2 - Examples of ebusiness enablers*

<b>Infrastructure</b>	<b>Examples</b>
Hardware	IBM, HP, Dell
Software	Microsoft, Apple
Cloud providers	Google, Dropbox
Hosting services	Rackspace, Hostway
Domain name registration	Network solutions, Dotster
Website design	Fry, Cleverstarfish
Mobile hardware	Apple, Samsung, Google
Mobile software	Apple, Google, Adobe
Streaming, rich media	Adobe, Apple
Security	McAfee, Checkpoint
Payment systems	PayPal, Cybersource
Search engine marketing	iProspect, Channel Advisor
Email marketing	MailChimp, Constant Contact
Web analytics	Google Analytics, IBM Coremetrics

(Source: adapted from Laudon and Traver (2013, p. 352))

Amit and Zott (2001) observe an association between technological advancements (in particular the appearance of the web) and the evolution of the business model concept. Ebusiness models aim to benefit from specific attributes of internet technologies

(Laudon and Traver 2013). Based on Zott et al. (2011), ebusiness models have the following three key components: Strategy, digital innovation, and electronic payment. These components consist of several aspects as outlined in Table 3.

Similar to the elements of the generic business model (see Section 2.2.1), the strategy component describes the plans a business based on internet technologies and the web makes to achieve its goals (Laudon and Traver 2013). For example, Laudon and Traver (2013) suggested to consider how the business will earn revenue. To address this problem, the firm must design revenue models (see the strategy component in Table 3). The ebusiness model, like any other business model, needs to generate profit and provide solutions to customer needs (Cartlidge 2011, Teece 2010).

Zott et al. (2011) described the strategy component; it is concerned with the value businesses can create and retain through strategic choices they make. Lin and Hsia (2011) provided a general analysis of the digital innovation component, consisting of features that promote an improved value chain and facilitate the delivery of items and services. Zhang et al. (2012) discussed the electronic commerce component, consisting of services that facilitate online monetary transactions. These three components are discussed in the following sections.

*Table 3 - Components of ebusiness models*

<b>Strategy</b> (Zott et al. 2011)	<b>Digital innovation</b> (Lin and Hsia 2011)	<b>Online electronic payment</b> (Zhang et al. 2012)
Logistics	Communication infrastructure	Trust services
Supply chain	Computing tools	
Content management	Web 2.0	
Customer relationship		
Revenue models		
Marketing models		
Skills		

### **2.2.2.1 Strategy**

The first key component of ebusiness models is ebusiness strategy. According to Laudon and Traver (2013) the business strategy concept has a central role in

determining the successes of the online environment of a firm. The authors provide a detailed definition of the business strategy concept referring to general business and to ebusiness in particular. A business strategy consists of a range of plans brought together, aiming to gain sustainable financial benefit on investment. Companies identify ways to make profit through the positioning of their products in the marketplace. These decisions are driven by the product, the industry and the competition in that industry. Ebusiness is based on the same strategic principles that guide other business. The online environment is the marketplace for ebusiness, and strategies should be developed to enhance existing business through this environment. Laudon and Traver (2013) identified four factors that need to be considered when developing a (ebusiness) strategy:

1. Differentiation – businesses should offer products that stand out from competitors' products. Alternatively, the business may offer a valuable service linked to the product, which will enhance the attractiveness of the product. For instance, an art business may sell paintings that are already framed. This will solve the buyer's problem of having to go to the framer and choose a suitable frame. The online environment offers additional methods to help differentiate products, e.g. personalised advertising, customisation of products to meet demand, an interactive experience, world-wide delivery options, information transparency, and provision of product quality through a warranty program, a certificate of origin and/or additional services that can be managed online.
2. Cost – companies sell products at higher value than bought/produced in order to make profit. A business advantage over another firm is created when methods are identified to sell products for lower prices. Such price advantage can be generated through more efficient organisational systems, unique resources, or low-cost sourcing of labour and/or products. The internet has potential to lower administration costs, advertising costs, sales and promotion costs, rent costs, and human resources costs. For example, a firm could place information on its website to promote its products instead of employing a retail salesperson.
3. Scope – the online environment offers a much larger business scope than physical shops in that it opens up a world-wide business arena. Companies can

broaden their reach to other cities and countries.

4. Focus – companies can gain a competitive advantage in niche markets. The online environment provides means to communicate to a specific market segment through, for example, targeted email marketing and social media. Digital solutions facilitate the personalisation of services and products to fit customers' needs.

Laudon and Traver (2013) suggest implementing the “clicks” or “bricks and clicks” strategy to enter a market. A newly established company may use the “clicks” technique, aiming to generate a critical mass audience on the web environment. A company that has already established a physical presence in the marketplace, referred to as “bricks,” will use its existing resources and brands to develop an online presence (the “clicks”).

An area of business most affected by internet technologies and practices is marketing and marketing communications (Laudon and Traver 2013). As in all marketing, the objective of internet marketing is to build relationships so that the firm can achieve returns by offering superior products or services to the consumer. As both a distribution and a communication tool, the internet allows marketers to contact millions of potential customers in new ways at costs far lower than traditional media (Laudon and Traver 2013).

Laudon and Traver (2013) describe a variety of internet marketing strategies for market entry, brand development, customer acquisition, customer retention, pricing and dealing with channel conflict. Hence, the authors distinguish five main elements of a comprehensive digital commerce marketing platform or ebusiness presence:

- 1. Website**

Use a website to establish the brand identity and consumer expectations, inform and educate the customer, shape the consumer experience and anchor the brand within the competitive marketplace.

- 2. Traditional online marketing**

- Email and permission marketing

- Search engine marketing
- Display ad marketing
- Affiliate marketing
- Lead generation marketing
- Sponsorship marketing

### 3. **Social marketing**

- Use online social networks and communities, micro-blogging websites, and video marketing to build brands and drive sales revenue, e.g. through viral marketing. There are several kinds of social networks, from Facebook and Twitter, to social apps, social games, blogs and forums.

### 4. **Mobile marketing**

- Use mobile and local marketing to reach consumers through their mobile devices, including smartphone and tablet sites, and apps.

### 5. **Offline marketing**

- Integrate online and offline marketing (multi-channel marketing) and use television, newspapers and magazines to advertise your online environment.

These five key digital marketing platforms and their components present a theoretical basis for the investigation of Aboriginal and Torres Strait Islander art centres' engagement with innovative ebusiness solutions.

Lipiäinen and Karjaluoto (2013) divided digital communication into two categories: digital communication driven by the company, and digital communication driven by the consumer. The authors also made a distinction between a one- and a two-way communication strategy. Typically, a one-way communication is company driven and a two-way communication is consumer driven.

*One-way* communication requires the company's investment and is in line with web 1.0 technologies including web pages, email newsletters, online directories, banner advertising, search engine optimisation (SEO) and search engine advertising (SEA).

This can be seen as ‘traditional’ marketing enhanced by technology. Its goal is narrowed down to brand recognition and exposure of items.

Amongst the various one-way communication forms, direct email contact is one of the most effective traditional online marketing techniques because it facilitates a direct contact with the customer. It should be used when the marketer knows that the customer has already shown some interest in the products of the company in the past (Laudon and Traver 2013).

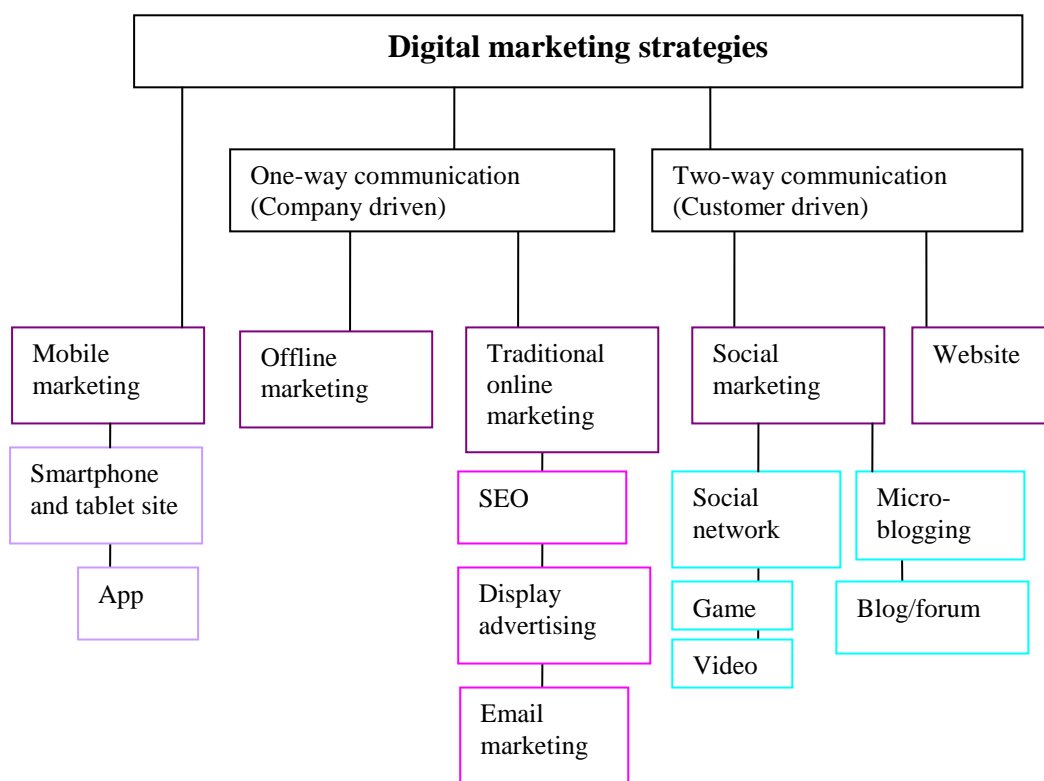
Current business models are leading companies to invest in traditional online marketing techniques such as SEO and SEA. SEO is critical to companies’ exposure and while it is a form of one-way communication, it requires only limited company input (Lipiäinen and Karjaluo 2013). Search engines such as Google and Yahoo allow customers to search content at no cost (Winter 2012). Companies aspire to be ranked on the top of the search engine list when the customer searches for certain keywords. SEA allows companies to advertise on the result page according to a keyword mechanism (Lipiäinen and Karjaluo 2013).

A *two-way* communication can be distinguished from traditional marketing channels in four main ways: “Internet marketing can be more personalised, participatory, peer-to-peer, and communal” (Laudon and Traver 2013, p. 403). Ahuja and Medury (2010) considered social marketing as a two-way communication exchange due to the business-consumer interaction and response process. The purpose of a two-way communication exchange is an extension of the one-way communication and looks to build and maintain relationships with customers and to enhance the value of the organisation (Lipiäinen and Karjaluo 2013). However, these models have risks such as negative comments posted on online business environments.

Two-way communication is based on user generated content (UGC) platforms. These platforms are commonly used in the wider business environment and have been gaining increased popularity since 1999 (Zhang et al. 2012). They are platforms that contain content created by audiences rather than by professional content producers

(Handley and Chapman 2012, Lee 2008). Examples include blogs, content sharing platforms such as YouTube and Flickr, and social networking models such as Facebook and Twitter. Figure 2 shows current digital marketing strategies and the available communication platforms that facilitate these strategies.

Figure 2 - Digital marketing strategies



(Source: Laudon and Traver 2013, Lipiäinen and Karjaluo 2013)

Facebook is a popular social marketing platform that encourages user-engagement and brand visibility. Blogs are also effective in promoting the brand on the web and enhancing the search engine ranking of the organisation through keywords. Companies that wish to communicate detailed messages in a long format may have a

preference to use a blog over platforms such as Facebook and Twitter that communicate short-form content (Laudon and Traver 2013).

Social marketing can potentially be driven by customers due to their “inter-connectedness” (Laudon and Traver 2013 p. 414). Customers’ actions on the online environment influence their connections, and their connections influence the customers in turn. Thus, customers and their connections drive two-way communication platforms through their personal networks (Laudon and Traver 2013).

Niche groups are naturally created on social networking websites and new customers may join the group (Zhang et al. 2012). Information and announcements are then shared with the group and viral marketing is created. Users can send or forward a message to friends, which then gets spread to a number of people. These models are based on value systems that may not be directly measured by revenue, but rather by values such as marketing and exposure (Zhang et al. 2012). However, sales may be generated through social marketing due to the customer’s consistent engagement with the organisation (Lipiäinen and Karjaluo 2013).

#### **2.2.2.2 Digital innovation**

Digital innovation is the second major component of ebusiness models. Business activities and commercial success can be attributed to the adoption of new digital solutions (Barnes 2012, Lin and Hsia 2011, Zott et al. 2011). Businesses that aim to improve organisational processes and achieve a competitive advantage must engage with available digital innovations (Dickson 2000, Lin and Hsia 2011). A cause and effect process has emerged, whereby constant digital innovations are available in the industry, resulting in the development of diverse ebusiness strategies following these innovations.

Digital innovation refers to emerging digital computing, innovative technical applications and newly developed communications technology (Laudon and Traver 2013, Lin and Hsia 2011). Lin and Hsia (2011) described three new technology

capabilities that are affecting the digital economy, including communication infrastructure, computing tools and web 2.0. Laudon and Traver (2013) identified several digital innovation trends in ebusiness in 2012 – 2013 that have emerged from these new technologies:

### **1. Communication infrastructure**

- Definition: the foundation for communication systems such as wireless infrastructure and broadcasting (Lin and Hsia 2011).
- Trend: mobile retail commerce continues to grow.
- Trend: mobile computing devices including smartphones and tablets are becoming as popular as PC platforms.

### **2. Computing tools**

- Definition: utilities that exist beyond physical hardware and allow a virtual infrastructure, e.g. cloud computing (Ostermann et al. 2010).
- Trend: cloud computing enables storage of business data on internet servers.

### **3. Web 2.0**

- Definition: software that consists of a combination of sources through participation and as a result provides improved networks and elaborated content, e.g. content sharing, which is beyond the static web 1.0 environment (O'reilly 2007).
- Trend: social networks are evolving into social ebusiness supported by advertising.
- Trend: social media such as Facebook and Twitter continue to grow globally.
- Trend: more videos are being viewed online.
- Trend: search engine marketing continues to grow, however, social and mobile advertising may become more popular than search engine marketing.

Within the realm of communication infrastructure, ebusiness is moving “from being a PC-centric activity on the web to a mobile and tablet-based activity as well” (Laudon and Traver 2013, p. 186). Smartphones and tablets based on third and fourth

generation technologies are becoming increasingly popular and have led to new business growth opportunities (Yang 2012). Ebusiness combined with such mobile technology provides companies with the possibility to gather details about customer behaviour (Kaplan 2012). Becker et al. (2012) suggest that companies must look at new business models that implement advanced mobile technology or adapt their current business models to this technology. Nevertheless, much of the information about mobile business is still being explored, given the recent nature of this innovation (Becker et al. 2012). This study will investigate (amongst other ebusiness functions) whether and how mobile technologies have been integrated into Aboriginal and Torres Strait Islander art centres' ebusiness.

Further, the following general categories of recent digital innovation trends in ebusiness were also identified (Laudon and Traver 2013):

Ebusiness:

- The app-based economy is becoming increasingly important.
- The average online purchase per person in the USA expands.
- The demographics of online buyers expand to older adults and teens and the demographics of social media users expand to older adults as well.
- SMEs continue to integrate ebusiness solutions, using infrastructure enabled by large businesses.

Marketing:

- Large quantities of data about customer behaviour are produced and available for companies.
- Firms consult web analytics systems to analyse customer behaviour.

Etailer:

- Retail ebusiness continues to grow.
- The ebusiness sectors expand to entertainment and luxury items.

Ebusiness issues:

- Internet security continues to be an issue.
- There is a continuing issue concerning copyright management.

There are two important digital innovations, which are driving ebusiness marketing:

1. Databases, data warehouses, data mining and a variety of marketing decision making techniques referred to as profiling. These technologies provide detailed analysis about who the customer is and what they are looking for on the web. With this personal information in hand companies can answer the specific needs of the customer.
2. Customer relationship management (CRM) systems provide analysis about the customer's engagement with the firm through multiple online channels. CRM systems also provide demographic data about the customer and record their responses to online and email marketing campaigns. Companies use this data for a variety of business and marketing activities, including promotion of additional products, development of new products and improvement of communication strategies.

Finally, in B2B models, private industrial networks – a web-enabled network for the coordination of trans-organisational business processes (sometimes called collaborative commerce) are becoming increasingly important (Laudon and Traver 2013, p. 835). Laudon and Traver (2013) observe that one form of collaboration is industry-wide collaborative resource planning, forecasting and replenishment. This involves working with network members to forecast demand, develop production plans and coordinate shipping, warehousing and stocking activities to ensure retail and wholesale supply is adequate.

### **2.2.2.3 Online electronic payment**

The third key component of an ebusiness model is online electronic payment. Ecommerce is concerned with commercial transactions consisting of an exchange of goods and services across organisations and/or individuals (Evans and Sawyer 2009, Laudon and Traver 2013). Many online shops have systems in place that facilitate an actual financial exchange online anytime and from any place (Kim et al. 2012). Secure transactions can take place online through credit facilities enabled by banks or by trust service providers such as PayPal (Zhang et al. 2012). These systems protect

customers against internet frauds and scams (Evans and Sawyer 2009, Zhang et al. 2012).

Quesenberry and Sykes (2008) highlight the importance of reliable and secure websites. They suggest that users should be able to trust the service and feel confident in providing credit card details. As such, liberal return and credit policies are important. For example, if an item is not received or returned, a period of time may be granted before the charge is debited (Cardamone and Rentschler 2008, Quesenberry and Sykes 2008).

### **2.2.3 Type of ebusiness models**

This section builds on the elements of generic business models (Section 2.2.1) and the three key components of ebusiness models – strategy, innovation and online electronic payments (Section 2.2.2). There are many ebusiness models, with more being invented every day and no one correct way to categorise them (Laudon and Traver 2013). In order to maximise the benefits from developments in the digital economy, organisations tend to develop ebusiness models and are advised to continuously adjust and renew them (Li-Min Lin 2001, Smith 2006). As an industry progresses, some ebusiness models have shown to be more effective than others (Zhang et al. 2012). For example, enterprises that depend on lower capital than competitors benefit from reduced risk (Ruback and Sesia 2000), as do ebusiness models that are innovative and hard to replicate. They have a competitive advantage over models that can easily be imitated (Teece 2010). Available research highlights the importance of selecting specific ebusiness models for specific product lines. Each industry should typically use an ebusiness model that is suitable for its unique customers and business (Cardamone 2007a).

Laudon and Traver (2013) distinguish ebusiness models by the market focus of the sector in which they are used, such as B2C, B2B and ebusiness enablers (see Table 2 in Section 2.2.2 for ebusiness enablers). As organisations try to extend into as many areas of ebusiness as possible, they may use a variety of different ebusiness models

(Laudon and Traver 2013). This study is mainly concerned with B2C business models considering the market it is researching. A list of B2C ebusiness models identified by Laudon and Traver (2013) is presented in Table 4.

*Table 4 - B2C business models*

<b>B2C BUSINESS MODELS</b>			
<b>Ebusiness model</b>	<b>Examples</b>	<b>Description</b>	<b>Revenue model</b>
Community provider	LinkedIn Twitter Facebook	An online meeting place for people with shared interests.	Advertising, subscription fees, affiliate referral fees.
Content provider	CNN ABC	A website that provides information and/or entertainment (e.g. news and guides).	Advertising, subscription fees, affiliate referral fees.
Etailer	Amazon iTunes	Virtual merchant - an online store that is open 24/7.	Sales of goods.
	Dell	Manufacturer – sells direct to customers.	
Market creator	eBay Amazon	An online marketplace that connects between sellers and buyers.	Transaction fees.
Portal	Yahoo Facebook	General - a single online platform that offers diverse functions (e.g. a search engine, news, email, videos and more).	Advertising, subscription fees, transaction fees.
	Google Yahoo	Search – an online platform offering search services.	Advertising, affiliate referral.
Service provider	Lawinfo Taxmonster	An online platform that offers services for sale.	Sales of services.
Transaction broker	Expedia Hotels	A website that processes online sales transactions providing a fast and low-cost service (e.g. a travel agency and a job agency).	Transaction fees.

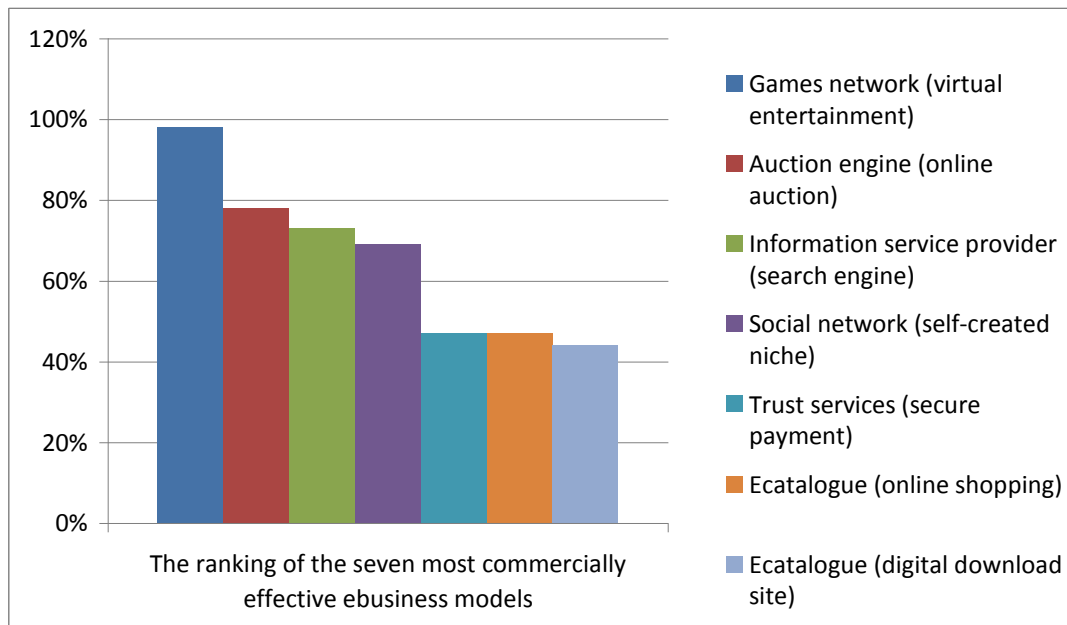
(Source: adapted from Laudon and Traver (2013, p. 339))

Online retail (Etailer) is perhaps the most high-profile sector of ebusiness (Laudon and Traver 2013). Laudon and Traver (2013) observe that “although it is one of the smallest segments of the retail industry, constituting about 5%-6% of the total retail market today, it is growing at a faster rate than its offline counterparts, with new functionality and product lines being added every day” (p. 731).

Zhang et al. (2012) also identified several ebusiness models that are commonly found online (see Figure 3). The effectiveness of these models is scored as a percentage, whereby ebusiness models that are ranked lower than 40% are considered to have low effectiveness. A description and ranking of the seven most commercially effective business models is as follows:

1. Games network (e.g. Second World) (98%) – a virtual environment for entertainment; generating revenue from either sales of the subscription database and/or access to user-generated content platforms.
2. Auction engine (e.g. eBay) (78%) – attractive as a platform offering rare products; generating revenue from listing fees, commissions on sales, and sales of users' details.
3. Information service provider (e.g. google.com) (73%) – offering information with search results; generating revenue from sales of its subscription database, advertising, and providing higher search ranking.
4. Social network (e.g. YouTube) (69%) – self-created niche attracting large numbers of people; generating revenue from subscription fees, cross-selling and advertising.
5. Trust services (e.g. PayPal) (47%) – secure payment facilitators that offer safe credit transactions over the internet; generating revenue from high commissions and customer behaviour directories.
6. Ecatalogue (e.g. Amazon.com) (47%) – a platform servicing suppliers and customers and offering a diverse range of products and services, integrating logistics such as direct shipping; generating revenue from direct sales.
7. Ecatalogue (e.g. iTunes) (44%) – a digital download site; generating revenue from direct sales.

Figure 3 - The ranking of the seven most commercially effective ebusiness models



(Source: adapted from Zhang et al. (2012, p. 93))

Table 5 demonstrates which ebusiness models categories of Laudon and Traver (2013) and Zhang et al. (2012) overlap (the categories in grey) and which categories differ from one another. The B2C ebusiness models categorised by Laudon and Traver (2013) are similar to the list of the most commercially effective ebusiness models by Zhang et al. (2012), although they use different terminology to describe those categories. For example, Laudon and Traver (2013) discuss the ‘community provider’ and Zhang et al. (2012) discuss ‘social networks’. The revenue models of these ebusiness models are mostly based on the same principles.

However, Laudon and Traver (2013) make a further distinction between B2C business models and ebusiness enablers. For example, they include ‘payment systems’ in the business enabler’s category (see Section 2.2.2). Zhang et al. (2012) rank ‘trust services’ as one of the most commercially effective ebusiness models and do not make an additional classification for this model. The authors nonetheless make further

classifications for ‘service providers,’ ‘content providers’ and ‘transaction brokers’.

*Table 5 - Comparison of two ebusiness models categorisation approaches*

<b>B2C ebusiness models (Laudon and Traver 2013)</b>	<b>Revenue model</b>	<b>The seven most commercially effective ebusiness models (Zhang et al. 2012)</b>	<b>Revenue model</b>
		Games network	Sales of the subscription database, access to user-generated content platforms.
		Trust services	High commissions, customer behaviour directories.
Etailer	Sales of goods.	Ecatalogue	Direct sales.
Community provider	Advertising, subscription fees, affiliate referral fees.	Social network	Advertising, subscription fees, cross-selling.
Market creator	Transaction fees.	Auction engine	Listing fees, commissions on sales, sales of users’ details.
Portal	Advertising, affiliate referral.	Information service provider	Advertising, sales of the subscription database, providing higher search ranking.
Content provider	Advertising, subscription fees, affiliate referral fees.		
Service provider	Sales of services		
Transaction broker	Transaction fees		

(Source: Laudon and Traver (2013) and Zhang et al. (2012))

The B2C ebusiness models categorisation and business enablers list offered by Laudon and Traver (2013) are most suited for this study due to the greater detail and classification provided. They will be discussed further in different contexts throughout the thesis in order to investigate whether and how Aboriginal and Torres

Strait Islander art centres engage with these ebusiness models in their value chain activities. For example, the research will explore what steps the art centres are taking in order to improve their visibility and ranking on search engines (classified as ‘portals’). The extent to which art centres use online electronic payment facilities (payment enablers) will be discussed as well.

#### **2.2.4 Benefits and opportunities of ebusiness**

Ebusiness can be beneficial from many perspectives. A review of the literature suggests that the benefits and opportunities of ebusiness (versus conventional business) can be based on three business concepts: value, relationships and marketing (see Table 6 for a summary).

An advantageous competitive strategy in business is concerned with providing *value* through *relationship marketing* (Ravald and Grönroos 1996). Section 2.2.2.1 explains that business relationships with customers are based on the value a firm offers to a customer and the return the customer offers to the firm. The aim of relationship marketing is to maintain a trusting relationship with the customer by continuously meeting their needs (Ravald and Grönroos 1996). The firm collects information about the customer’s behaviour in order to target its marketing activities to create customer satisfaction (see, for example, information about CRM systems in section 2.2.2.2).

The benefits of ebusiness include an efficient value chain, improvement of the competitive position of a firm and optimisation of costs (Wiengarten et al. 2013, Zhang et al. 2012). The internet has created a transparent environment that allows the monitoring of competitors (Theodosiou and Katsikea 2012). Moreover, ebusiness is impacting supply chain networks and companies sell directly to buyers at attractive prices (Cooke 2012, Van der Vorst et al. 2002). Value chain services such as online shipping companies and online payment services are integrated in the ebusiness and may reduce costs (Zhang et al. 2012). There is a 10% standard deviation of prices of goods on the internet, with prices being on average 20% cheaper than in physical shops (Laudon and Traver 2013). By implementing ebusiness solutions, companies

may save costs such as rent, product presentation accessories (e.g. picture frames) and printed marketing material (Wilson-Anastasios 2011).

SMEs have equal opportunities to develop an online presence and can quickly establish a large audience base without being dominated by large companies (Laudon and Traver 2013). Previous studies show that SMEs use ebusiness predominantly to generate value from sales and brand and product exposure (Evans and Sawyer 2009, Lipiäinen and Karjaluo 2013). Assessing the benefits of ebusiness can be done by measuring the increase in sales. Websites can enhance sales both directly through online sales facilities and indirectly, with the potential to generate offline sales by using digital marketing and exposure (Cardamone and Rentschler 2008). However, it is challenging to identify indirect sales (Cardamone and Rentschler 2008, Lipiäinen and Karjaluo 2013).

*Table 6 - Benefits and opportunities of ebusiness*

Area of benefit	Specific benefit
Value	<ul style="list-style-type: none"> <li>• Direct sales</li> <li>• Indirect sales</li> <li>• Efficient value chain</li> <li>• Costs optimisation</li> <li>• Reduced rates</li> </ul>
Relationships	<ul style="list-style-type: none"> <li>• Relationship maintenance</li> <li>• Direct contact with customers</li> <li>• A framework for niche markets</li> <li>• Interactive environment</li> </ul>
Marketing	<ul style="list-style-type: none"> <li>• Brand and product exposure</li> <li>• Improvement of competitive position</li> <li>• Information provision</li> <li>• Promotion of value and integrity</li> <li>• New local and global markets</li> <li>• Quick access to a large audience base</li> <li>• A solution for geographic isolation</li> <li>• Potential for an online business without an offline business</li> </ul>

(Source: Laudon and Traver 2013, Ravald and Grönroos 1996, Theodosiou and Katsikea 2012, Zhang et al. 2012)

Small businesses have a better ability to maintain relationships with customers, suppliers, business partners and competitors when using a suitable innovation approach (Fillis et al. 2004). Given the benefits of ebusiness, it can provide a

framework for niche markets and a marketing platform with opportunities to use a two-way communication exchange through social networking websites, blogging and viral marketing (Lipiäinen and Karjaluoto 2013). Depending on the nature of the organisation, it may create a unique business model to achieve ebusiness goals. Ebusiness has created opportunities for companies to mediate between sellers and buyers and exhibit content on portal websites such as Yahoo and Amazon. Start-up entrepreneurs can also develop an online shop without having to invest in a physical store (Laudon and Traver 2013). Organisations are provided with occasions to reach and open new local and global markets and overcome geographic isolation (Cardamone 2007a).

This section demonstrated benefits and opportunities of ebusiness in the areas of value, relationships, and marketing. The value concept was concerned with commercial opportunities to obtain revenue and save costs and resources. The relationships concept highlighted that ebusiness creates and strengthens focused two-way relationships. Opportunities in the area of marketing included reaching new markets across a large geographic area.

### **2.2.5 Drawbacks and barriers of ebusiness**

Although there are many benefits to ebusiness, there are also significant drawbacks and barriers. Several authors discussed limiting factors for ebusiness (Laudon and Traver 2013, Zhang et al. 2012). These limitations have been classified in Table 7 according to five categories: resources, content, strategy, consumer, and growth.

There are elevated costs and time demands for creating and maintaining a web presence (Cardamone 2007a). Expensive technology, including at least one computer and connection to the internet, are essential (Laudon and Traver 2013). Additionally, sophisticated skills and knowledge are required to provide customers with engaging information (Lipiäinen and Karjaluoto 2013). Companies must continuously embrace digital innovation, develop new business models and provide staff with appropriate training (Zhang et al. 2012).

There are several challenges in the world of ebusiness. The need for companies to identify how to best market their products overall is essential. However, to enter the ebusiness world they must also invest resources in marketing their electronic platforms for optimal market visibility (Cardamone and Rentschler 2008).

*Table 7 - Drawbacks and barriers of ebusiness*

<b>Area of limitation</b>	<b>Specific limitation</b>
Resources	<ul style="list-style-type: none"> <li>• Elevated costs</li> <li>• Time demands</li> <li>• Need for sophisticated skills and knowledge</li> </ul>
Content	<ul style="list-style-type: none"> <li>• Need to provide engaging information</li> </ul>
Strategy (ongoing)	<ul style="list-style-type: none"> <li>• Embrace digital innovation</li> <li>• Develop new business models</li> <li>• Provide training to staff</li> </ul>
Consumer	<ul style="list-style-type: none"> <li>• Consumer uncertainty</li> <li>• Consumers still want to experience the physical shopping activity</li> </ul>
Growth	<ul style="list-style-type: none"> <li>• Growth is likely to decline in the future</li> </ul>

(Source: Laudon and Traver 2013, Zhang et al. 2012)

Some ebusiness challenges are specific to SMEs; (1) lack of time (2) limited resources and (3) the lack of the necessary skills (Evans and Sawyer 2009). From an SME's perspective ebusiness is costly and demanding (Smith et al. 2006). Furthermore, remote SMEs may have limited access to technology. Communication infrastructure is limited and unstable in many remote Aboriginal and Torres Strait Islander communities (Dyson 2003). Some still use slow and costly satellite services to connect to the internet (Cardamone 2007a). This may be a barrier for establishing strong ebusiness practises (Cardamone 2007b).

According to the study by Evans and Sawyer (2009) about small businesses in regional South Australia, even when access to technology is available, those businesses don't consider the potential of the digital economy. Some business managers dismiss the opportunity of selling online, assuming that their products are unsuitable for this purpose; however, they are not aware of online advertising opportunities (Evans and Sawyer 2009). Thus, Morrison (2000) advises that progress is necessary in several levels: technological availability and skills are first steps, thereafter, it is necessary to support remote businesses in adopting the technology and

integrating it with their daily operations.

Some companies benefit from their geographic locations and do not depend on ebusiness solutions (Zhang et al. 2012). For instance, high street retailers or businesses with successful physical shopfronts can offer one-to-one customer attention and product discounts. These businesses have a competitive advantage over electronic businesses (Zhang et al. 2012). Shopping is perceived as a cultural and social activity in people's lives where sellers and buyers connect. This activity cannot fully be experienced online (Laudon and Traver 2013). Furthermore, when shopping online, consumers have doubts about: whether or not they will receive the product, the quality of product, and the time it will take to receive it (Laudon and Traver 2013).

Ebusiness potential must be weighed against ebusiness limitations (Zott et al. (2011). B2C ebusiness will most likely cease to show the high rate of growth it has experienced in the past considering that new internet user-growth has slowed. In addition, online retail sales represent a percentage of all sales. The general volumes of sales in the marketplace are limited (Laudon and Traver 2013).

This section looked at five categories of drawbacks and barriers of ebusiness, including resources, content, strategy, consumer, and growth. The need for specific resources such as funds, time and skills was identified. The demand for engaging content on online environments and continuous adaptation of ebusiness strategies due to rapid technological shifts was highlighted as challenging. Another barrier to ebusiness was concerned with consumers' willingness to shop online. Additionally, the recent tendency of ebusiness growth expected to decline in the future was described as a drawback of future ebusiness.

### **2.2.6 Critical success factors of ebusiness**

Several critical factors determine the successful implementation of ebusiness. An analysis of studies by Zhang et al. (2012) and Quesenberry and Sykes (2008) revealed

four categories of key success factors: Strategic factors, content factors, promotion factors, and design factors (see Table 8).

Zhang et al. (2012) contributed significant knowledge to the field of ebusiness strategy by assembling a list of key success factors from other studies. The authors identified a brand lifespan of two to three years during which measures must be taken to limit imitation and competition. Companies are advised to make conscious decisions about ebusiness based on user behaviour, offered services, and branding and reputation (Zhang et al. 2012). They must develop effective value models and limit their expenses (Laudon and Traver 2013). Stock must be controlled and available as part of a strategy that ensures the viability of the ebusiness (Zhang et al. 2012).

*Table 8 - Key success factors influencing effective ebusiness*

<b>Strategic factors</b>	<b>Content factors</b>	<b>Promotion factors</b>	<b>Design factors</b>
Economic and financial justification	Consistent updates and maintenance	Products receiving significant exposure	Attractive aesthetics
Conscious decision making	Large variety and quantity of content	A significant member base	Practical
Efficiently organised infrastructure	User-generated content	A diverse market environment	Vivid
Consistent development and innovation	Interactive	Word-of-mouth advertising	Easy to navigate
High commissions and upfront payment	Fast uploading	Viral marketing	Reliable and secure
Ability to take on commissions	Attractive to content providers	Online paid advertising	
Liberal return and credit policies			
Products must be available			
Products in high demand			

(Source: House of Commons (2005), Quesenberry and Sykes (2008), Zhang et al. (2012))

Quesenberry and Sykes (2008) have made observation predominantly about content, promotion and design best practice in fine art businesses. Also, the House of Commons (2005) commented on effective ebusiness in the fine art market in the UK. Zhang et al. (2012) commented on the content factor, predicting that a large variety and quantity of content and products will result in a larger number of new members to a website.

Promotion is an essential component of any business model (see Section 2.2.1). Organisations must promote their online environment and products, and develop a large audience base through effective marketing campaigns (Quesenberry and Sykes 2008). Online and offline advertising are important in order to promote the business visibility and create new relationships with customers (see Section 2.2.2.1). Ebusiness offers unique promotion methods, for example, viral marketing which is the online version of word-of-mouth advertising (Laudon and Traver 2013).

Wang et al. (2011) described appealing aesthetic design of shopping websites as an important factor that influences customer satisfaction. However, when customers want to finalise their purchase online they require a practical design as well (Wang et al. 2011). When planning the design of a website, customer goals must be taken into consideration. There is an important motivational difference between customers that have an immediate shopping purpose, and those who visit a website to obtain an impression (Wang et al. 2011).

The key success factors emphasise critical considerations for effective ebusiness. Acker (2013a) concluded that when organisations have an effective ebusiness mechanism due to the application of the overall success factors, they achieve high attraction and retention rates, meet customers' expectations and create repeat visits. In contrast, ineffective ebusiness is characterised by the opposite factors: slow growth, a small member base, minimal visibility, and operations beyond two to three years in order to return the investment. The findings of Zhang et al. (2012) demonstrate that most businesses selling directly to consumers concentrate on one market only, have limited funds, act in caution, or have low expectations for growth (with effectiveness rates lower than 40%).

The literature discussed ebusiness key success factors, including strategy, content, promotion and design (Quesenberry and Sykes 2008, Zhang et al. 2012). Table 9 provides examples of observations made in the literature review about key success factors and effectiveness of several ebusiness practices examined in this study. In respect of the organisation's website and ecatalogue, organisations must consider the

four critical elements for success. However, design factors are particularly relevant in obtaining an effective website. Strategic and content considerations must be addressed when managing an ecatalogue. SEO and advertising on email signatures are mainly concerned with the promotional key success factors. Video and social networks success is predominantly related to content factors.

*Table 9 - Key success factors and effectiveness of several ebusiness practices*

<b>Activity</b>	<b>Key success factors and effectiveness</b>
Website	Attractive aesthetics, vivid ,practical, easy to navigate, reliable and secure (Quesenberry and Sykes 2008). Critical to the marketing strategy (Acker 2013a).
Ecatalogue	Large variety and quantity of content, products must be available (Zhang et al. 2012).
SEO	Critical to the business' exposure (Lipiäinen and Karjaluoto 2013).
Video	Interactive (Quesenberry and Sykes 2008).
Social networks	Consistent updating of content (Quesenberry and Sykes 2008).
Advertising on email signatures	Word-of-mouth advertising (Quesenberry and Sykes 2008).

### **2.3 Ebusiness in SMEs**

It is generally accepted that 'big' business is different to 'small' business. This applies equally to 'ebusiness'. As art centres, especially those relating to the remote Aboriginal and Torres Strait Islander context, tend to be SMEs, it is necessary to review the literature on ebusiness in SMEs.

Previous research demonstrated that ebusiness is widely used in large enterprises as well as in SMEs although there is a difference between the models that are being implemented. Zhang et al. (2012) outlined ebusiness models that have proven successful, while Lipiäinen and Karjaluoto (2013) emphasised that SMEs tend to focus on digital communication driven by the company rather than by the customer. The authors argued that SMEs mostly use one-way rather than two-way communications.

Lipiäinen and Karjaluoto (2013) researched the marketing and communication aspects of ebusiness in SMEs. Most SMEs make use of email and website marketing although their implementation of these tools is basic and their implementation of more

innovative platforms such as social networking and blogging is sporadic (Eriksson et al. 2008). SEO is widely used by large companies, however its potential and implementation is not fully adopted by SMEs (Lipiäinen and Karjaluoto 2013). Lipiäinen and Karjaluoto (2013) recommended a focused digital marketing strategy that includes an emphasis on the website with supporting SEO, SEA and display advertising.

SMEs tend to use social networking as a one-way selling tool rather than an interactive two-way communication tool (Lipiäinen and Karjaluoto 2013). Lipiäinen and Karjaluoto (2013) suggested that companies should engage in social networking activities only if they are able to invest in it appropriately. However, the authors indicated that it is challenging for SMEs to measure the benefit of social networks. SMEs have adopted social networking websites, however, they struggle with the maintenance of these networks and content management demands. SMEs in the USA spend up to six hours per week updating social networking platforms and many would like to reduce this, considering that the return is not substantial enough to the company (Moyle 2012, Wasserman 2012). Customers are also not always interested in social contact with SMEs; contact consisting of a simple retail transaction may be sufficient (Spenner and Freeman 2012).

Exploring ebusiness in SMEs will allow evaluation of the ebusiness activities in Aboriginal and Torres Strait Islander art centres and inform how practices in other SMEs may match or differ from those in art centres. It is hence assessed that ebusiness activities in the art industry are also relevant in the context of this study.

### **2.3.1 Ebusiness in the art market**

Despite the international nature and scope of the art market, there is only limited research available about current ebusiness trends relevant to the sector. It is clear however that the art industry, which encompasses characteristically micro or small organisations (Cardamone and Rentschler 2008), has joined the world of ebusiness. For example, agents provide a virtual exhibition experience or information to art

buyers on a web page, digital device, or by email, allowing customers to compare and explore a specific artist and artwork before purchasing it in person in the physical gallery (House of Commons 2005, Quesenberry and Sykes 2008). In this way, the electronic gallery (egallery) provides a similar experience to a physical visit to an art gallery (House of Commons 2005). At the same time a different experience is provided as well: customers can explore information beyond the one shopfront (Clarke III and Flaherty 2002).

The literature provides specific recommendations for art ebusiness. Quesenberry and Sykes (2008) suggested that agents provide easy and categorised browsing with thumbnails of significant works of each artist, and extend their ebusiness to invitations and announcements via email and viral marketing, e.g. a visitor sending a message (for instance, an image of an artwork he likes) to a friend. Agents are encouraged to market on their websites, art guides and magazines, and educate and provide information using presentations, articles, statements and biographies. It is emphasised that virtual galleries should display artworks using quality photography.

Art agents benefit from ebusiness in different ways. Some agents' websites specialise in commission-based ordering, the commission typically being 50% (House of Commons 2005). Others offer merchandise, such as cards and books, alongside their artist database (House of Commons 2005). Ebusiness is also used to advertise events, art classes and tours (Quesenberry and Sykes 2008).

However, several literature sources claimed that art collectors and buyers are less willing to finalise art purchases online (The Economist 2013, Kennedy 2011, Quesenberry and Sykes 2008). They prefer visiting physical galleries rather than purchasing on the net (Smith et al. 2006). The Economist (2013) expressed scepticism about a successful online art market. It referred to art.sy - a recent online art platform that joined the virtual art market place: "It is hard to put a dollar value on online referrals" (The Economist 2013, para. 6). The newspaper suggested that the older generation will not make use of the new online services, but a younger consumer base may be drawn to the virtual experience. Sir Tom Lighton of Waddington Custot

Galleries in the UK testified that his gallery has only made very minimal sales over the internet (House of Commons 2005). In contrast, Smith (2006) criticised some art agents for acting in a naïve manner by considering themselves exclusive, and therefore falsely believing that they do not need to adopt digital innovation.

Cardamone (2007a) emphasised that the art industry is unconventional and not suited to conventional ebusiness. For example, she pointed out the possible issues with the design of fine art websites. Fine art is expected to be curated and presented in a highly designed, creative and attractive manner both in real life and virtually. Websites that market visual art are often not facilitating the full experience that an artwork may evoke when engaging with it physically. The actual piece of art may appeal to different senses that do not come across in a virtual environment (Cardamone and Rentschler 2008, Citrin et al. 2003). Art is not mass-produced and each item is one of a kind, usually with an underlying meaning. The consumer may seek explanation for the artwork, or contact with the artist or at least with the dealer (Quesenberry and Sykes 2008).

According to Cardamone and Rentschler (2006), alternative marketing methods need to be explored. Cardamone (2007a), and Clarke III and Flaherty (2002) explained that one way to overcome those marketing challenges is to target specific markets, considering that information is available about consumer groups for art. There is information about art consumer segments, in addition to key demographic criteria such as educational background and related achievements, and income levels.

For the purpose of this study, it is important to understand the background of consumers buying art. Art is not purchased out of need; it is often considered to be a luxury item, reflecting the social and economic status of those who buy and own it (Quesenberry and Sykes 2008). In contrast to the traditional wealthy fine art collector market, in recent years fine art has been accessible to a broader public, due to the ways it is marketed. Entertainment and media channels have marketed fine art through commercials, television shows and other innovative avenues (Quesenberry and Sykes 2008). Consumers are also exposed to fine art through digital marketing. A

typical consumer of fine art can be described as young, urban, modern, subtle, educated, and successful in his/her professional career (Cardamone 2007a, Quesenberry and Sykes 2008).

Consumers expect that companies will have an online presence (Theodosiou and Katsikea 2012). Cardamone (2007a) reports that “demographic profiles for indigenous cultural buyers and for internet use closely coincide” (p. 139). People who use the internet the most earn over \$75,000 and they usually have a higher education degree; the typical age group for intensive internet users is 18-49 (Cardamone 2007a).

International studies are useful in illustrating what ebusiness activities are undertaken by art businesses, providing recommended actions to improve art ebusinesses, outlining the problems in the current online art environment, and describing the typical art buyer. At the same time it must be acknowledged that Australian Aboriginal and Torres Strait Islander art differs from other types of art (Cardamone and Rentschler 2006). This is discussed in the next section.

## **2.4 The Aboriginal and Torres Strait Islander art sector**

This study researched ebusiness uses and benefits in the context of Aboriginal and Torres Strait Islander art centres. Section 1.2.3 introduced Aboriginal and Torres Strait Islander artists, their unique living circumstances, and the positioning of their artworks in the marketplace. Section 1.7 provided a definition for Aboriginal and Torres Strait Islander people and art, as well as a description of Aboriginal and Torres Strait Islander art centres. This section provides details about the Aboriginal and Torres Strait Islander art sector’s growth and issues and challenges currently facing the sector. Further, available research about ebusiness activity in the sector is presented.

### **2.4.1 Overview of the Aboriginal and Torres Strait Islander art sector**

The Aboriginal and Torres Strait Islander art sector has developed significantly since its beginnings in the early 1970s. It emerged as fine art during the 1980s, with artworks acquired by major galleries and displayed in prominent exhibitions (Fisher 2012). Since the early 1990s the sector has evolved even further locally and globally resulting in expansion and new opportunities. Altman (2005) argued that the Aboriginal and Torres Strait Islander art sector achieved significant growth due to a targeted Commonwealth funding program. More than 100 new Aboriginal and Torres Strait Islander-owned and governed art centres were established in remote Australia in the last 40 years (Acker et al. 2013). The sector has been identified for its potential for further development (Altman 2005).

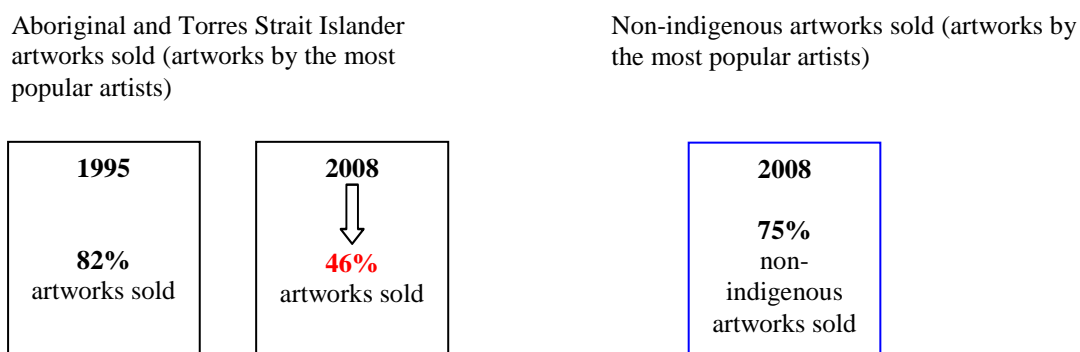
The value of the overall Aboriginal and Torres Strait Islander art industry has been estimated at \$18.5 million in 1989 to \$100-300 million in 2002 (Commonwealth of Australia 2007, p. 9). However, few statistics exist on the scope and scale of the Aboriginal and Torres Strait Islander art sector and accurate up-to-date data is not available (Acker et al. 2013). In a recent literature review, Acker et al. (2013) identified limitations and challenges in collecting relevant data relating to the Aboriginal and Torres Strait Islander art market. These included (1) a diversity of cultures and business models trading in the market, (2) differences in financial values, (3) different interpretations of Aboriginal and Torres Strait Islander art, (4) diverse definitions of who an artist is, (5) unreliable production and sales data from a highly dispersed range of participants and (6) trade occurring in diverse items.

The Aboriginal and Torres Strait Islander art market has experienced both growth and decline, as well as continuous challenges. There has been a significant international and domestic downturn in the art sector since the global financial crisis (Wilson-Anastasios 2011). This has contributed to a decline in sales for Aboriginal and Torres Strait Islander art, compounded in part by diverse changes taking place in remote areas and undertaken by events (Acker et al. 2013).

According to The Australian Bureau of Statistics, there was a 52.1% decrease in income from remote art centres sales since 2007, with similar falls in the secondary market (Commonwealth of Australia 2012). The Australian Indigenous Art Market 100 Index ([www.aiam100.com](http://www.aiam100.com)) collated data on auction market activity for the top selling 100 Aboriginal and Torres Strait Islander artists and showed sales have retreated more than a decade to 2002/03 levels (Acker et al. 2013).

Wilson-Anastasios (2011) claimed that there is currently less demand for Aboriginal and Torres Strait Islander art, than for non-indigenous art. This is seen in the Australian secondary market, where the value of Aboriginal and Torres Strait Islander art is significantly lower than the value of non-indigenous art. As shown in Figure 4, decreases in sales have been noted, e.g. in 1995 82% of auctioned Aboriginal and Torres Strait Islander artworks by the most popular artists were sold, compared with only 46% of artworks sold in 2008. This compares with 75% of non-indigenous art by the most popular artists sold in 2008 (Wilson-Anastasios 2011).

*Figure 4 - Decline in demand for Aboriginal and Torres Strait Islander art in the secondary market*



At the same time, the production of art by Aboriginal and Torres Strait Islander artists has increased, which has resulted in an oversupply, as well as quality control issues (Fisher 2012b). Significant modifications in federal legislation, local government reform in the Northern Territory, and changes in the demographics of remote settings are resulting in shifts in the economies of remote areas. These issues affect both the

production and marketability of Aboriginal and Torres Strait Islander art (Acker et al. 2013).

The Aboriginal and Torres Strait Islander art market is promoted in unique ways, for example through genre-specific art fairs and art awards (Altman 2005, Booth 2014). There are more than 300 agents representing Aboriginal and Torres Strait Islander art in Australia, and artworks are distributed through a diverse marketplace, including art centres, private dealers, tourist retail shops, commercial galleries, and online vendors (Fisher 2012b).

Consumers are interested in Aboriginal and Torres Strait Islander art as authentic art, which is locally produced (Fisher 2012b). Purchasing Aboriginal and Torres Strait Islander art is perceived as a cultural exchange. This type of art is typically produced by people with an Aboriginal or Torres Strait Islander identity. As such, the artworks provide insights into Aboriginal or Torres Strait Islander culture (Fisher 2012b).

Aboriginal and Torres Strait Islander art is symbolic to the Australian culture, incorporating a complex array of concepts such as ‘cultural heritage’ and ‘reconciliation’ (Fisher 2012b). However, some Aboriginal and Torres Strait Islander artworks are designed especially to accommodate the art market (Altman 2005, Wilson-Anastasios 2011).

#### **2.4.2 Issues for the Aboriginal and Torres Strait Islander art sector**

Art centres are mostly managed by non-indigenous coordinators, who are generally recruited from urban areas and tend to leave after two to three years (Wilson-Anastasios 2011, Whittle 2013). Collectors and buyers of Aboriginal and Torres Strait Islander art are also usually from a different culture to the artists; they speak a different language, are geographically distant and have other values and expectations. For instance, artists may use repetition in their artworks to emphasise the importance of one specific location, while the market will require each painting to be different and unique (G Quarmby 2013, pers. comm. 23 February). Fisher (2012) suggested that focusing purely on the market neglects the unique character and circumstances of

the Aboriginal and Torres Strait Islander makers of the art, especially considering that cultural interpretation of the art by the artist is required in order to grasp the full meaning of the artwork. This demonstrates that there is a gap between the producer, the mediator and the consumer, and that the market is unconventional and challenging. As a result of these unique circumstances there are several instabilities in the market (Dussart 2006).

An increasingly important aspect of the Aboriginal and Torres Strait Islander art market is the electronic business activities that are being undertaken by art agents (Acker et al. 2013, Altman 2005). This new way of doing business is adopted in the sector due to the potential advantages ebusiness can offer to large and small businesses (see Section 2.2.4). Remote Aboriginal and Torres Strait Islander SMEs are exposed to the benefits of digital innovation (Evans and Sawyer 2009).

Understanding what motivates Aboriginal and Torres Strait Islander art centres to implement ebusiness solutions and what outcomes they expect to achieve by implementing those solutions will assist in optimising art centre ebusiness strategies.

### **2.4.3 Ebusiness in Aboriginal and Torres Strait Islander art centres**

The previous section discussed the current challenges that the Aboriginal and Torres Strait Islander sector faces. Organisations engage with ebusiness, aiming to achieve commercial growth and resilience. A review of the relevant literature yielded seven extant empirical studies into ebusiness activities in Aboriginal and Torres Strait Islander art centres since 1999. These are summarised in Table 10.

The studies presented in Table 10 indicated that internet applications are effective for some art organisations in some circumstances. When comparing the study by Wright and Morphy (1999) with the study by Cardamone (2007a), progress in internet adoption by Aboriginal and Torres Strait Islander art centres is evident. Acker (2013a) suggested that some Aboriginal and Torres Strait Islander art centres benefit significantly from their online strategy. At the same time, research indicated that Aboriginal and Torres Strait Islander art is rarely purchased online (Booth 2014).

Cardamone and Rentschler (2006, 2007, 2008) published several papers about the use of new technology in Aboriginal and Torres Strait Islander cultural enterprises. They provided the following insights:

- Since the 1990's all arts organisations in remote communities sampled used internet and email services on a daily basis.
- There was a 50% increase in website development in the five years prior to 2000 compared with the five years following it.
- Art centres used their websites primarily to have a web presence; the expectation of economic benefit was secondary.
- The websites provided a cultural context to visitors and the possibility to compare and examine items.
- Transactions including ordering, providing contact details, and payment often occurred by means of phone or email. Few organisations provided online payment facilities. As a result, the percentage of sales generated due to online activities was unknown.

Acker (2013a) study of a small remote art centre reported the centre's claim that 50% of their revenue came through online sales. They operated a website that was critical to their marketing strategy. The organisation regularly updated its blog and social networking platforms and also had an email strategy. The art centre held online exhibitions three times per year. Significant attention was given to the selection of works for online display. When new works were exhibited on the egallery the target audience was notified through digital marketing. The purpose of this type of marketing was to connect the art centre with a global market through demonstrated "community and cultural values" (Circuitt cited in Acker 2013a, p. 2).

Table 10 - Studies of ebusiness in Aboriginal and Torres Strait Islander art centres

Source	Research objective	Research method	Key findings
Acker (2013a)	How does the online domain help Aboriginal and Torres Strait Islander art centres overcome their geographic isolation?	Case study of one Aboriginal and Torres Strait Islander art centre.	60% of sold paintings and 50% of sales income are generated online. There are four elements to the online strategy: (1) a website, (2) a blog, (3) social networks, and (4) email. There are five selection criteria for display of artworks on the egallery: (1) size, (2) quality, (3) suitability for the online environment, (4) target group, and (5) price (a maximum of \$1,500 per artwork).
Booth (2014)	Who are the buyers of Aboriginal and Torres Strait Islander art in the primary market and what are their purchase behaviours?	Survey of 874 consumers at three art-buying events; 20 in-depth interviews with buyers and sellers of Aboriginal and Torres Strait Islander art.	Purchase considerations: predominantly aesthetic appeal and price. Less than 5% sampled had purchased Aboriginal and Torres Strait Islander art online.
Cardamone and Rentschler (2006)	How do Aboriginal and Torres Strait Islander cultural micro-enterprises (ICMEs) use multimedia technologies innovatively, in order to service their audience needs?	Case studies of two ICMEs (1 remote art centre, one city-based performance company) based on secondary data (web sites, journal articles and internal documents).	(1) ICME needs to be managed entrepreneurially. (2) Need for opportunity recognition across the various multi-media technologies.
Cardamone (2007a)	How do ICMEs approach ecommerce?	Case studies of two ICMEs (one remote arts enterprise, one remote cultural tourism business); survey of 43 cultural ICMEs across Australia.	All ICMEs sampled used email and 88% had a website displaying art for sale. Only 10% had full ecommerce with online payment.
Cardamone and Rentschler (2008)	What is the status of technology use in ICMEs?	Survey of 27 art and crafts ICMEs across Australia. Eight of these ICMEs were also case studied.	All ICMEs sampled used the internet, and used email daily. 89% had a website displaying art for sale, but no online payment systems. Two thirds see their website as effective.
Kirchhofer (2010)	What is current and planned usage of ICT in urban and remote galleries in NT?	Case studies of three-four urban and remote art galleries and museums proposed.	Research not implemented.
Wright and Morphy (1999)	What do we know about remote (Aboriginal) community art and craft centres?	Survey of 39 (Aboriginal) community art and craft centres in remote Australia.	Re ICT: 64% were not using or planning to use the internet (OCT for marketing and sales). Only 10% used the internet.

A recent study by Booth (2014) (who surveyed almost 900 visitors to three large Aboriginal and Torres Strait Islander art events) indicated that purchasing Aboriginal and Torres Strait Islander art online occurred only rarely. Moreover, data collected in

the study showed that customers made the distinction between buying from online vendors that have a physical exhibition space and buying from vendors that are present solely online. Customers expressed minimal trust in the latter. They indicated that an existing and trusting relationship with a vendor would enhance the chances of purchasing online. However, one respondent mentioned a positive experience with an online-only auction house. These results are supported by Laudon and Traver (2013) who predict that also in the future there will be a majority of successful companies that combine online and offline commerce and less companies that operate only on the online environment.

Several researchers provided additional observations about Aboriginal and Torres Strait Islander art centre ebusiness. Acker (2013b) explained that Aboriginal and Torres Strait Islander art is heavily dependent on buyer confidence. Consumers desire reliable information about provenance and ethical business practices. According to Altman (2005) the artwork must be authentic and of high quality, and represent a genuine cultural heritage. Websites should, therefore, enhance trust through promoting the virtue of the works and the integrity of the art centre (Altman 2005). Thus, art centres should aim to develop a web presence that reinforces values such as authenticity, attribution, cultural integrity, and cultural education and preservation (Altman 2005, Cardamone 2007b).

Historically, Aboriginal and Torres Strait Islander art centres have acted primarily as wholesalers rather than direct sellers. However, ebusiness allows art centres to become direct sellers, retaining profits in the community (Dyson 2004). A complimentary advantage to direct selling is that the consumer gets closer to the source and buys straight from the art centre rather than from an agent, leading to less doubts about the authenticity of the work (Dayman 1999, Van der Vorst et al. 2002).

Relationships between consumers, facilitators and suppliers are mediated by digital innovation and are constantly evolving (see Section 2.2.4). In Aboriginal and Torres Strait Islander art centre ebusiness, commercial relationships are also diverse, for instance, art centres consign artworks to galleries through an electronic display,

exhibit artworks to collectors directly, and use online selling mechanisms (T Acker 2013, pers. comm. 19 March).

Aboriginal and Torres Strait Islander art centres need to overcome the challenges of geographic isolation (Morrison 2000). For example, metropolitan businesses can offer an online ordering system that invites customers to physically come to the store and collect purchased items (Zhang et al. 2012). Remote SMEs cannot offer this service. Thus, when an item is purchased online, they need to pack and send it to the customer; this adds costs to the organisation. The shipping and packing costs are particularly significant when low value items are sold (Zhang et al. 2012).

The Aboriginal and Torres Strait Islander Cultural Industry Strategy (Aboriginal and Torres Strait Islander Commission. 1997) shows that Aboriginal and Torres Strait Islander enterprises succeed in designing strong products yet fail in marketing them. At a cultural level most of the content on the internet is westernised and relevant to a globalised market place (Samaras 2005). The question arises as to the current digital environment and whether it is suitable and appropriate for the representation of Aboriginal and Torres Strait Islander culture and art. Future social research may focus on this question.

## **2.5 Knowledge gaps**

Extant research into Aboriginal and Torres Strait Islander art centre ebusiness provides a valuable foundation to understanding ebusiness in the Aboriginal and Torres Strait Islander art market. There are, however, a number of significant gaps in our knowledge about the use and impact of ebusiness in the Aboriginal and Torres Strait Islander art context. This section identifies several areas of limited knowledge in the field.

### **Lack of knowledge about how ebusiness is currently being used in Aboriginal and Torres Strait Islander art centres:**

- Considering the rapid changes in digital technologies, some extant studies are

outdated.

- There is a lack of knowledge in the literature about how art centres engage with strategic planning for their businesses.
- Most existing research provides only a short account of ebusiness activities undertaken in remote Aboriginal and Torres Strait Islander art centres.
- There is a lack of research on the potential of ebusiness to support Aboriginal and Torres Strait Islander art marketing through, for instance, more targeted marketing or diverse communications strategies (Acker et al. 2013).
- Only limited literature is available on the advanced cataloguing system that is used by Aboriginal and Torres Strait Islander art centres to support the administration of artworks and customers (Altman 2005a).
- There are knowledge gaps about design aspects of Aboriginal and Torres Strait Islander art centre websites, including who designs their websites, what the design choices are based on, and what the significance of the design is.

**Lack of current knowledge about ebusiness benefits and opportunities in Aboriginal and Torres Strait Islander art centres:**

- Empirical data about the current benefits of ebusiness to Aboriginal and Torres Strait Islander art centres is absent.
- Little has been written about the level of sales of artworks on the internet (House of Commons 2005).
- There is only limited understanding about how the internet is being used for commercial growth in the Aboriginal and Torres Strait Islander art industry, although it has been identified “as an area of potential opportunity” (Acker et al. 2013, p. 21).
- There is a lack of knowledge in the literature about the way Aboriginal and Torres Strait Islander art centres use UGC platforms and whether these platforms are beneficial to them.

**Lack of current knowledge about ebusiness drawbacks and barriers in Aboriginal and Torres Strait Islander art centres:**

- Empirical data about the current barriers to ebusiness in Aboriginal and Torres Strait Islander art centres is absent.
- There is only limited research available on the type of resources needed for art centre ebusiness.
- There is a lack of comparative data that takes into account the remote locations of art centres, which would allow an exploration of whether geographic locations affect art centres' growth or failure, and specifically, whether art centre ebusiness is affected by the limited access to communication infrastructure (Acker et al. 2013, Cardamone 2007b).

**Little knowledge about the effectiveness of ebusiness practices:**

- There is a lack of knowledge about art centre ebusiness strategies and their effectiveness.
- Although it is known that most art centres have a website, and are using email communication (Cardamone 2007a), there is little knowledge about what the outcome of this communication is and whether the resources invested in it are justified.
- There is a gap of knowledge about how customers engage with art centre ebusiness and what their perspectives are about it.
- Definitive knowledge about the importance of website design to consumer satisfaction is missing (Wang et al. 2011).

## **2.6 Research questions**

The knowledge gaps identified point to the need for us to better understand how Aboriginal and Torres Strait Islander art centres engage with ebusiness and its diverse components. This research project explores the logic behind choices and decisions that art centres make in relation to ebusiness. This study aims to fill the knowledge gaps identified by pursuing the following research objective:

**To determine how ebusiness is being used in, and whether it is beneficial to, Aboriginal and Torres Strait Islander art centres.**

As set out below, three research questions are associated with the research objective.

*RQ1: How is ebusiness currently being used by Aboriginal and Torres Strait Islander art centres?*

The thesis builds upon existing research about ebusiness application (see Section 2.2). Enterprises that embrace innovation are more likely to adopt ebusiness solutions; another factor influencing ebusiness adoption is customer behaviour and expectation (Theodosiou and Katsikea 2012). The literature expanded on ebusiness models, including strategy, digital innovation, and online electronic payment (see Section 2.2.2). Digital marketing strategies including UGC platforms and traditional online marketing were presented and ebusiness trends such as mobile communications and organisational systems were explored (see Section 2.2.2.2). Online art sales were discussed in Section 2.3.1 whereby consumer behaviour was examined. Consumers may be visiting online art platforms, however some researchers and journalists claim that consumers are not likely to finalise an art purchase online and may still be attached to the physical art dealer – consumer relationship (The Economist 2013, Kennedy 2011, Quesenberry and Sykes 2008, Smith et al. 2006). Others however, believe that art dealers have not altered their business strategy to take advantage of digital innovations (Smith et al. 2006) and that a younger audience is suited to acquiring art on the web (Quesenberry and Sykes 2008). This review of the literature sets out this project's next, two-part question:

*RQ2a. What are the benefits and opportunities of wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?*

To address this research question, this thesis research builds upon knowledge of ebusiness benefits and opportunities in the industry (see Section 2.2.4). Evans and Sawyer (2009) describe the opportunities available through electronic trading to small and medium enterprises in Australia. Ebusiness provides organisations with the opportunity to access new international and national markets and overcome geographical barriers (Cardamone 2007a). It also improves the operational

performance of a firm (Wiengarten et al. 2013). Cardamone (2008) reveals that *Creative Nation*, the Government's 1994 cultural policy document, suggested a relationship between the cultural sector and technology, linked to the creation of the Department of Communications and the Arts and the need to investigate this relationship with a national survey. However, the investigation of the claim that new digital technologies represent an opportunity for Aboriginal and Torres Strait Islander art centres has not been carried out as yet. This study aims to review information from similar studies and industries in order to answer this project's additional research question:

*RQ2b. What are the drawbacks and barriers to wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?*

Through the second part of the research question, this thesis outlines the drawbacks and challenges of ebusiness in the industry (see Section 2.2.5). SMEs are challenged with limited resources for ebusiness knowledge and maintenance (see Section 2.3). It is important to understand whether some ebusiness practices implemented by art centres are causing waste of, for example, resources, costs, time, and/or quality. Typically, SMEs use one- and two-way communication channels, although often their strategies in using two-way communication channels are not beneficial (Lipiäinen and Karjaluoto 2013). Statistical information about online sales in the art sector is absent and only limited observations are available about the potential or limitations of selling art online (Cardamone and Rentschler 2008).

Morrison (2000) acknowledged the difficulties organisations face when operating in remote areas. In terms of cultural differences, section 2.4.3 explains that online content is generally westernised. The current research investigates whether local and cultural considerations are taken into account when art centres plan the design of their websites, or else, what the website design is based on.

The third research question is concerned with the effectiveness' of ebusiness in Aboriginal and Torres Strait Islander art centres. This has not yet been empirically researched.

*RQ3: Which ebusiness practices in Aboriginal and Torres Strait Islander art centres are effective and which are ineffective?*

Effective ebusiness is influenced by product demand and price, transparent information and value chain collaborations (Van der Vorst et al. 2002). Section 2.2.3 discussed effective ebusiness models by providing examples of such models. Zhang et al. (2012) and Laudon and Traver (2013) identified specific commercially effective ebusiness models. Effective models must consist of valuable investments, and secure revenue (Lin and Hsia 2011).

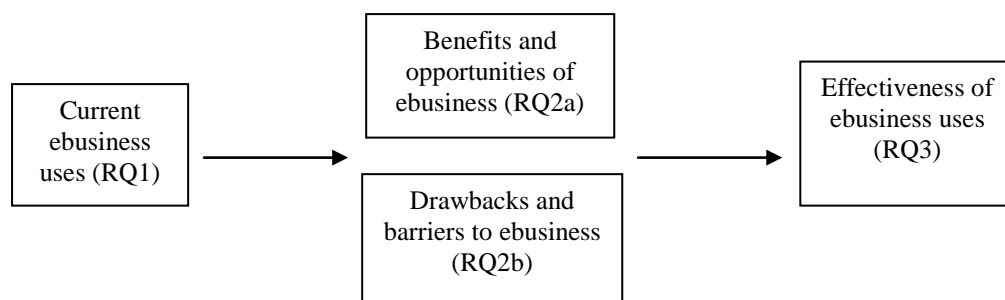
Critical ebusiness success factors for effective ebusiness were also examined in the literature review. These are concerned with strategy, content, promotion and design aspects of ebusiness (Quesenberry and Sykes 2008, Zhang et al. 2012). Acker (2013a) identified a few effective ebusiness activities implemented by his case study (see Section 2.4.3). Slow growth and limited exposure are typically caused by ineffective ebusiness (Zhang et al. 2012).

Considering the unique context of Aboriginal and Torres Strait Islander art centres, effective online practices for the wider industry may not be suitable for art centres. It is necessary to investigate whether current art centre ebusiness strategies offer effective solutions for the economic development and growth of those organisations. By way of comparative analysis of effective online environments in art centres, this research will highlight activities that are effective for all, or most, art centres against activities that may be effective to some but not to others. The study will aim to provide recommendations to stakeholders and policy makers about how to support art centres in increasing and/or improving art centre ebusiness effectiveness.

Figure 5 illustrates a guiding framework for the research, showing the relationships

between the research questions. The study will first explore ebusiness uses in Aboriginal and Torres Strait Islander art centres (RQ1), thereafter identify the benefits and opportunities (RQ2a), as well as drawbacks and barriers of ebusiness (RQ2b) in those organisations. Finally it will seek to determine whether art centre ebusiness practices are effective or ineffective (RQ3). The qualitative nature of this study requires a logic process for obtaining new insights. It is aimed to expand the framework in a later point in this thesis to present a rich model with new perspectives and information linked to the research questions.

*Figure 5 - Guiding framework for the research*



## **2.7 Conclusion**

The literature review provided an overview of the available knowledge about the role of ebusiness pertaining to Aboriginal and Torres Strait Islander art centre marketing. It found that ebusiness models must address critical success criteria and must weigh benefits and opportunities against drawbacks and barriers. In addition, it highlighted the aims and methods that have been implemented by past research, which are used as a guide in selecting suitable methodologies for this thesis.

The literature also highlighted important gaps in knowledge about the scope and scale of ebusiness in the Aboriginal and Torres Strait Islander art context. The next chapter explains how this study will attempt to address the research objective and the three supporting research questions.

## Chapter 3 - Research design and methods

### **3.1 Introduction**

This chapter opens with a justification for the qualitative case study approach adopted in this study. Subsequently, the sampling decisions for the study are discussed. The population for the study is described, the sampling method defined, the selection criteria explored, the sampling frame outlined and the sample size justified. Following, the procedure of data collection is explained and the interview structure introduced. The data analysis process is then depicted and the methods used to achieve validity identified. Finally, the ethical considerations and measures to obtain ethical clearance as it pertains to this research effort are presented, followed by a conclusion.

### **3.2 Justification of the qualitative case study method**

When a phenomenon requires theory building and a deep analysis of a subject, qualitative research is the most relevant method; when a researcher aims to test a theory or describe facts, quantitative research is suitable (Glaser et al. 1968). The focus of a qualitative study therefore is to obtain a new understanding, rather than proving that the one theory is right or wrong (Roberts and Wilson 2002). Like the quantitative method, qualitative research requires implementation of science in the form of rigor and credibility. However, qualitative research is adapted to real situations and to the multifaceted dimensions of social behaviour (Corbin and Strauss 1990). The qualitative approach is a flexible one, hence it can be applied to numerous situations within a field of study (Patton 1990).

A qualitative methodology is best suited to research when (1) the community holds a narrow perspective about a phenomenon, (2) the researcher has developed only minimal assumptions about the subject matter prior to handling the findings and (3) general knowledge about the topic is limited (Roberts and Wilson 2002). Overall, the

qualitative method is efficient when limited insights are available about a topic (Corbin and Strauss 1990).

The driving force of qualitative research is the in-depth investigation and description process which enables a broad perspective of the situation (Myers 2000). The need to explore current ebusiness activities in Aboriginal and Torres Strait Islander art centres (in order to understand what the advantages and drawbacks of these activities are) was justified in Section 1.2.1. This is an underexplored area that holds significant potential for improvement and development. Thus the study uses a qualitative research design for collecting in-depth data from Aboriginal and Torres Strait Islander art centres, in order to gain rich knowledge about the under researched area of art centre ebusiness. A quantitative approach, such as a survey method, would risk missing potentially relevant insights and underlying layers relating to ebusiness use and efficacy in the Aboriginal and Torres Strait Islander art centre context.

Given that the research is at the level of art centre organisations, a multiple case study method is suitable. Yin (2009) defines the case study as the investigation of a contemporary phenomenon during a continuous period of time rather than a specific moment or occurrence. The case study method is suitable for research of real-life events when examining the how and the why questions and uncovering issues without needing to control the situation (Yin 2009). It is beneficial when knowledge and theory about a topic are minimal. When using this method, the investigator's purpose is to present findings that are generated with integrity, attempting to generate an unbiased point of view. The case study method is relevant to research where the situation and the context are tightly connected and require a variety of sources to accomplish a conclusion (Yin 2009).

The case study method is appropriate to this study for numerous reasons. First, it investigates 'how' operations are conducted, specifically ebusiness practices within remote Aboriginal and Torres Strait Islander art centres, and 'why' art centres choose to implement particular activities. Second, as indicated in Chapter 1, the practice of ebusiness in art centres is rather new and is perceived to be a contemporary

phenomenon. Exploratory research is ideally suited for these context, as it uses a diversity of data sources, such as interviews, observations, documents and analysis (Yin 2009). Finally, through the case study method, the thesis research recognises similarities and inductive reasoning by making comparisons between art centre ebusiness activities.

### **3.3 Sampling decisions**

#### **3.3.1 Population**

The unit of analysis of the research is a remote Aboriginal and Torres Strait Islander art centre as defined in Section 1.7. There are approximately 100 art centres in remote Australia (Whittle 2013). While this population is relatively small, it was not within the scope of the research to conduct a census. To gather data to inform the research questions, a reasonably representative subset or sample of the population needs to be identified.

#### **3.3.2 Sampling method**

The study aimed to identify a sample with the potential to contribute to the understanding of situations, actions and circumstances in a particular context (Neuman 2006). The sampling method used to determine a sampling frame was purposive sampling (Leedy and Ormrod 2005). This sampling approach is commonly applied in qualitative studies in order to gain rich, deep, meaningful and pertinent insights about the cases (Yin 2009).

The previous chapter discussed the distinctive character of Aboriginal and Torres Strait Islander art centres, which differs in context not just from conventional businesses in the wider art industry, but from those in the Aboriginal and Torres Strait Islander art industry as well. Case studies from these other art sectors do not suit the study of Aboriginal and Torres Strait Islander art centres. Therefore, it was appropriate to draw on a circle of professionals who operate in the field to obtain

recommendations about appropriate candidates for the research (Gledhill et al. 2008). Advice about a suitable sample of Aboriginal and Torres Strait Islander art centres for the project was obtained in consultation with the following key sources:

- Dr Tim Acker, the external supervisor for the study and the CRC-REP Principal Research Leader for the Aboriginal and Torres Strait Islander Art Economies project.
- The Aboriginal and Torres Strait Islander Art Economies research team during a meeting in late October 2013.
- The Ministry for the Arts, based on art centre annual reporting about online sales.

### **3.3.3 Purpose method selection criteria**

The sample for this research was based on three main selection criteria, including advanced ebusiness, geographic location, and reputation and collaborative attitude of the art centres. Previous studies on Aboriginal and Torres Strait Islander art centres have used a range of selection criteria for purposive sampling:

- Cardamone and Rentschler (2006) selected two case studies based on two criteria: (1) the efficiency of the organisation's website and its usage of mixed media tools and (2) different environments and product which allowed comparison of diverse approaches to online marketing.
- Kirchofer (2010, p. 5) proposed selecting three to four case studies to include "urban and remote art galleries and museums."
- Wright and Morphy (1999) surveyed all operational art centres in remote Australia, concentrating on art centres that were funded by the National Arts and Crafts Industry Support (NACIS).

Similar to these studies, this thesis research focused on Aboriginal and Torres Strait Islander art centres that use advanced ebusiness strategies, and aimed to select art centres from different geographic areas. Unlike previous research, the current study was concerned with art centres that predominantly promote visual art rather than other forms of art like theatre or dance. The art centre funding source was not relevant, as

long as the online environment of the organisation demonstrated a level of ebusiness sophistication. In addition, this study only recruited candidates that responded to the invitation to participate in this research and had a positive and collaborative attitude towards it. Table 11 demonstrates the order in which the before-mentioned key selection criteria were addressed in order to determine the sampling frame.

*Table 11 - Selection criteria process*

<b>Selection criteria process</b>	1. Advanced ebusiness
	2. Location
	3. Reputation and collaborative attitude

The most important selection criterion was concerned with the advanced ebusiness features of the art centre. Twenty art centre websites were identified and tested for the presence of ebusiness activities. Several art centres were not suitable for the study. For example, organisations that only recently engaged in ebusiness had limited evidence of online activities. As a result of eliminating the unsuitable organisations, nine art centre websites were identified for a pilot study with respect to their online presence of ebusiness activities and level of ebusiness development. Components of art centres' ebusiness practices were divided into two main categories:

- One-way communication tools.
- Two-way communication tools.

The selected cases were then analysed according to some of the ebusiness critical success factors discussed in Section 2.2.6. A summary of the review of the nine art centre websites is presented in Table 12. The researcher assessed each art centre on the following criteria:

- Consistent development and innovation (use of new digital technology).
- Overall website design and functions.
- Content presented on the website.
- Presentation and promotion of content and artworks.
- Interactivity.
- Frequency of updates.

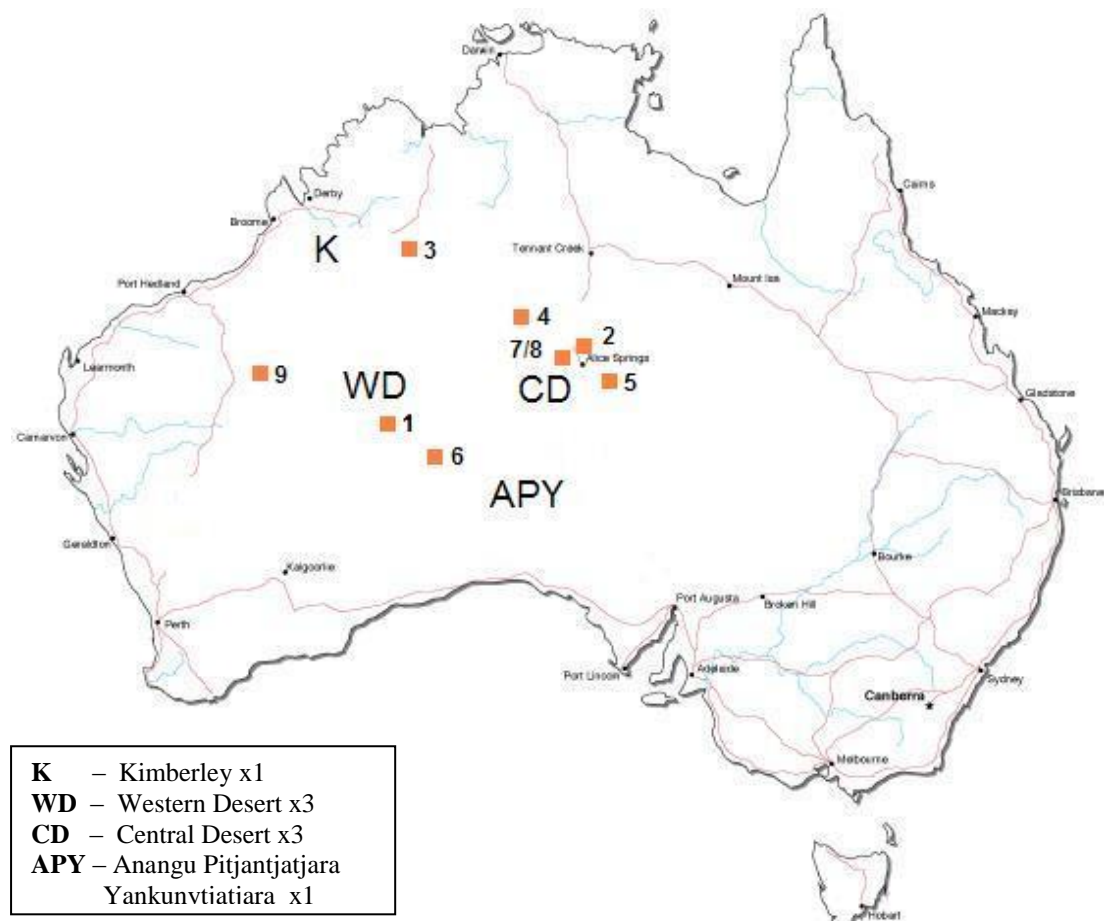
- Sales facilities.
- Additional ebusiness tools that work in conjunction with the website (e.g. UGC platforms).
- Likes/friends on Facebook.

Table 12 - Sample of advanced art centre websites

Art centre	One-way communication						Two-way communication
	About page	Contact form	Categories in the gallery menu	Shopping cart facilities	Information about exhibitions	News last updated	User-generated content platforms
1	Yes	Yes	-Watercolour -Contemporary -Traditional -Naïve	Yes	Yes (within the news section)	Yes/1 week ago	Facebook
2	Yes	No	None	No	Yes	Yes/not dated	Facebook, Twitter, Vimeo
3	Yes	Yes	-Bark Paintings -Baskets -Bags & Mats -Carvings -Fibre Sculpture -Hollow Logs -Artworks under \$500	Yes	No	Yes/not dated	The art centre has a Facebook page but it is not advertised on the website
4	Yes	Yes	None	No	Yes	Yes (Blog)/1 day ago	Facebook
5	Yes	Yes	-Prints -Artefacts -Books & DVDs -Merchandise	Yes	Yes	Yes/2 weeks ago	No
6	Yes	Yes	None	Yes	No	Yes/2 months ago	Facebook, Twitter, RSS feed, YouTube, Pinterest, Google+
7	Yes	Yes	-Paintings -Objects -Ceramics -Works on silks	Yes	No	Yes/3 months ago	No
8	Yes	Yes	-Paintings -Prints -Craft -Other	Yes	No	No	Facebook
9	Yes	Yes	-Products -Paintings -Linocut prints -Jewellery -Musical instruments -Production prints	Yes	No	Yes/2 weeks ago	Facebook

After art centres with advanced ebusiness features were identified, the case studies were selected according to their geographic location. To ensure a comprehensive and balanced representation of the sector, the sample was to be drawn from a range of remote locations in Australia, spread over different geographic areas as depicted in the map in Figure 6. Woodhead and Acker (2014b) divided the map of Australia into multiple art regions, based on cultural, geographic and artistic groupings. This enables comparisons between regions and aggregation of more local information, without identifying any individual art centres (Woodhead and Acker 2014b).

*Figure 6 - The locations of the eight case studies on the map of Australia according to the art regions*



(Source: adapted from the art regions map (Woodhead and Acker 2014b) )

Finally, purposefulness was determined according to the reputations of the art centres and the engagement of staff. Important criteria were the willingness of art centre managers to contribute to research, previous research and/or reputation indicating that the art centre is successful, and positive media reports about the art centre.

### **3.3.4 Sampling frame**

This preliminary analysis of nine art centres identified potential case studies for the main research study. However, these cases differ from the final eight selected art centres for the research because considerations, such as sample size, feasibility, purposefulness, reputation and collaborative attitude were not included in the pilot study. In addition, the final selection of case studies was determined at a point in time after the pilot study, at which some of the art centres' online presence had changed. Four of the nine art centres investigated in the pilot study carried through to the actual research. Four additional eligible art centres were identified and contacted. Based on the earlier-mentioned selection criteria, the list of Aboriginal and Torres Islander art centre managers and staff members was developed.

Both strategic planning and operational matters were relevant to the study. This knowledge is usually held by the art centre manager. In some art centres the manager is the only employee and typically makes all the ebusiness decisions and implements them. In these cases it is necessary to only interview the manager. In art centres with multiple employees, ebusiness strategic planning is usually implemented by the manager, and operational ebusiness activities are implemented by staff members holding diverse job titles. Ideally, both employees need to be interviewed. However, given the small number of employees and a commensurate high workload, most centres can only afford to make one employee available for participation in the research. The age and tenure duration of the interviewees were not relevant to the selection of the population for this study.

### **3.3.5 Sample size**

The literature does not specify a precise number of case studies that must be investigated in a study. However, some scholars provide an indication; Eisenhardt (1989 p. 545) recommended between four and ten cases and Hedges (1985) suggested a maximum of 12 case studies for a qualitative study. Hence, a sample size of eight cases (10 per cent of the population) was deemed to form a reasonable sample size within the scope of this research. The results of this study are compared to a study in the same field undertaken by Cardamone and Rentschler (2008), which involved the same number of case studies.

### **3.4 Data collection procedure**

In an email the target sample art centre introduced the research topic and invited the art centre to participate in interviews with the principal researcher (Appendix 1). Following a positive response, the principal researcher approached the art centre manager via email and sent through the Project Information Sheet (Appendix 2). Upon the art centre manager's support of the project, an Art Centre Permission Letter (Appendix 3) was signed by the art centre manager and they provided advice about the relevant staff members for the interviews. The Project Information Sheet was then presented to the individual participant and a consent form (Appendix 4) was signed by them.

Before the interviews took place participating art centres were presented with the opportunity to express their expectations of, and concerns about the study. One participant requested not to be recorded, while other participants requested to limit the time of the interview to half an hour or an hour. In this respect, clear arrangements were made prior to the actual interviews. In addition, the participating art centres and participants were notified that the research was strictly confidential and that they and their organisation will not be identifiable from the results.

Secondary research was conducted to obtain information about the online presence of the cases selected. The online sphere was investigated for online presence of each

individual art centre. This included: (1) a search for the name of the art centre, the communities it serviced, and its key artists, applied on the Google search engine. (2) available features of, and content on the art centre website (3) types of UGC platforms that were used by the art centre and its engagement with those platforms. The results from the secondary research were recorded in tables using the Excel software.

The Interview Protocol (Appendix 5) consisted of a short introduction to the topic of the research, a clarification to the participant about the selection criteria for the study, and an explanation about the format of the interview. Further, the Interview Protocol was structured around eleven main topics: (1) General context (2) internet connection (3) strategy (4) ebusiness activities (5) website (6) UGC platforms (7) content (8) resources (9) customers (10) overall ebusiness (11) final questions. These topics were driven by a combination of sources, including the literature review, the pilot project, general knowledge of the sector, and input from the supervisors of the study and from members of the art economies project. The purpose of investigating these themes was to answer the research questions in respect of Aboriginal and Torres Strait Islander art centres, including ebusiness uses (RQ1), benefits and opportunities of ebusiness (RQ2a), drawbacks and barriers of ebusiness (RQ2b), and the effectiveness of ebusiness practices (RQ3).

Table 13 presents the relationship between the main research questions of the study, and the Interview Protocol topics and questions that were presented to participants during the interviews. The question numbers are outlined in the table and are listed multiple times when a question from the Interview Protocol has potential to answer more than one research question. Most questions from the Interview Protocol were directly addressed to answer RQ1 but had potential to obtain insights indirectly to answer the other research questions. In addition, RQ2a, RQ2b and RQ3 were addressed by evaluating the rich data obtained from the interviews against insights obtained from the literature review. Some questions from the Interview Protocol had the potential to either provide insights about the benefits and opportunities of ebusiness, or provide insights about the drawbacks and barriers of ebusiness, depending on the participant's experience with a specific ebusiness activity. A

significant amount of questions in the Interview Protocol also addressed RQ3 about the effectiveness of ebusiness practices.

*Table 13 - The relationship between the three research questions and the topics and questions from the Interview Protocol*

<b>The Interview Protocol's topics</b>	<b>RQ1: Ebusiness uses</b>	<b>RQ2a: Benefits and opportunities of ebusiness</b>	<b>RQ2b: Drawbacks and barriers of ebusiness</b>	<b>RQ3: The effectiveness of ebusiness practices</b>
1. General context	1, 2, 3			
2. Internet connection	4		4, 5	
3. Strategy	6, 7, 8, 10			9
4. Ebusiness activities	11, 13			12
5. Website	14, 15, 19, 20, 21, 22, 28, 29, 30, 31	14, 16, 24, 25, 26, 27	27	16, 17, 18, 23, 24, 25, 26, 27, 31
6. UGC platforms	32, 34, 36, 37, 38, 39, 40	33, 33, 35,	38	33, 34, 38, 39, 40
7. Content	41, 42, 43	42		42
8. Resources	44, 45, 48, 50, 51		44, 45, 46, 47, 48, 52	45, 47, 48
9. Customers	54	53, 54	53	53
10. Overall ebusiness		55	56	
11. Final questions	59	59	57, 58, 59	58, 59
<b>Total questions</b>	<b>37</b>	<b>14</b>	<b>13</b>	<b>23</b>

(Source: Appendix 5 - Interview Protocol)

Each topic contained a range of open-ended questions that aimed to obtain information from the participants about ebusiness practices in their art centres. Questions investigating the background of the participants were also included as well as questions that asked participants to rate the effectiveness of certain ebusiness activities.

The Interview Protocol was first tested on a former art centre manager. This initial interview provided assistance and feedback in adapting the interview sequence and questions to suit the needs of the research. Following this test interview some industry terms that the interviewee was unfamiliar with were replaced with more commonly used concepts. Additionally, examples were added to several questions in order to provide context to those questions. Questions that were too similar to other questions were removed, for example, two separate questions, (1) about the benefits of

ebusiness, and (2) about the opportunities of ebusiness, were combined to a single question.

The overall aim of the semi-structured interviews was to explore art centre engagement with ebusiness from the point of view of managers and staff. In order to obtain insights about RQ1 participants to the research were asked about their ebusiness strategies and past, present and future ebusiness activities. To inform RQ2a and RQ2b participants were interviewed about their procedures, motives, recommendations and reasons for the way they engage with ebusiness. Participants were also asked to share the perspective of their customers about their ebusiness activities. Additionally, participants were asked about the quality of communication infrastructure in their area and about economic and human resources factors that may influence the success of their ebusiness practices. To address RQ3, participants were questioned about their core ebusiness activities, e.g. their websites and UGC platforms, and were asked to provide their observations about the effectiveness of these activities.

The data collection occurred between February 10<sup>th</sup> and March 28<sup>th</sup> 2014 during semi-structured interviews. The interviewing technique used a similar question structure and resembling questions in each individual interview in order to obtain authentic and credible descriptions of the situation. Furthermore, the interviews had a standard sequence which facilitated a comparison process during the data analysis phase (Barriball and While 1994). Nevertheless, Myers (2000) recognises that potential time restrictions in qualitative research can influence the results. He acknowledges that a new facet of meaning may be revealed during interviews, while this new information is not considered in the initial design of the study.

The interview format was adjusted in response to both the level of detail and time dedicated to a topic according to the respondent's reply and engagement with that topic or ebusiness aspect. Most interview questions were open-ended, encouraging the interviewee to determine the level of elaboration of the answer, with the aim of generating new insights in collaboration with the participant (Denscombe 2010).

The primary data shared by participants was in the form of observations, documents, past records, and electronic entities (e.g. statistics, video and websites). The interviews were recorded with a digital audio recorder or through Skype recording, and were described in field notes. Some data, e.g. business plans, internet speed tests and statistical reports were emailed to the researcher after the interview took place. Participants who did not know the answers to particular questions, e.g. financial information, consulted other staff members or accessed documents held by the art centre on a later date and reported back to the researcher. A personal computer was used by the researcher to search information and organise data.

### **3.5 Data analysis**

The purpose of data analysis is to provide answers to the research problem in relation to the individual research issues (Perry 1998). Leedy and Ormrod (2005) referred to necessary classifications, in order to find preliminary patterns and interpretations. They suggested that emerging themes and reoccurring phenomena be identified. Perry (1998) argued that the data analysis process in qualitative research entails grouping of information. General categories or themes can then be identified, resulting in apparent relationships which can then be described in the thesis. Hsieh and Shannon (2005) suggested justifying information ordered in categories through logic presentation in lists, tables and appendices.

Myers (2000) stated that multiple views enable a thorough examination of a situation. Consistencies and inconsistencies between respondents can be identified, as qualitative research produces rich data that generates comprehensive analysis (Myers 2000). The systematic analysis highlights the irrelevant data and the essential data (Leedy and Ormrod 2005). This process also results in an overall perspective about the meaning of the data. Myers (2000) confirmed that a systematic data analysis has the potential to prove the relations between the diverse results. This, in turn, will assist in offering propositions and assumptions about the research questions. Recommendations and potential solutions can then be provided based on the data analysis (Leedy and Ormrod 2005). In this study the unit of analysis is the art centre

seen through secondary research and the perspectives of art centre managers and staff members. Sources revealing information about various ebusiness themes and activities in art centres were collected.

The data analysis occurred once the interviews were concluded. In their research, Barriball and While (1994) explain that a thorough analysis of interviews is beneficial in three ways: (1) to emphasise the purpose of key questions, (2) to highlight unnecessary investigation and (3) to identify the researcher's tendencies to subjectivity. Leedy and Ormrod (2005) stated that the use of a pre-set interview sequence facilitates this process. The current research had a fixed interview protocol and the process of thematic analysis of the data yielded individual themes and sub-themes within it.

Perry (1998) explained that analysis must be conducted carefully in order to provide the opportunity to identify errors in the data. He advised that in qualitative research there is a need to dedicate specific space to information that may not fit with the issue categories identified in the literature review. Hence the findings will be organised around a priori and emergent categories. This information has been embedded in Chapter 4 (Results) under suitable sub-headings and in relation to the research questions.

### **3.6 Methods of achieving validity**

Validity was achieved by observing multiple cases and conducting in-depth interviews. Given the applied nature of the current research study, real-life settings were used. Art centres were chosen for this study due to their particular and similar sets of characteristics; they function in similar ways, are generally Aboriginal and/or Torres Strait Islander-owned, are mostly government funded and are located in remote areas. Although each art centre is different, a limited number of art centres were investigated and considered as representative and valid samples of other art centres in Australia. In addition, Cardamone (2007a, p. 144) concludes:

*“Successful Indigenous implementation of e-commerce considers far more than online sales transactions. Rather the Internet can contribute indirectly to economic opportunities by building reputation, interaction and cultural contexts around a cultural product, as well as connecting remote places to global domains.”*

In order to achieve stronger validity, the conclusions from the study of Cardamone (2007a) were compared to the summary of the current research. Considering that the current research’s outcome was similar to the outcome of the study of Cardamone (2007a), the replication provided evidence that the results had validity despite the context of the two research projects being somewhat different.

Furthermore, the current state of electronic business in art centres was depicted in detail. The research consulted academic supervisors and Ninti One Limited (NOL) professionals who were able to advise on the validity of the interpretations and findings drawn from the data. When a researcher seeks the point of view of persons from the field about their analysis, they can ensure greater validity of their conclusions (Leedy and Ormrod 2005). Finally, a review phase was conducted, whereby participants themselves contributed to the validation of the outcome.

### **3.7 Ethical considerations**

An ethics approval application was submitted to the Ethics Committee at Southern Cross University prior to the start of the data collection process. Although much research that involves humans requires ethical clearance (Guillemin and Gillam 2004), ethical issues are especially delicate in the context of Aboriginal and Torres Strait Islander art (Fisher 2012b). Therefore specific attention was given to appropriate and respectful communication arrangements with relevant stakeholders.

Obtaining ethical clearance in research can be an obstacle that is difficult to overcome (Guillemin and Gillam 2004). However, ethical clearance is significant for several reasons: an Ethics Committee offers a shield to protect possible participant

vulnerability, the requirement to get clearance obliges the researcher to engage responsibly with ethical issues that secure the safety and rights of participants, and obtaining the ethics approval contributes to the integrity of the research in a professional environment (Guillemin and Gillam 2004).

### **3.8 Conclusion**

This chapter presented the research design and methods that were used to address the research questions. The use of a qualitative case study approach was justified and the sampling decisions explained. The data collection procedure was then described and the data analysis process was outlined. The approach to achieve validity was discussed followed by an outline of the process of gaining ethics approval. The next chapter presents the research findings.

## Chapter 4 – Results

### **4.1 Introduction**

This chapter sets out the research results of how ebusiness is being used in Aboriginal and Torres Strait Islander art centres, and whether it is beneficial. It follows the research approach developed in Chapter 3. Quotes from participants are provided where relevant, and tabulated results from the interviews are presented. The results include a description of the sample achieved, and are divided into five key themes, addressing the three research questions identified in Chapter 1. Note: Participants were able to provide numerous responses to each question. Therefore, the tables' data does not add up to the number of participants (9) but rather demonstrates how many participants shared the same observations.

### **4.2 Profile of sample achieved**

The sample consisted of nine participants (or interviewees) employed by eight art centres. Table 14 shows the breakdown of the sample based on the art centre's location; the participant's role, gender, age range, and tenure duration; and the format and length of the interviews. Due to the small scale of the industry and confidentiality agreements with the participating art centres, this research does not disclose details that may identify the art centres or the participants.

The study regarded the art centres' location rather than the artists' location. Three art centres were located in one art region but (also) serviced artists from other art regions. Generally, these art centres had more than one staff member. For example, two of these art centres were located in large towns and employed field officers who travelled to remote communities to source stock and maintain the relationship with their artists.

Seven interviewees were females and two were males. Five out of the nine interviewees were under the age of 45. Most participants engaged with ebusiness in their previous employment (Appendix 6). Four respondents were managers and worked at the art centre for longer than five years. The remaining five respondents held different roles at their art centres, being assistants, and/or involved in communication, marketing and sales roles. These respondents reported to the art centre manager. All of the selected participants were responsible for one or more of the following aspects of ebusiness: strategy, resourcing and/or activities.

Two interviewees were employed by the same art centre, whereby one interviewee held the manager's position and the other interviewee was the sales and marketing assistant (Participants 7 and 8). These two interviews provided different insights: one contributed according to a managerial point of view overseeing the big picture, while the other contributed according to an operational and practical point of view.

Where possible, interviews were conducted face-to-face (F-t-F) with participants. This occurred at the art centre itself, or in a meeting with the participant during their visit to Alice Springs. Interviews with respondents based in distant and isolated Aboriginal and Torres Strait Islander communities were conducted over the phone. The interviews that lasted one hour covered all or most of the questions while the interviews that lasted thirty minutes were limited in time and did not cover all the topics listed in the interview protocol.

Table 14 - Profile of sample achieved and interview format

Participant ID	Location	Role	Tenure (years)	Gender	Age range	Face to face/phone	Length (hours)
1	Central Desert	Manager	9	Female	<45	F-t-F	1
2	Central Desert	Gallery sales manager	3	Female	<45	F-t-F	0.5
3	Kimberley	Assistant manager and curator	1	Female	<45	Phone	1
4	Western Desert	Manager	12	Female	>45	F-t-F	1
5	Central Desert	Manger	12	Male	>45	F-t-F	1
6	Anangu Pitjantjatjara Yankunytjatjara	Manager	1	Male	>45	Phone	0.5
7 <sup>1</sup>	Central Desert	Sales and Marketing assistant	2	Female	<45	IP	1
8	Central Desert	Manager	5	Female	>45	IP	1
9	Western Desert	Arts and Business Manager	7	Female	<45	Phone	0.5

### 4.3 Key themes

The thematic data analysis procedure was based on the pre-set interview protocol. Information was grouped into key themes that emerged from the literature. The following five key themes were investigated: (1) strategy, (2) digital marketing, (3) resources, (4) the website, and (5) UGC platforms. The themes addressed the research questions developed in Chapter 2. Table 15 describes the process of the emergence of themes from particular sections in the literature review, including the business model concept and types (Sections 2.2.1, 2.2.2 and 2.2.3), components of ebusiness models (Section 2.2.2), and resources (Section 2.3 and 2.2.5).

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<sup>1</sup> When the numbers 7 and 8 appear near each other in the results chapter they are formatted using *italics* in order to remind the reader that Participants 7 and 8 are from the same Aboriginal and Torres Strait Islander art centre.

*Table 15 - Five key themes emerging from the literature review*

<b>Five key themes</b>	<b>Elements of ebusiness described in the literature review</b>
1. Strategy	Business models and strategy (Sections 2.2.1, 2.2.2, 2.2.3)
2. Digital marketing	Digital innovation and marketing (Sections 2.2.2.1 and 2.2.2.2)
3. Resources	Resources in SMEs (2.3 and 2.2.5)
4. The website	The website (Section 2.2.2.1)
5. UGC platforms	Social marketing (Section 2.2.2.1)

The themes were then classified into sub-units in order to focus the reader’s attention on specific ebusiness matters. For example, Sections 2.2.2.1 and 2.2.2.2 in Chapter 2 provided a detailed account of digital innovation and marketing tools. Some of these tools were explored in the results, as described in table 16. The advantages and limitations of ebusiness were also explored. These were addressed in sections 2.2.4 and 2.2.5 in the literature review.

*Table 16 - Digital marketing sub-units emerging from the literature review*

<b>Sub-units within digital marketing</b>	<b>Elements of digital innovation and marketing described in the literature review</b>
• Stock management system	Web-enabled networks for business organisation and database management (Section 2.2.2.2)
• Customer database	Databases, data warehouses, and data mining (Section 2.2.2.2)
• Emailing images of artworks	Direct email marketing (Section 2.2.2.1)
• Video	Video marketing (Section 2.2.2.1)
• Promotion	Online and offline marketing (Section 2.2.2.1)
• Blogs and news	Micro-blogging sites and blogs/forums (Section 2.2.2.1)
• Online events	A virtual experience (Section 2.2.2.1)
• Newsletters	Email and permission marketing (Section 2.2.2.1)
• SEO	Search engine marketing (Section 2.2.2.1)
• Smartphones and tablets	Mobile communication (Section 2.2.2.2)

## **RQ1: How is ebusiness currently being used by Aboriginal and Torres Strait Islander art centres?**

### **4.3.1 Strategy**

The strategy theme is concerned with the ebusiness model that an organisation chooses to adopt. The literature expected ebusiness models to describe the profits and costs generated by ebusiness activities, particularly activities impacted by digital innovation (Section 2.2.2). This section explores the strategic planning processes that were described by the participants. The results discuss the business plans provided by the participants, as well as future ebusiness developments mentioned by them. An exploration of the framework for decision making concerning ebusiness is then presented.

#### Business plans

In order to identify the ebusiness models that participants choose to implement and the planning process they undertake, interviewees were asked about their attitudes towards business strategies. Thereafter, the content of their business plans relating to ebusiness was analysed.

Six participants reported that they maintained a business plan for a minimum of three years. Participants 4 and 5 had been in their role for more than ten years and did not refer to their business plans in recent years. Participants' quotes on business plan development are presented in Appendix 7. Of the six participants with a business plan, Participants 1, 5 and 8 provided their entire business plans for review by the researcher. The three business plans consisted of the following items:

- A vision for the art centre.
- The mission statement and goals of the organisation.
- The governance and business structure.
- The marketplace for the art centre.
- A revenue and expenditure budget.
- A risk management plan.

- A marketing strategy.
- A SWOT matrix evaluating the strengths, weaknesses, opportunities and threats of the art centre.
- A training and skills development strategy.

Additionally, the plans provided by Participants 1 and 8 outlined an action plan for the duration of the business plan and a list of key performance indicators (KPIs). The art centre represented by Participant 1 also described the remote community it serviced.

### Ebusiness planning

The business plans provided by the participants included ebusiness strategic planning and digital solutions. The business plans provided by Participants 1 and 5 consisted of a section dedicated to digital operations within their marketing strategy section.

Additional ebusiness strategies were embedded in the overall content of the documents. For example, the plan provided by Participant 5 identified ebusiness tasks that could be delegated to art workers. The third available business plan provided by Participant 8 was particularly comprehensive and detailed. It integrated ebusiness goals within a broader marketing strategy throughout the plan and identified the position ‘communications assistant’ for the purpose of pursuing those goals.

Several topics relating to ebusiness reappeared in the business plans provided, including the use of images, social networking websites, a customer database, and artists’ profiles. Other digital marketing activities such as promoting the online environment or mobile communications were addressed in a limited manner. Two business plans had a strong focus on website development:

*“[The art centre has] a colourful, user-friendly website that is continually updated with information and images and further improvements to its design and functionality are planned in the coming year. This is a cost-effective way to promote ... and encourage sales and enquiries. ... [The art centre has] created a*

*popular and fascinating blog... This immediate electronic blog access to an isolated outback art community has proved to be extremely successful in generating interest in the Arts Centre thus targeting a whole new audience.”*

*(Business plan, Participant 1)*

*“The website is constantly being updated with new artist biographies and hot linking painting images. A major upgrade was conducted during 2012. A live web cam has also been installed. Prices, as previously mentioned, are being changed to reflect a more realistic direct sale price, that is, wholesale plus [x]%. ”*

*(Business plan, Participant 5)*

The business plan provided by Participant 8 identified a strong purpose to use the online environment as a voice and a tool for the artists. The website and social networking were planned to be platforms for telling and sharing stories. It also predicted the expenses for online and print communications at \$10,000 per year. The business plan included the following ebusiness goals:

- Generate direct and indirect sales.
- Diversify markets.
- Raise donations.
- Promote engagement by artists and their families with the art centre through the website and social networking.

The plan set out digital marketing strategies:

- Online information/video/podcast to accompany exhibitions.
- Customer database expansion through email and social networking.
- Special events on the online environment.
- Digital story/video/audio/images.

The plan also described what type of exposure will be generated through the organisation’s online environment:

- Exposure of services, products, artists and events.
- Increased online visibility to supporters, artists and their families.

- Online reviews/publications.

### Ebusiness decision making

The results show that participants' decisions were influenced by a variety of considerations, such as overall priorities of the organisation, customer feedback, needs of the target market, reactive developments over time, current trends, IT or web consultants, previous experience and knowledge, access to technology, improvements of existing systems, wider organisation goals, and partners' feedback (Table 17). Participant 8 explained that in the past the art centre did not have a clear direction and lacked resources to make good decisions about ebusiness.

Some decision making occurred purposefully, for instance by seeking advice from a web-developer. Other decision making occurred naturally, for example, due to systems that don't function properly or that use old technology. Participants 1 and 8 outlined the need to perform more analysis of their current ebusiness activities in order to make informed decisions in the future.

*Table 17 - Participants' quotes on ebusiness decision making*

<b>Participant ID</b>	<b>Considerations influencing decision making</b>	<b>Quotes</b>
1	Priorities, target market, reactive developments	<i>You have to weigh it up and have priorities... A lot of our high end clients - they are not on FB. In a way we have tried to develop different functions for different audiences. It's all been not deliberate, but a reactive framework, transforming into something positive.</i>
2	Current trends, consultant	<i>Keeping up with the times, [currently] people cannot engage with us... We consulted the web designer.</i>
3	n/a	

4	n/a	
5	Experience, access to technology, consultant	<i>Through daily experience and having access to good quality technology - a good computer that allows you to have a good website... I worked together with a designer.</i>
6	Priorities	<i>We must prioritise things.</i>
7	Improvements, target market, experience	<i>I saw it had potential but it wasn't functioning properly. The backend didn't work... We are feeding the interest that people have in our business... Personal knowledge...</i>
8	Organisation goals	<i>Based on a strategic planning meeting last year and in response to the wider picture of [the organisation], and based on the higher goals and aspiration, and how it may influence us positively using these tools.</i>
9	Customer feedback, partners' feedback, consultant	<i>Advice from consumers. We listen to what customers are saying and also commercial galleries didn't like it. We need to change it quite often... Our finance officer does a lot of the work because he has the knowledge, and we get [IT] support.</i>

### Ebusiness developments

To gain insight about Aboriginal and Torres Strait Islander art centres' adoption of digital innovation, participants were asked about future ebusiness developments that their organisation intended to implement. Planned developments varied between each art centre. The following ebusiness developments were mentioned in addition to improvements of current ebusiness tools:

- Create a dynamic email signature (Participant 1).
- Purchase a digital archival system (Participant 3).
- Make the website responsive to mobile phones (Participant 4).
- Create a procedures manual for ebusiness (Participant 7).

- Undertake ebusiness training (Participant 8).

### **4.3.2 Digital marketing**

A number of ebusiness tools and activities were identified in the literature review and the secondary research (Appendix 8):

- A stock management system.
- A customer database.
- Emailing images of artworks.
- Video production.
- Promotion.
- Blogs and news facilities.
- Online events.
- Enewsletters.
- Search engine optimisation.
- Websites responsive to smartphones and tablets.

Participants were asked to reflect on their engagement with these tools and activities.

#### The stock management system (SAM)

Interviewees provided insight about the stock management system they used (Table 18). They explained that the system is called SAM (an acronym for: Story, Art, Money) and is a specific commercial software package for Aboriginal and Torres Strait Islander art centres based on cloud computing. Six of the interviewees used the SAM software. The system was used to manage stock and a customer database, and to send images to customers. Participants 3 and 9 expressed dissatisfaction about the inability to send high resolution images through SAM. Participants indicated that they were not aware of all the functions that SAM was able to perform. However, Participants 1 and 7 hoped that SAM will improve several aspects of their ebusiness performance. Participant 6 was pleased that SAM backed up the art centre's data online.

*Table 18 - Participants' quotes on the stock management system (SAM)*

<b>Participant ID</b>	<b>Quotes</b>
1	<i>[Technical support] are reviewing the tech things. I don't know yet if its effective but I'm sure it will be.</i>
2	n/a
3	<i>Images will automatically go up on the website... SAM enables you to instantly send images from the program to an email address. Sending images through SAM - lower res - that can be a problem... However, often people prefer to get lower res image if they need multiple images... SAM is our main tool for customer data base, and also MailChimp.</i>
4	<i>I don't think that it [send images button] should be called 'promotions'. He also changed [the term] 'consignments' to 'exhibitions'...Our user database is on SAM.</i>
5	<i>We are not using SAM. It is too complicated - it's not simple enough. AMS [the old system] is logically set out.</i>
6	<i>SAM is not connected to our website; although we are considering connecting it. We also use SAM for customer database. The improvement on SAM is that everything is online. Everything is backed up. It's a better system. However, art centres were forced to change to SAM, it was implemented forcefully.</i>
7	<i>SAM is not connected with the website. In the future we hope to have that. A lot of time is spent on uploading pictures. We upload images to SAM only when it's necessary for certificates ext.</i>
8 <sup>2</sup>	n/a
9	<i>SAM doesn't allow uploading high resolution images so that's a problem. We need some time to down size the image.</i>

Customer database

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<sup>2</sup> Participant 8 did not answer this question because she felt that her staff member, participant 7, had more experience with SAM and could provide more insights.

Tables 18 and 19 show that art centres managed their customer database either in SAM or in MailChimp, which is an online platform that manages customer databases and mail out campaigns. Participants expanded their customer database by recording emails from purchase enquiries and visiting customers. One art centre (represented by Participants 7 and 8) had an enewsletter registration facility on their website.

*Table 19 - Tools used to maintain a customer database*

<b>Customer database</b>	<b>Used by x participating art centres</b>
MailChimp	4
SAM	3
n/a	2

#### Emailing images of artworks

All participants emailed images of artworks to customers and partners. Table 20 describes the audience for, and the purpose of emails with images attached to them.

*Table 20 - Participants' observations about the audience for, and purpose of emailing images of artworks*

<b>Emailing images of artworks</b>	<b>Mentioned by x participants</b>
<b>Recipients</b>	
Private customers	6
Retailers/wholesalers	2
<b>Purpose</b>	
Send high resolution images	3
Achieve sales	3

Table 21 provides quotes by participants on emailing images of artworks and the effectiveness of this activity. Participants emailed images rather than sending them through the stock management system when such a system was not available or did not send a format of images that was suitable. Art centre websites did not contain images of all artworks; therefore, email communication was used.

Table 21 - Participants' quotes on emailing images of artworks and the effectiveness of this activity

Participant ID	Quotes
1	<i>It's quite effective; we always get sales from that.</i>
2	<i>Effective for making sales and people satisfaction. High res images work really well.</i>
3	<i>If someone is asking for different images you need to send one by one.</i>
4	<i>I also send customers images by email, it's absolutely effective. I send images if people need JPGs. If someone wants a high res[olution image], I have to go and find it.</i>
5	<i>It's effective but you don't know where those images will end, so it's dangerous. A few years ago our images were used for advertising and no one asked for permission. It's a bridge of copyrights.</i>
6	<i>We use this all the time [for retailers]. There is occasional interest from [private] customers but we don't have time for email sale. There is no capacity to have back and forth email correspondence for works that are worth \$200-\$250.</i>
7	<i>People contact us and ask for a specific image. For wholesalers we will send images through email. It's a hit and miss thing.</i>
8	<i>[I use it for] requests for publication.</i>
9	<i>To sell via email we need to send high res images.</i>

Moreover, different aspects of image management and quality had great importance for the participants. Participant 8 described their engagement with image management:

*"I end up manually typing the caption to each image which is very long: we have to accredit the artist, the work, the photographer who took the image, the copyright around it, and the year. Often the caption fields are too short for all the information. IT [support] are trying to build in the caption into the base of the image so that*

*when you right click the image and it gives you the properties, you will have the caption built-in, and it will travel with the photo.”*

*(Participant 8)*

## Video

Table 22 illustrates art centres’ engagement with video material. The art centres represented by Participant 5 and Participants 7 and 8, have recently purchased iPads, aiming to create digital content. Six art centres aimed to train staff members and artists to use iPads or other video making devices. The purposes were to: (a) publicly screen those videos and (b) record stories and artists’ profiles.

*Table 22 - Participants’ quotes on the use of video*

<b>Participant ID</b>	<b>Quotes</b>
1	<i>Eight years ago YouTube clips were really effective. We don’t use it now. We will start using it more for the [new] project... Apparently in ecommerce YouTube is a really powerful tool.</i>
2	n/a
3	<i>We have a Media lab focused on making video and other video resources. It is an additional tool for filming stories, histories of people living here, [and for the community to] have it and store it for future generations... It won’t be necessarily used on our website but for preserving cultural archival information.</i>
4	n/a
5	<i>We are working on a video for the Desert Mob symposium this year.</i>
6	<i>We have recently uploaded a video of artists at work onto FB; it took two minutes with my phone.</i>
7	<i>[We use video on] iPads and to get stories. We had a training session on how to put together a two minute movie. The field officers are now playing with it.</i>
8	<i>[We will] start getting digital content to be utilised in a number of ways, mostly through the website.</i>

9	<i>We made videos about the art centre's operations; this may even be of interest to buyers. These videos were highly effective with the artists. We use videos as an art form and don't put them on our website, but use them for film festivals.</i>
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### Promotion

Three art centres indicated that cross linking occurred between their online environment and those of regional art organisations such as the Western Desert Mob and the Association of Northern, Kimberley and Arnhem Aboriginal Artists (ANKAAA). In addition, participants mentioned cross linking with partnering galleries and retailers, although participants expressed doubts about galleries actually following through on their commitment to link back to the art centre. All participants had email signatures that included a link to their websites, with some also promoting or planning to promote their social media networks and blogs on their email signatures. Participant 2 noted that the organisation's stationery had the URL of the website on it. Generally, participants did not engage with online paid advertising.

### Blogs and news

One way to keep customers informed about developments in the art centre was with a blog or a news section on the art centre website. Six art centres had a news component on their websites and one art centre managed a blog. Participants 3 and 9 did not find the news section effective in its current state because it was not regularly updated. The remaining participants did not have a news section or a blog, or did not address this question. The following list provides the observations of four participants about their news section and/or blog:

*"We have had our blog for eight years." (Participant 1)*

*"[Our news section] is not particularly effective. It hasn't been updated for a long time. The website is quite difficult to use and update from our end." (Participant 3)*

*“The blog is our latest news. It’s getting more effective, there is a bit of sharing.” (Participant 7)*

*Not very effective, I use Facebook more.” (Participant 9)*

### Online events

While exploring ebusiness activities conducted by Aboriginal and Torres Strait Islander art centres, Participants 1, 4 and 5 informed the researcher that they conducted special online events for Christmas, two of which focused on offering discounts, while the third art centre focused on offering special items for Christmas. The following list describes other online events that art centres conducted, and their observations relating to them:

- Fundraisers – *“If you need any sort of activism, it creates energy around it. It’s often for kids so we’ll post kids’ paintings, we’ll advertise [online]. Prices range from \$35 – \$55. People buy all of it; it’s highly effective.” (Participant 1)*
- Regular online exhibitions – *“It’s new; people need to catch up to the idea.” (Participant 7)*
- End of the year show – *“[It will be] better in the new website.” (Participant 2)*

### Electronic newsletters

Email marketing in Aboriginal and Torres Strait Islander art centres was also explored. As shown in Table 23 newsletters were often used as a marketing tool by art centres, sent out a couple of times a year for particular events, or on a regular basis. Participant 5 explained:

*“When a particular nice work comes in I send an email with a small res image to people that may be interested. Usually before or post Christmas I send selected buyers and galleries an email with 10% off – discount... If there is a major exhibition, event such as*

*desert mob, or interstate exhibition I send the info on a newsletter.”*

*(Participant 5)*

Participants 1 and 5 sent newsletters in an email format to large or small groups of people. Another popular program used to send newsletters was MailChimp.

*Table 23 - Observations about art centre newsletters*

<b>Observations</b>	<b>Mentioned by x participating art centres</b>
Send enewsletters	6
Send enewsletters for special events	6
Use MailChimp to send enewsletters	4

### Search engine optimisation (SEO)

Generally, participants were conscious of SEO but did not undertake any SEO activities due to lack of knowledge or lack of resources. They considered looking into SEO in the future and were familiar with the ‘keyword’ concept. Keywords were mentioned by Participants 1 and 3 in the context of the website statistics or text writing for online purposes. Participant 5 had invested in SEO “years ago” and Participant 1 stated that art centre YouTube videos improved their website’s ranking on search engines.

### Smartphones and tablets

There is a lack of available literature about art centre engagement with mobile-responsive website design. Half of the art centres operated their content management system through WordPress software. These art centres indicated that their websites are adaptable to mobile devices in a limited manner, facilitated by WordPress. Participants who were expecting a new website outlined that their new websites will be responsive to smartphones and tablets.

## **RQ2a. What are the *benefits* and *opportunities* of wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?**

This section presents diverse perspectives on the benefits and opportunities of ebusiness to Aboriginal and Torres Strait Islander art centres and provides insight about customer feedback concerning the organisations' ebusiness.

### Benefits and opportunities

Participants acknowledged that ebusiness is important to them. Table 24 demonstrates ebusiness benefits and opportunities that were identified by a number of participants. Although five of the participants believed in the opportunity to reach markets overseas through ebusiness, Participants 1, 5 and 8 also explained that overseas markets were rather new and/or not yet significant to the organisation. Participant 1 named benefits of ebusiness, including advertising the business, cross promoting partners, maintaining a competitive position in the market, and giving artists a voice. Participant 3 explained that it is difficult for customers to physically reach the art centre, however, when visiting the art centre's website customers are able to browse through artworks online.

*Table 24 - Participants' observations about the benefits and opportunities of ebusiness*

<b>Observations</b>	<b>Mentioned by x participants</b>
Achieve direct sales	5
Reach markets overseas	5
Reach new markets	4
Dynamic promotion	2
Build relationships with customers	2

### Customer feedback

Participants to the current research identified benefits and opportunities of ebusiness through the feedback they received from their customers. Although not all art centres used the latest digital technology and design, interviewees were surprised by the generally positive and supportive customer feedback on their websites, blog, and

social networking. Participants' quotes of consumer feedback are presented in Table 25.

*Table 25 - Participants' quotes on feedback about ebusiness obtained by customers*

<b>Participant ID</b>	<b>Positive feedback</b>	<b>Negative feedback and suggestions</b>
1	<i>People love our website and blog.</i>	n/a
2	<i>Surprisingly positive, people comment on the simplicity.</i>	<i>The image quality.</i>
3	<i>We have engaged audiences, customers are supportive.</i>	<i>It's not comprehensive, user friendly, and informative enough.</i>
4	<i>Lots of people keep their eye on the website.</i>	n/a
5	<i>Positive feedback; wows.</i>	<i>The odd person doesn't know how to navigate the site.</i>
6	<i>Compliments about the images on the website and on FB.</i>	<i>Suggestions to update the website.</i>
7	<i>They are sharing their interest with their friends.</i>	<i>There hasn't been anything negative.</i>
8	<i>Most people are saying that it is beautiful, and they love it and they find it inspiring.</i>	<i>The functionality in the shopping cart.</i>
9	<i>People are making comments that they have seen something on the website.</i>	n/a

**RQ2b. What are the *drawbacks* and *barriers* to wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?**

This section presents perspectives on the drawbacks and barriers of ebusiness to Aboriginal and Torres Strait Islander art centres and provides insights about the internet connection available at the participating art centres. The interviews also yielded information about the resources used by art centres for ebusiness.

### Drawbacks and barriers

A diverse range of drawbacks and barriers of ebusiness highlighted by participants are outlined in Table 26. Participants expressed concerns about costs and time demands of ebusiness, although Participant 1 argued that good ebusiness did not necessarily require large budgets, and that building an engaged audience needed to be done over a long period of time.

Participants 1 and 6 pointed out the lack of capacity to operate ebusiness and manage online transactions. The need for a dedicated space to stock the items that are for sale online, and the need for a high production level were also identified as drawbacks by Participants 1 and 7. Four participants addressed the need for appropriate skills, consultancy and specialised support. Participant 3 noted in particular the lack of available technical support in remote communities. Participant 8 explained that much ebusiness knowledge was placed with a single employee, presenting a considerable business risk. Participants 5 and 8, who have been in their role for more than five years, struggled with the rapid technological shifts and the need to stay on top of the changes. These participants felt disengaged with technology due to their age. Participants 1 and 5 commented that ebusiness was also challenging for older customers due to their limited understanding of technology. Participant 6 noted that shipping items from the remote community to customers was expensive and required a long delivery time due to limited post office services.

Another comment involved concern about engagement of customers with the physical artwork, noting that experience with the artwork through real-life exhibitions is important. Potential for customers posting online content that may be damaging to the organisation was a concern. The need to produce and upload good quality images was also identified as a challenge to ebusiness.

Table 26 - Participants' observations about the drawbacks and barriers of ebusiness

Observations	Mentioned by x participants
<b>Drawbacks</b>	
Time consuming	9
Costly	2
<b>Barriers</b>	
Lack of skills, consultancy and specialised support	4
Challenging image management	3
Lack of capacity	2
Need for a space to stock items for online sales	2
High level of production required	2
The generation gap is affecting staff and customers' level of engagement with technology	2
Rapid technological shifts	2
Remoteness	2

#### Internet connection

The available communication infrastructure to the art centres was a common topic identified throughout the interviews. Table 27 demonstrates the type and quality of internet connection available to the eight art centres researched. Organisations based in a large town, a large community, or in a community close to a town had a good quality internet connection. Four art centres located in more remote areas reported on a slow connection. Participant 3 explained that the connection was lost every few months. In these instances, the art centre was left unconnected for a few days, until a Telstra technician was available to drive to the community. Participants 1 and 3 provided internet speed tests; one of which showed that the connection “is lower than 90% of Australia” (Internet connection speed test provided by Participant 1). Participants 3 and 6 who reported on a “very slow connection” or “many interruptions” believed that this affected their ebusiness capability.

*Table 27 - Type and quality of internet connection at the art centres*

<b>Participant ID</b>	<b>Connection type</b>	<b>Quality</b>
1	Broadband	Slow / with interruptions
2	Broadband	Optimal quality (large town)
3	Broadband	Slow / with interruptions
4	Broadband	Optimal quality
5	Broadband	Optimal quality
6	Satellite	Very slow
7/8	Broadband	Optimal quality (large town)
9	Don't know	Rather slow

Participant 1 reported that the recently established internet connection in the community affected artists positively in their engagement with the art centre's Facebook page and website. Participant 3 explained that the internet connection in the community enables artists to visit the art centre's website on their mobile phones in order to monitor their exhibited artworks.

### **4.3.3 Resources**

The limitations of ebusiness in Aboriginal and Torres Strait Islander art centres were also measured in respect to the available resources. The findings of the current study demonstrate that in seven organisations it was predominantly the participants that had carriage of the ebusiness tools. Participant 6 used a third party to update the website; however, Facebook was updated internally. Table 28 describes the time spent updating the website and UGC platforms. Participants 1, 3 and 4 spent between two to three hours per week updating these or some of these platforms.

Participants have also provided information about ebusiness expenditure. Art centres spent up to \$20,000 on website development in the past. According to Participants 1, 4, and 7 and 8 the final website development did not meet the art centre's needs or they were inefficient. Participants explained that they had hired unsuitable web-developers for their website development due to bad advice and had to redevelop the website a second time. Participants 1 and 5 spent \$800 and \$3,500-\$4,000 on their

current websites to meet their needs. The latter regretted not having engaged in the investment earlier.

Moreover, participants provided information about the type of ebusiness training that was offered to staff and artists. Training undertaken by art centres included SAM training, photography workshops, one-on-one website management, and online marketing training.

*Table 28 - Data provided by participants about ebusiness resources in their art centre*

<b>Participant ID</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7/8</b>	<b>9</b>
Time spent per week updating the website and UGC platforms	2.5-3h	6h	2-3h	2.5h	5h	10min	n/a	n/a
Funds spent year to date	\$300	n/a	<\$5,000	A few hundred	\$5,000	\$5,000	\$5,000	n/a
Ebusinees purchases in year to date	SAM and website services	n/a	Technical support	n/a	2 iPads, laptop	Laptop, website upgrade	4 iPads, training, technical support, SAM services	n/a
Expenditure on the website over time	\$5,800	n/a	n/a	\$10,000	\$3,500 – 4,000	n/a	\$20,000	n/a
Type of training	SAM	Photography	n/a	n/a	SAM	SAM	Website management and online marketing	n/a

Four participants explained that they did not have time to look closely at external ebusiness funding sources other than the main government art grant. Additional observations about external ebusiness funding sources were described:

*“You have brought it now to my mind. It’s something to look into.”*  
*(Participant 3)*

*“ [We planned to] translate the website into different languages. I got a grant for it, but didn’t have the time for it. Export business grant was supportive.” (Participant 4)*

*“I don’t need anything; I have enough to keep me occupied.”  
(Participant 5)*

*“I am not aware of other funding.” (Participant 6)*

*“The amount of money [they] are giving, and to use [their] accredited consultant - will not go very far.” (Participant 8)*

### **RQ3. Which ebusiness practices in Aboriginal and Torres Strait Islander art centres are *effective* and which are *ineffective*?**

This section investigates the core ebusiness activities of the researched art centres being diverse aspects of the art centres’ websites and UGC platforms. The interviews provide observations about the effectiveness of these activities to the researched art centres.

#### **4.3.4 The website**

All Aboriginal and Torres Strait Islander art organisations researched had a website, and invested most of their ebusiness resources in it. As a critical ebusiness tool, interviewees were asked about different aspects of the website in order to understand its uses and effectiveness. All participants have either renewed or upgraded their websites in the last four years, or planned to renew their websites in the next three to six months. The major ebusiness focus of all participants was their art centre’s website.

Different aspects of the website, identified as crucial to ebusiness strategies in the literature, are investigated in the following Section. The purpose of the website, the logic for its design, and its content development are explored. Insights about electronic gallery displays are then presented. Further, business elements such as online credit transactions, the scope and scale of internet sales, and the use of statistics, are examined. Finally, participants were asked to reflect on their overall satisfaction of the website.

### Purpose

Table 29 demonstrates that participants to this research identified a variety of purposes to their website. Participants hoped to generate direct sales through the website when an online payment facility was available. Other purposes that were noted by individual participants were: to use the website as a tool for suppliers, to comply with customer expectations, to provide a service, and to archive. Participants aimed to provide information through the website, while the types of information varied. Website information was about the community, the art centre, culture and projects.

*Table 29 - Participants' observations about the purpose of the art centre's website*

<b>Purpose of website</b>	<b>Mentioned by x participating art centres</b>
<b>Sales</b>	
Enhance sales	5
Direct sales	2
<b>For customers and artists</b>	
Relationship with customers	3
A 'voice'	2
A platform for stories	2
Overcome isolation	2
<b>Information</b>	
Provide information in general	5
Provide information about partnering galleries and exhibitions	5
Provide information about artists	3

## Design

The design of the researched art centres' websites was raised with participants (see Table 30). Although web-developers often had input on the design of the websites, Participants 1, 4 and 8 reported bad experiences with this type of service, which led them to design the website themselves or hire a graphic designer for the job. Thus, the results reveal that the website design was either based on staff design, or on that of a web-developer. Participants 4 and 9 indicated that the design was influenced by artworks created in the art centre and by its branding. Six participants highlighted the importance of a clean and simple interface for both the website and the content management system.

*Table 30 - Participants' observations about their website's design*

<b>Observations</b>	<b>Mentioned by x participating art centres</b>
<b>Design goals</b>	
Simple, clean and easy to use	6
The aesthetics are important	3
<b>What is the design based on?</b>	
A staff member/ manager advised about the design	5
The web-developer designed it	4
The design is based on artworks or branding	2
<b>The design process</b>	
The website design was challenging	3

## Content developments

Other developments identified from the data are that art centres were planning to upgrade their content management systems and the customer interface on their websites. Participants planned to upgrade their content management systems in order to allow more frequent updates and changes on their websites. These upgrades were planned to ensure content management systems were user friendly and simple to use and that multiple staff members would then be able to generate website content.

The customer interface also requires updates. This included the various pages on the website, and in particular the gallery. Participants planned to update their websites

with information about ethical trade, legal information, positives of the art centre and other educational content. They aimed for the following content developments:

- Dynamic content.
- Improved quality of photographs of artworks.
- A merchandise section.
- Biographies of artists.
- Use of the website as a platform for public debate.

Moreover, participants planned to place hyperlinks that will connect with their:

- Facebook page.
- Partnering galleries.
- Current exhibitions.

#### Electronic gallery (egallery)

Table 31 describes what the selection of artworks was based on for art centre egalleries. Participants 1 and 9 expressed concerns about their partnering galleries' complaints about, and demands of the art centres' egallery.

*Table 31 - Participants' considerations determining which stock items are uploaded onto the egallery*

<b>Considerations</b>	<b>Mentioned by x participating art centres</b>
High quality works	3
High quality images/ works that translate well in an image	3
A cross section of artworks	2
Not large / expensive works	2

Table 32 describes the egallery's update frequency and the price range of works that were uploaded. Participant 4 highlighted the need to spend half an hour per day to update the egallery facility, while Participant 1 updated the egallery only when exhibitions occurred.

Table 32 - Summary of participants' observations about their egallery

Participant ID	1	2	3	4	5	6	7/8	9
Frequency of updates	During exhibitions	Every 2 months	Every 2-4 weeks	Daily	2-3 times a week	Haven't updated for a year	Upon sales	Occasionally
Price range	\$120 - \$480	Wide range	\$200 - \$10,000	<\$2,000	n/a	n/a	>\$80	\$300 - \$450

### Shopping cart facilities

Art centre engagement with electronic payment was also investigated during the interviews. Only two art centre websites had shopping cart facilities (Participants 4, and 7 and 8). Participant 4 was highly satisfied with the shopping cart facility, while Participants 7 and 8 were not satisfied with it. Participants 1 and 3 deliberately chose not to offer this ebusiness service, in order to capitalise on personal contact and build customer relationships (Table 33). Participants 1, 4 and 5 expressed concerns about online transactions such as selling one artwork twice or not having it in stock. However, Participant 4 explained that the art centre had set in place firm processes that addressed these concerns.

Table 33 - Participants' observations about shopping cart facilities

Observations	Mentioned by x participants
Concerns about availability of the works	3
Difficulty to standardise shipping costs	3
No capacity	2
Prefer personal contact with customers	2

### Scale of sales on the website

Several patterns emerged from the investigation about the scale of sales on the art centre website. Participants 2, 4 and 5 estimated that 10% of their sales were created online. Others generated 5% or less of online sales (Table 34). This included sales through shopping card facilities and website visits followed by sales enquiries. Participants indicated that because some sales occur indirectly, for example when

customers have visited the website and then make contact with the art centre, it is difficult to measure the amount of sales that the website generates. Participants that had a notion of their online sales revenue, reported that some external factors such as loss of top artists and the Global Financial Crisis (GFC) have caused a decline in the value of web sales since 2008, although one participant indicated that sales increased in the last year.

*Table 34 - Data provided by participants about online (direct and indirect) sales*

<b>Participant ID</b>	1	2	3	4	5	6	7/8	9
Estimate % online sales (of total sales)	n/a	10%	n/a	10%	10%	3-4%	5%	n/a
Estimate number of online sales p.a.	n/a	150	20	n/a	30	n/a	25	n/a
Estimate \$ value of online sales p.a.	\$20,000	n/a	n/a	\$120,000	\$50,000	n/a	\$2,000	n/a
Perceived trend in sales value since 2008	decline	decline	n/a	n/a	decline (recent increase)	n/a	n/a	n/a

### Website statistics

The research investigated whether art centres were using website statistics to monitor the success or failure of their activities. Only Participant 3 was currently using detailed website statistics; Participants 1 and 2 confirmed that they will have access to it once they launch their new website. Participant 7 indicated that they monitor the activity through a summary on the WordPress website software (content management system).

### Satisfaction of the website

Table 35 summarises observations of participants about their current websites, specifically noting their satisfaction and concerns with it. Participants 4 and 5, whose centres have upgraded their websites in the last three years, were also the ones that were most satisfied with their websites. In contrast, Participants 2, 3 and 8 were not satisfied with their websites due to the websites' current limited capabilities.

Participants had a range of issues with their websites, including tedious content and image management systems, dated visual designs, and unengaging customer

interfaces. However, recent new developments or planned developments contributed to the confidence of four participants about gaining more benefits from their website in the future.

*Table 35 - Participants' observations about their current websites*

<b>Level of satisfaction</b>	<b>Mentioned by x participating art centres</b>
Very satisfied	2
Getting there (it's new)	2
It's functional	3
<b>Reasons for dissatisfaction</b>	
Impractical content management system	3
Aesthetics outdated	2

#### **4.3.5 User-generated content platforms**

The findings show that UGC platforms (Facebook in particular) were central in the participants' ebusiness strategies. Table 36 demonstrates that UGC platforms were used to reach diverse audiences nationally and internationally, and engage customers, artists and artists' families with the art centre. Participant 3 utilised social networking to keep reminding people about the art centre, while Participant 7 obtained feedback from customers through Facebook.

*Table 36 - Participants' observations about the purpose of using UGC platforms*

<b>Observations</b>	<b>Mentioned by x participants</b>
Engaging customers	5
Reaching audiences	3
Engaging artists and their families	3
Promote events	3

Table 37 outlines participants' observations about Facebook (FB). Seven art centres joined FB between one and four years ago and used it to date. The eighth art centre was planning to join FB "in the near future" (Participant 2). The general opinion was that FB is becoming increasingly important. However, participants 6 and 8 doubted its

effectiveness. Participant 7 said that some posts reached viral distribution. Five participants used FB to engage audiences while Participant 4 used it to advertise merchandise.

*Table 37 - Art centre engagement with Facebook*

<b>Engagement with FB</b>	<b>Mentioned by x participating art centres</b>
<b>Years of FB membership</b>	
Joined a year ago	1
Joined 2 years ago	3
Joined 3 years ago	2
Joined more than 4 years ago	1
<b>Importance of FB</b>	
Important	4
Not important	2
<b>Purpose and effectiveness</b>	
It's not a selling tool	2
It has a life of its own	2
It's hard to measure its effectiveness	2
<b>FB Statistics</b>	
Don't monitor statistics	4
Monitor statistics	3

#### **4.4 Summary**

This chapter outlined five key ebusiness themes and the results of nine interviews conducted, addressing the three research questions presented in Chapter 2. The themes included: Ebusiness strategies, digital marketing, resources, the art centre website and UGC platforms. Each theme was further broken down into sub-themes. The advantages and limitations of ebusiness were also researched. Insights were then analysed within each section, and for each participant, through descriptive measures. The list below summarises six key insights that stood out during the data analysis:

1. Ebusiness strategic planning: Ebusiness activities were covered in the available business plans. The most significant strategic planning revolved around the purpose and scale of the websites. Other ebusiness activities were addressed in a limited manner.
2. Ebusiness activities: Participants engaged with innovative ebusiness tools including, a cloud-based stock management tool, a news function and a blog, video production, a Facebook page, a customer database and an electronic

newsletter. However, the case studies' engagement with online payment facilities, UGC platforms (other than FB), online paid advertising, online events, SEO, and adaptation to smartphones and tablets was limited. Participants did not generally use comprehensive statistics to monitor the success or failure of their online activities. The case studies spent \$5,000 or less on ebusiness activities in the last year.

3. Potential of ebusiness: participants aimed to achieve direct sales and reach new and overseas markets through ebusiness. Customers tended to provide positive feedback to, and be supportive of the studied art centre ebusiness activities.
4. Limitations of ebusiness: The time consuming nature of ebusiness was a key limitation followed by the need for the appropriate skills. Participants operating from very remote communities reported on interruptions in their internet connectivity. The interruptions were identified as barriers to ebusiness operations.
5. The art centre website: All participants had either redeveloped their website in recent years or were planning to do so in the near future. Two equally important website purposes were identified: (1) the website was used to enhance sales and (2) it was used to provide information.
6. Online sales: egalleries tended to exhibit works to a maximum value of \$10,000. Participants attributed a maximum of 10% of their revenue to online sales. Participants who were able to estimate the amount and value of their online sales reported on a maximum of 150 online sales at a value of a maximum of \$120,000 per year (although most participants reported on less significant revenue figures).

The overall observations of the participants were presented with a brief discussion, and were tabulated through a list of responses or quotes by participants. The final chapter summarises the findings to the research questions and objective and presents implications and contributions to the study.

## Chapter 5 – Conclusions and implications

### **5.1 Introduction**

This chapter concludes the thesis and provides discussion of the findings presented in the previous chapter. Section 5.2 explores the research questions by pointing out the relationships between the results and the literature. Section 5.3 examines the theoretical contributions of the research and elaborates on the guiding framework for the research. Section 5.4 outlines the research implications including theoretical implications and practical implementations. The limitations of the study are presented in Section 5.5 and potential for future study is discussed in Section 5.6. Section 5.7 draws a conclusion about the research objective and summarises this thesis.

### **5.2 Conclusions about the research questions**

The following section investigates whether the findings support, or in some instances, contradict the literature detailed in Chapter 2. The aim is to provide insights into the three research questions. The principal results and the literature are discussed with respect to each of the research questions in turn.

#### **5.2.1 RQ1. How is ebusiness currently being used by Aboriginal and Torres Strait Islander art centres?**

Based on the results from Chapter 4, Aboriginal and Torres Strait Islander art centres engage with ebusiness in two main ways, namely planning ebusiness strategies and undertaking diverse ebusiness activities. These two themes will now be described with regard to the literature review.

##### **5.2.1.1 Strategy**

The study found that Aboriginal and Torres Strait Islander art centres tended to develop a three-year business plan. The business plans reviewed in this study

integrated most of the of generic business models elements listed in Section 2.2.1. However, they did not specifically consider the customer value proposition and the type of management team required (see Table 38).

*Table 38 - Elements of generic business models implemented in art centres' business plans*

<b>Business planning elements recommended by Laudon and Traver (2013)</b>	<b>Business planning elements in art centres' business plans</b>
Revenue model	A revenue and expenditure budget
Market opportunity	The marketplace for the art centre
Competitive environment	A risk management plan
Market strategy	A marketing strategy
Organisational development	The governance and business structure
Value proposition	<i>Not covered</i>
Competitive advantage	A SWOT matrix
Management team	<i>Not covered</i>

With respect to ebusiness planning, the business plans included either a dedicated section about ebusiness strategies, or an exploration of ebusiness strategies alongside other topics such as marketing and promotion of the business. The strategies consisted of elements such as an online pricing model, a purpose to reach new markets, and a focus on niche audiences. The literature confirmed that enterprises tend to maintain ebusiness models (Lin and Hsia 2011, Smith et al. 2006). The planning processes described in the business plans provided by the participants are broadly in line with existing literature, which identified several factors to strategy development, including cost, scope and focus (see Section 2.2.2.1). However, art centre practices also differ from the recommendation in the literature as they dedicate limited attention to the differentiation factor. In addition, Lin and Hsia (2011) explained that organisations adjust and review their ebusiness models continuously, coinciding with ebusiness advancements in the industry. In that respect, ebusiness strategic planning in Aboriginal and Torres Strait Islander art centres occurred triennially, and was potentially not updated in the face of new digital innovations.

The data demonstrated that a number of ebusiness activities were commonly implemented into the business plans of the art centres reviewed as part of this

research, including the use of digital images, social networking websites, a customer database, and digital artists' profiles. At the same time, each art centre developed a unique ebusiness model, specific to the values of the organisation. For example, one art centre highlighted the use of a blog, while another emphasised its online pricing model. This practice was supported by Cardamone (2007a), who suggested that an ebusiness model must be developed specifically for the organisation in question.

The results identified that art centres strongly focused their ebusiness strategies on their websites as recommended in the literature (Lipiäinen and Karjaluoto 2013). However, Lipiäinen and Karjaluoto (2013) also recommended investing in search engine optimisation, search engine advertising and display advertising. These emarketing dimensions do not align with the cases researched in this study that engaged with search engine optimisation and online paid advertising in a limited manner.

Participants highlighted that the process of ebusiness decision making they undertake is relative to other business priorities such as partnering with urban galleries or promoting their artworks to high end collectors that may not use ebusiness. The literature supported this claim by acknowledging that art centres have a wide range of responsibilities including building artists' profiles and achieving business objectives across cultures (Whittle 2013, Wilson-Anastasios 2011). Therefore, art centres must set clear priorities in the process of ebusiness decision making according to the organisation's goals and objectives and in the face of resource constraints (Wilson-Anastasios 2011).

The findings outlined that ebusiness decisions were also based on a number of other factors: consumers' needs and feedback, recent digital innovations, advice from IT experts and current strategic planning. This differs somewhat from the decision making factors explored in the literature, including three fundamental factors: (1) user behaviour, (2) offered services and (3) branding and reputation (Zhang et al. 2012). In this context, interviewees considered the first factor for ebusiness decision making: (1) customers' needs and feedback, however, they did not take into account in their

ebusiness decision making process the second and the third factors: (2) artworks they promote (3) the art centre's branding and reputation. For example, the two participants who engaged website designers from other industries did not take into consideration the specific design requirements for their art businesses.

### **5.2.1.2 Digital marketing**

The results of the current study expanded on the use of digital technology by Aboriginal and Torres Strait Islander art centres. The study elaborated on the specialised stock management system (SAM) used by Aboriginal and Torres Strait Islander art centres and highlighted the intention of several art centres to invest in additional functionalities offered by the system's developers. As such, these findings support the view of Altman (2005) that Aboriginal and Torres Strait Islander art centres use advanced systems for cataloguing, administering and archiving artworks.

Participants to the current research recorded email addresses of customers that enquired about artworks or made an actual purchase, thereby expanding their customer databases. Analysis by Zhang et al. (2012) of the most commercially effective business models supported the importance of this practice. The research demonstrated that customer databases have a high value, considering that some business models are specifically set to generate revenue from customer databases.

The literature identified the use of video as an art form, a marketing tool, and a tool that facilitates video conferencing (Cardamone 2008). Similar purposes for video production were described by the participants, in addition to new means to produce video material. A number of participants produced videos with iPads. This is supported by the literature review highlighting the adoption of innovation and new technology (Barnes 2012, Lin and Hsia 2011, Zott et al. 2011). In addition, recent literature ranked social networks such as the video sharing platform YouTube as the fourth most commercially effective business model (Zhang et al. 2012). It identified digital media as a way to promote fine art and engage a broader and younger customer

base, beyond the wealthy art collectors that are commonly targeted for art sales (Quesenberry and Sykes 2008).

The findings from art centre staff perspectives revealed that art centres advertised their online environment in a limited manner. They engaged in promotion activities such as cross linking to other organisations' websites and placing links of their online environment on their email signatures. However, art centres mostly did not engage with online paid advertising. This finding supports the view of Evans and Sawyer (2009) who argued that small businesses in regional South Australia were not aware of online advertising opportunities. Further, the literature claimed that the Aboriginal and Torres Strait Islander art sector succeeds in designing strong products, yet marketing them falls short (Aboriginal and Torres Strait Islander Commission. 1997).

The importance of having a news or blog component as part of organisations' online presence, as well as the significance of regular updates of these components was recognised by the participants to this research. This was supported by existing research by Lipiäinen and Karjaluoto (2013) who argued that blogs promote the brand and influence the business' ranking on search engines.

Evidence was also found about art centres' online events. Art centres offered online exhibitions and managed online fundraisers. Special events were held in particular in the period before and after Christmas, consisting of end-of-year sales and special products. These findings are in line with results from existing literature about the art sector, which identified the use of ebusiness to advertise art events (Quesenberry and Sykes 2008).

The research results reveal that pictures of artworks and electronic newsletters were commonly emailed to customers as a marketing activity. Electronic newsletters were often used to inform audiences about special events. These practices applied to the findings by Quesenberry and Sykes (2008) who explained the benefits of email marketing including, sending invitations for, and making announcements about exhibitions and events. Acker (2013a) also identified in his case study an email

strategy developed by Warakurna Artists to further enhance successful ebusiness. However, Lipiäinen and Karjaluoto (2013) had a more critical view about email marketing. They noted that email marketing was based on Web 1.0 technology, which is a one-way rather than a two-way communication tool.

Different levels of engagement were identified in relation to mobile communications. Participants in this research project were aware of the increasing importance of this technology, yet mostly they did not engage in specific investments to optimise their online platforms for mobile devices, except for the art centres that were in the process of developing a new website at the time of the research. This is in accordance with the literature that highlighted the recent nature of mobile technology developments, and the limited research available about it (Becker et al. 2012, Yang 2012).

The results underlined the benefits, opportunities, drawbacks and barriers of ebusiness for Aboriginal and Torres Strait Islander art centres as response to research questions numbers 2a and 2b.

### **5.2.2 RQ2a. What are the *benefits and opportunities* of wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?**

The findings identified benefits in strategic pricing of artworks on art centre websites, whereby artworks were offered for sale at a reduced rate relative to prices offered in commercial galleries. The literature noted that price advantage is one of four recommended business strategies (see Section 2.2.2.1) and a market trend influenced by buyers' expectations to find reduced rates on the internet (see Section 2.2.4).

Another benefit identified by participants in this research addressed the virtual access to the art centre's environment facilitated by ebusiness despite the physical remote location of the organisation. Customers were able to learn about the art centre and its community through the information that was publicised on its website and/or UGC platforms. Cardamone (2007a) suggested that ebusiness is a solution to the geographic

isolation of Aboriginal and Torres Strait Islander arts organisations, and that it promotes cross-cultural contact between those organisations and communities in less remote places.

Many participants in the current research mentioned that their organisation had recently introduced, or was about to introduce, new ebusiness developments. They believed that developments such as a website revamp or a renewed content management system will increase the value of their websites to their organisations. Cardamone (2007a) and Acker et al. (2013) supported this observation made by interviewees arguing that ebusiness has the potential to access and penetrate new markets. Companies that adopt new technology have a competitive advantage over other businesses (Dickson 2000) and increase their opportunities for higher revenues and new relationships with distant buyers (Theodosiou and Katsikea 2012).

However, although ebusiness holds many opportunities, some of them may be relevant to other SMEs but not to remote Aboriginal and Torres Strait Islander arts businesses. For instance, participants in the current research mentioned the limited penetration of the international market. This is in line with the literature who argued that remote Aboriginal and Torres Strait Islander art centres operate in unique circumstances and are positioned in specific markets (Cardamone 2008).

The results also provided insight on feedback about ebusiness shared by participants of this research. Overall, participants highlighted positive feedback from customers about the online presence they created. This demonstrated that ebusiness was effective in generating support and interest from customers. The literature confirms that customers expect businesses to have an online presence (Theodosiou and Katsikea 2012). Booth (2014) provided a possible explanation to the positive customer feedback. Her study argued that buyers of Aboriginal and Torres Strait Islander art trust online vendors that also possess a physical business familiar to the buyer. However, those buyers doubt ebusinesses that trade solely online and do not have physical shops. Thus, art centres' online presence serves as an extension to the physical customer - vendor relationship.

### **5.2.3 RQ2b. What are the *drawbacks* and *barriers* to wider use of ebusiness in Aboriginal and Torres Strait Islander art centres?**

The findings suggest that audience attendance at physical exhibitions is significant to the success of Aboriginal and Torres Strait Islander art centres, noting that ebusiness may influence the willingness of potential buyers to visit physical exhibitions. The literature complemented these results by arguing that digital images of artworks do not compare to the rich experience physical viewing of an artwork evokes while engaging multiple human senses (Cardamone and Rentschler 2008, Citrin et al. 2003).

Another insight provided by a participant to this research included concerns about inappropriate comments posted on two-way communication tools such as Facebook. These comments have the potential to damage the business or its reputation. Zhang et al. (2012) provided a response to this claim suggesting that organisations allocate resources for ebusiness maintenance and content management. The literature expanded further on this issue by noting that the westernised and global character of the internet is often culturally unsuitable to local Aboriginal and Torres Strait Islander artists and tradition (Samaras 2005).

Based on the results it was identified that the internet connection in very remote communities was slow or frequently interrupted. Additionally, technical support was not readily available. The literature identified this barrier as well, noting that in some remote communities it is not only difficult to establish an internet connection, but the maintenance of the communication infrastructure is also challenging (Cardamone 2007b). This issue was recognised as a limitation for remote SMEs on top of standard ebusiness challenges (Evans and Sawyer 2009).

The findings outlined a number of other ebusiness barriers, including impractical content and image management systems, dated visual designs, and unengaging customer interfaces. Time constraints to manage different aspects of ebusiness were repeatedly mentioned by all participants to the research. Smith et al. (2006) supported this claim in explaining that ebusiness is expensive and demanding from a SMEs

perspective. At the same time, this identified barrier differed from research that argued that diverse costs such as rent and picture-framing can be saved through the use of ebusiness (Wilson-Anastasios 2011, Zhang et al. 2012). These benefits were not considered by participants to the current research.

Two art centres mentioned the need to perform more analysis to their current ebusiness activities in order to determine their effectiveness. This finding appears to support the views of Theodosiou and Katsikea (2012), who previously noted the need for businesses to monitor their ebusiness platforms, especially considering the opportunity to monitor the behaviour of competitors.

### **5.2.3.1 Resources**

The findings provided insight about resources that were utilised for ebusiness purposes. They demonstrated that in the process of achieving design ‘best practice’ a high failure rate and wastage of resources were experienced by several Aboriginal and Torres Strait Islander art centres. In this respect, the literature highlighted that the art sector is unusual, and not suited to conventional ebusiness solutions. This argument provides a possible explanation for the failure of Aboriginal and Torres Strait Islander art centres to work with conventional web design companies. The latter were expected to develop highly specialised and visually attractive art websites, as recommended by Quesenberry and Sykes (2008), yet failed to do so on numerous occasions, as noted by the participants in this research.

Participants in the current research addressed the particular knowledge and skills needed to operate advanced ebusiness systems. In some organisations ebusiness knowledge was placed with only one employee, and staying abreast of the rapid technological shifts disengaged staff members from ebusiness processes. Morrison (2000) supported the view that Aboriginal and Torres Strait Islander organisations need access to ebusiness skills, followed by external support for integrating digital innovation into their business processes. Lipiäinen and Karjaluo (2013) added that

content is only valuable if it is engaging and this can be achieved only if suitable skills and knowledge are available.

Three of the participants in the study spent between two to three hours per week updating their online environment. However, they did not perceive their websites as effective enough due to their limited resources. Evans and Sawyer (2009) supported this view by explaining that ebusiness is especially challenging in remote SMEs due to limited resources. Some businesses have adopted UGC platforms, but are finding that the return is not substantial enough, therefore they plan to reduce the time spent maintaining it (Moyle 2012, Wasserman 2012).

The findings explored the effectiveness of current ebusiness practises for Aboriginal and Torres Strait Islander art centres as response to the following research question:

#### **5.2.4 RQ3. Which ebusiness practices in Aboriginal and Torres Strait Islander art centres are *effective* and which are *ineffective*?**

Art centres' engagement with their websites, sales generated by ebusiness and UGC platforms are examined in the following section with reference to the literature review. These practices represent the core of ebusiness for most organisations researched. Therefore, it is essential to understand whether they are used effectively. The literature review provided guidelines about effective ebusiness (see Sections 2.2.3 and 2.2.6). The results provide insights about how effectively ebusiness practices are used from the perspective of the participants to this research, and in reference to the literature guidelines.

##### **5.2.4.1 The website**

The results indicate that six participants appreciated a clean and clear website design and three participants found the aesthetic design of their website important.

Quesenberry and Sykes (2008) supported this view about effective website design and highlighted the benefits of websites that showcase a vivid online environment and provide an easy to navigate experience.

The findings also demonstrated that a majority of the participants used their websites to enhance sales and provide information. The data identified additional purposes to the website, including showcasing artworks to suppliers (which has been evaluated as a highly effective activity), and offering a variety of services through the website.

Evans and Sawyer (2009) supported the findings with the claim that SMEs use ebusiness predominantly to generate sales. This also supports the view that the benefit of ebusiness to SMEs is in maintaining a value chain of services through relationships between consumers, suppliers and business partners (Fillis et al. 2004, Wiengarten et al. 2013). Acker (2013b) added to this discussion that consumers look for reliable information about the provenance of artworks and about the ethics of the organisation on art centre websites.

All art centre websites analysed in this research contained an egallery that facilitated a virtual experience of artworks browsing and viewing. This activity is supported by Zhang et al. (2012) who rated the ecatalogue as one of the seven most commercially effective business models. Similarly, the House of Commons (2005) suggested that the egallery provides customers with the ability to compare and explore artists and their works, and that it performs as a virtual shopfront. In contrast with the latter, the data shows that art centres generally limit their virtual shopfronts to a low price range selection rather than presenting all their stock. Five art centres displayed on their websites artworks valued lower than \$10,000, although their stock consisted of works of a higher value.

Two art centres upgraded their websites in the last three years and were satisfied with it. The importance of innovation for commercial success is evident in the literature (Barnes 2012, Lin and Hsia 2011, Zott et al. 2011). Participants tended to consider strategy and digital innovation in their ebusiness planning. However, they accorded limited attention to electronic payment, because they perceived it as preventing

personal contact with customers. This differs from the perspective of Zott et al. (2011) who described three components of ebusiness: strategy, digital innovation, and electronic payment. Trust services (including electronic payment) were defined by Zhang et al. (2012) as one of the most commercially effective business models. Electronic payment has potential to reduce trading costs and improve business process (Zhang et al. 2012).

The results of the current research indicate that only two art centres had a shopping cart facility. They regarded this function as effective. The remaining participants (that did not have a shopping cart facility) regarded this function as ineffective. Online payment systems have not increased significantly in popularity amongst Aboriginal and Torres Strait Islander arts organisations since the research by Cardamone and Rentschler (2008) was conducted. Their research indicated that 89% of the respondents displayed art online yet did not have online sales facilities. At the same time, other research highlighted that (young) audiences are suited to finalising art purchases online (Quesenberry and Sykes 2008, Zhang et al. 2012).

#### Ebusiness sales

The findings suggest that a maximum of 10% of the overall sales obtained by the researched art centres was generated by direct or indirect online sales. The situation of Waddington Custot Galleries in the UK was similar in that only minimal sales occurred online (House of Commons 2005). This supports the claim that established art collectors and buyers are less prepared to finalise purchases over the internet (The Economist 2013, Kennedy 2011, Quesenberry and Sykes 2008). Another potential aspect of the low online sales results lies in a decline in Aboriginal and Torres Strait Islander art sales value in the past five years, which was noted by a number of participants in this research. In accordance, Woodhead and Acker (2014a) discussed a decline in the value of art products from an average of \$555 in 2007 to \$359 in 2011.

#### **5.2.4.2 User-generated content platforms**

Based on participants' responses it was identified that Aboriginal and Torres Strait Islander art centres have made use of UGC platforms (Facebook in particular) since 2010. Participants argued that Facebook is not a selling tool. Rather, they expected to reach new audiences, engage customers, promote events, and create viral marketing through UGC platforms. However, participants mentioned the difficulty in measuring the effectiveness of these networks. These results are supported by the findings of previous research indicating that social networking platforms have been evolving since 1999, and that the value of social networking is predominantly in marketing and exposure rather than in immediate revenue (Quesenberry and Sykes 2008, Zhang et al. 2012). Section 2.2.2.1 highlighted strategic factors for ebusiness development including 'scope' and 'focus,' which are concerned with strategies to broaden the market reach and achieve a competitive advantage through niche markets. In response to the claim that UGC platforms are not selling tools, Lipiäinen and Karjaluoto (2013) explained that social networking platforms have the potential to generate sales following consistent customer engagement with the organisation, however, it is challenging for SMEs to identify the outcomes of social networking platforms.

### **5.3 Theoretical contributions of the research**

The available literature lacks a dedicated account focused on how Aboriginal and Torres Strait Islander art centres actually use ebusiness and whether the practices that they have adopted in recent years are of benefit to them. This thesis research presents new insights corresponding to the main research objective:

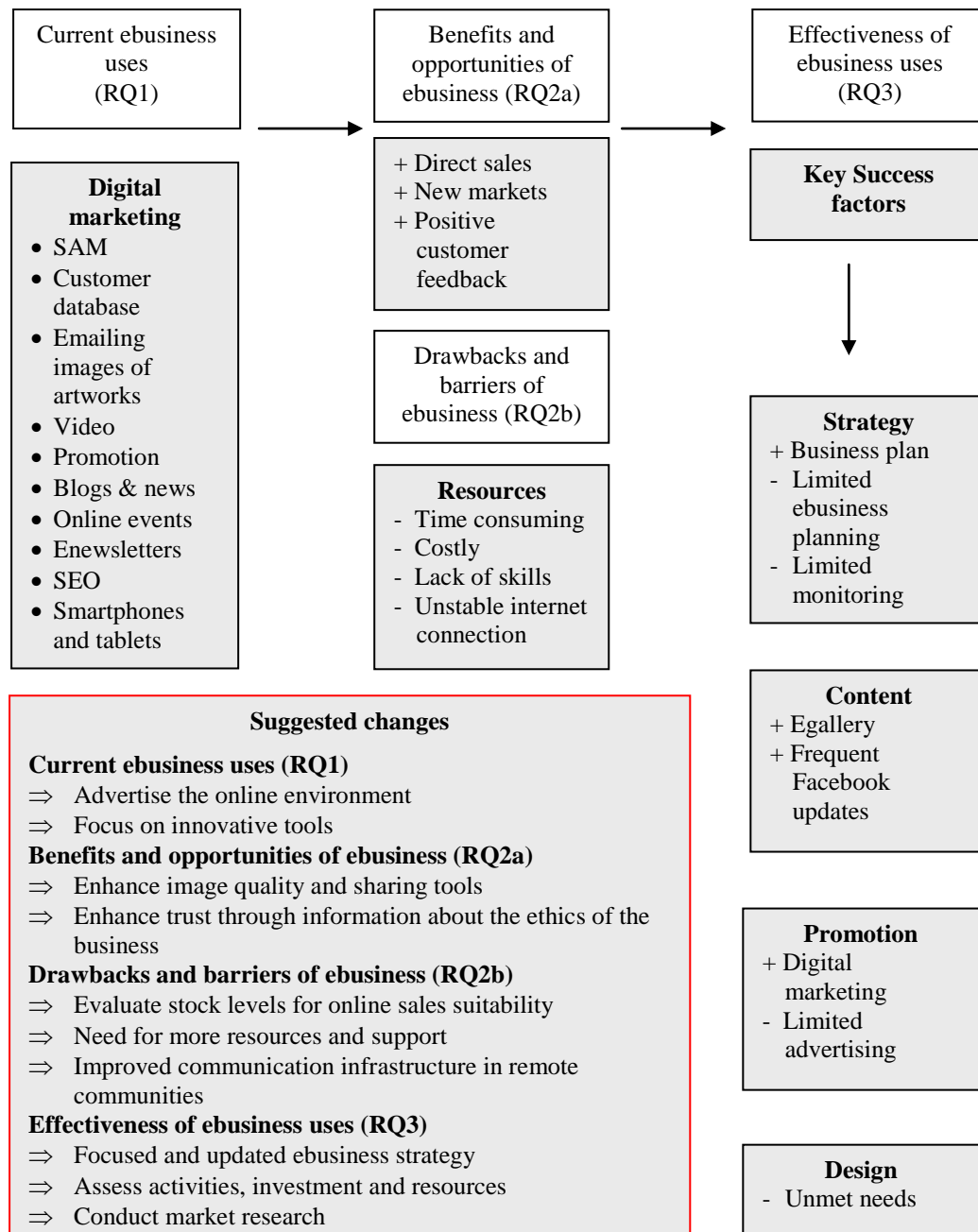
**To determine how ebusiness is being used in, and whether it is beneficial to, Aboriginal and Torres Strait Islander art centres.**

The thesis research described how Aboriginal and Torres Strait Islander art centres are using ebusiness. It covered digital innovation and ebusiness models in large and small industries (Lin and Hsia 2011, Lipiäinen and Karjaluoto 2013, Zhang et al. 2012), online strategies in the art industry, and gave a general account of the Aboriginal and Torres Strait Islander art sector and use of digital technology in it (Altman 2006,

Cardamone 2007a, Fisher 2012). The study makes important contributions in the area of the Aboriginal and Torres Strait Islander art industry and the economic participation of remote Australia.

The research framework (Figure 5) presented in Section 2.6 is elaborated upon in Figure 7 to highlight the key research findings for each of the three research questions. Figure 5 also indicates where changes in ebusiness practices could help gain greater benefit in Aboriginal and Torres Strait Islander art centres. The framework shows the relationship between the three research questions, the five key themes and the potential of these themes to become more effective to art centres. The framework depicts the research proposition, that art centre ebusiness practices need to be known and understood, and with this knowledge in hand the effectiveness and efficiency of art centre ebusiness can be assessed. These new insights in turn will contribute to a deep discussion about how to optimise art centre ebusiness. Key conclusions from this study are that art centres need to monitor and assess their ebusiness activities, optimise their engagement with it, and receive more external support to do so. In broader terms, improved ebusiness in Aboriginal and Torres Strait Islander art centres will contribute to their viability and livelihood.

Figure 7 - The elaborated guiding framework for the research with respect to Aboriginal and Torres Strait Islander art centres



## 5.4 Research implications

This thesis research has several implications for theory and, in practice, for various industries, SMEs and in particular Aboriginal and Torres Strait Islander art centres about ebusiness. Section 5.4.1 provides potential implications of this study for theory development and Section 5.4.2 provides practical implementations and evaluation of policy programs.

### 5.4.1 Theoretical implications

The insights obtained through this study are not limited to the context of Aboriginal and Torres Strait Islander art centres. Three areas which the extended framework may be applied in the future are discussed below:

**Field 1:** As the popularity of ebusiness grows and organisations invest more in ebusiness, the research framework could be explored with SMEs of related industries, including the online entertainment industry, the interior design industry and the wine industry. Businesses from all sectors could benefit from insight on ebusiness trends in SMEs. Any business type could test the key success criteria and strategic model components.

**Field 2:** The extended research framework could also be applied to a diverse range of art businesses. Art businesses generally share marketing goals and customers types. As such, domestic and international art businesses could refer to the insights presented in this study.

**Field 3:** The framework could be tested at other Aboriginal and Torres Strait Islander organisations in remote Australia such as cultural tourism facilitators, hospitality businesses and performing arts organisations. These businesses operate in similar contexts, would have similar challenges, and could benefit from similar opportunities.

The results of this study contributed to theory about SMEs' use of the three components of ebusiness models (see Section 2.2.2) and their implementation of ebusiness key success factors (as discussed in Section 2.2.6). First, the study demonstrated the implementation of two out of three components of ebusiness models - strategy and digital innovation - amongst many of the art centres researched as part of this study (see Sections 4.3.1 and 4.3.2). Art centres engaged with the third component - online payment facilities - in a limited manner (See Section 4.3.4). The meaning of this finding is that online payment facilities may not be suitable tools for all SMEs.

Second, the research successfully identified components of all four key success factors (see Section 2.2.6) implemented by some of the case studies, namely strategic, content, promotional and design factors. This is an important finding because it suggests that remote Aboriginal and Torres Strait Islander art centres may have a comparable level of ebusiness output to other SMEs in the art industry or in other industries.

#### **5.4.2 Practical implications**

Aboriginal and Torres Strait Islander art centres can compare their ebusiness operations to those of small businesses in urban areas considering that the results confirm the sophistication of their ebusiness practices. This study presented a list of key ebusiness success factors (see Section 2.2.6). SMEs may use this list to assess whether they are implementing those factors in their ebusiness strategy. Confirming or denying this will enable organisations in different industries to make meaningful decisions about the need for change. In reviewing the factors that influence successful ebusiness, organisations may implement strategies to achieve beneficial use of it. Applying key ebusiness success factors will result in effective use of resources and increased revenue, customer satisfaction and positive marketing of the business (Zott et al. 2011).

The results explain how art centres manage resources, investment, and return to operate their ebusiness (see Section 4.3.3 and 4.3.4). SMEs could assess their

ebusiness practices against the ebusiness practices analysed in this study. For example, participants in this research spent many resources on developing their online environment, but only used few methods to promote it (see Section 4.3.2). Art centres engaged with online paid advertising in a limited manner. However, research noted SEO, SEA and advertising on search engines as effective promotion tools (Lipiäinen and Karjaluoto 2013, Zhang et al. 2012). Cardamone (2007a) and Clarke III and Flaherty (2002) suggested that information is available about art consumer groups, and that these groups in particular must be targeted. Thus, SMEs may consider advertising their online environment while targeting particular consumer groups.

Although it may be useful for SMEs to compare their strategies to the outlined ebusiness strategies in the results of this thesis, none of the case studies had developed an independent ebusiness strategy. This is a barrier to successful ebusiness (see Sections 2.2.1 and 2.2.2), because the business plans developed by the art centres researched in this study were broad, and overlooked focused ebusiness activities, goals and outcomes. These plans were also updated only once in three years. External agencies such as governments or peak bodies may suggest a standard ebusiness plan or guide for art centres using this study's results. This can be based on the findings presented in this research, including key success criteria and potential and limitations of ebusiness. These agencies could also provide a list of recommended website developers, considering that this study discussed several failed attempts for website development.

The new and thus limited nature of Aboriginal and Torres Strait Islander art centre trade overseas has been mentioned by some participants (see Section 4.3.2) of whom many see an opportunity in doing so. SMEs should allow significant amounts of time to develop their online audiences, as the findings indicate that building a strong audience occurs over time. Government departments such as the Department of Foreign Affairs and the Australian Trade Commission (Austrade) could assist Australian SMEs in establishing and deepening their business penetration overseas.

This research noted that limited attention was given in the business plans provided by the participants to the set of skills needed within the management team, possibly,

because art centres' staffing is minimal. Additionally, art centres identified challenges including a slow or interrupted internet connection and lack of time, capacity, skills and resources to operate ebusinesses. Governments can improve this situation by upgrading the communication infrastructure in remote communities to fast and stable broadband connections, and providing physical and remote technical support when needed. They can add resources that support ebusiness development, maintenance and a diversity of skills, including additional funding. Consultants and specialised support dedicated to art centre ebusiness are also needed as well as external training to art centre staff.

At the same time, Section 2.2.2.1 recommended a differentiation strategy. Art centres could capitalise on challenges concerned with their remote location and communication infrastructure capabilities by differentiating their businesses from mainstream businesses and transforming those weaknesses to selling points (see). For instance, an art centre website could advertise that response to online sales enquiries may take 24 hours due to the limited internet connection available. Customers sympathise with the circumstances in remote communities and appreciate the authentic and unique nature of the organisations operating in them.

Considering that there is a lack of statistical information about online sales in the art industry and only limited observations are available about the potential or barriers of selling art online (Cardamone and Rentschler 2008), Aboriginal and Torres Strait Islander art centres can use the current study as a resource to develop adequate expectations from their online presence. In addition, art centres should assess their ebusiness practices through statistical measures in order to gain a better understanding of the effectiveness of their ebusiness activities. Art centres can potentially conduct a broader market research about their returning customers and the motives of the latter to purchase again. This will assist in developing a clear value proposition. Further, art centres can develop new marketing initiatives. For example, offer discounts to returning customers.

The findings identified as a drawback of ebusiness the need to have high production levels (with respect to artworks). A sufficiently high production level is vital if art

centres are to engage with online sales. Ensuring that the products for sale are also in stock is a critical success factor discussed in Section 2.2.6. Thus art centres with limited production levels should evaluate their stock levels when deciding if online sales are appropriate for their business. Organisations should have high quality stock available continuously for online sales or alternatively allocate a purpose other than sales to their online presence.

Digital innovation provides diverse solutions relevant to art centre ebusiness. Firstly, the literature and findings highlighted the importance of high quality images on e galleries (Section 2.3.1 and 4.3.2). The literature pointed out that the aesthetics of the artwork is the most important criteria for customer purchase choice (Booth 2014). Aboriginal and Torres Strait Islander art centres should focus on producing and showcasing high quality images. Additionally, new technology can facilitate diverse digital image views such as a three dimensional view, and zooming functionalities for detailed pictures of artworks. Current technologies offer virtual reality interfaces that simulate real life environments. Thus, pictures of artworks displayed online may provide customers with comprehensive visual information. Secondly, current trends show that alongside Facebook there are other popular UGC platforms; for instance, Instagram, a photo and video sharing interface operated through mobile devices. Aboriginal and Torres Strait Islander art centres should consider a variety of innovative solutions that may promote their businesses.

This study also suggests that consumers desire information about authenticity and provenance (Section 2.4.3). Aboriginal and Torres Strait Islander art centres should position themselves as organisations with high ethical standards. A strong online presence based on authenticity, provenance and ethical behaviour will enhance trust in the Aboriginal and Torres Strait Islander art industry.

At the same time, participants in this research tended to update Facebook regularly but neglected the news page on their website and other UGC platforms (See Appendix 8). This reinforces the notion that art centres must determine firm ebusiness priorities, and focus their resources on current innovative and trendy interfaces such as

Facebook, rather than on tools such as a news page on their websites, which may be less effective.

## **5.5 Limitations of the study**

Qualitative studies do not claim to be entirely generalisable. There is a certain degree to which findings can be generalised from the study sample to the total population (Polit and Hungler 1991). In addition, Myers (2000) reminds us to focus on the purpose of the study rather than on the objectivity and the generalisability of the study. This research does not aim to present findings that are applicable in all instances. Rather, it aims to present practical and functional discoveries (Stake 1975).

Two key selection criteria for the sample have limitations:

1. Although the study intended to select a sample across a wide geographic location in order to ensure a comprehensive representation of the sector, the other selection criteria were more significant. As such, case studies from the eastern side of Australia are missing. However, according to the art centre map of Woodhead and Acker (2014b) the vast majority of art centres are concentrated on the central and western sides of Australia.
2. Important selection criteria were concerned with the reputation and collaborative attitude of the case studies. The purposefulness was based on the reputation and success of the art centre and its willingness to participate in research in the past. These criteria may not have direct influence on the ebusiness activities of the case studies. However, these were crucial criteria considering that there was more probability that organisations known to have a strong business in general, would have the capability to conduct ebusiness. A collaborative attitude was crucial to gathering good quality and quantity of insights for the study. Unfortunately, the possible constrain of selecting case studies with collaborative attitudes meant that art centres that may have contributed significantly to the study could not have been included in it.

The sample size of the study is limited. The sample represents 10% of the estimated amount of Aboriginal and Torres Strait Islander art centres in Australia. A broader

range of stakeholders and staff members was not included due to the practical and focused nature of this study, and time constraints on behalf of both the case studies and the research.

Following the issue of art centres' time constraints and excessive work load, no response often occurred when participants were short on time and willing to accord only a limited amount of time to the interview. In these cases the interview had to be adapted to the time constringent and not all questions were answered. Therefore, the data is partial in some instances. For example, some interview questions asked participants to rate certain ebusiness activities. The data driven from these questions was not used because not enough responses were obtained to be able to draw statistics from the answers to these questions.

The results of this study have taken into account observations by both Participants 7 and 8 who were employed by the same art centre. This may influence the data's accuracy considering that in some cases Participants 7 and 8 may have had similar observations due to the strategy and priorities of their organisation.

Due to the rapid shifts in digital innovation, some case studies have changed and upgraded their online presence in the course of the study. Moreover, due to the limited scope of the study, it only covers general ebusiness trends and activities.

Some of the findings are based on assumptions made by the participants. Considering the rapid developments in the field of ebusiness and other criteria such as the level of tenure and experience of participants in this research, their assumptions may not be correct. However, Roberts and Wilson (2002) explain that building inductive knowledge (rather than testing theory) can be achieved by discovering meaning through subjective interpretations of participants.

Another limitation that has been identified is the objective nature of research. Bias can occur due to the researcher's subjectivity, for example during the interview, or the data analysis process (Barriball and While 1994). However, this exploratory research

was supported by a team of three supervisors, benefiting from frequent consultations and advice about issues that may influence the validity and reliability of the study.

This thesis is limited in word count. Therefore, some findings, ideas and examples driven by interviews had to be omitted from the content of this document. However, the research attempts to bring to the reader key findings based on their innovative and generalisable nature.

## **5.6 Suggestions for further research**

This study focused on the engagement of Aboriginal and Torres Strait Islander art centres with ebusiness and explored the benefits of ebusiness to them. A number of opportunities are presented in this thesis for further research of the topic. To address the limitations discussed in the previous section opportunities for future academic research also arise.

Future research could be broader in scope and scale than the current research and present more insights. It could offer greater incentives to participating case studies. By doing so, the potential to achieve greater detail is likely to increase. Future longitudinal study could also examine the developments of ebusiness over time in a specific group of case studies.

This research suggests that online payment systems may not be suitable for some Aboriginal and Torres Strait Islander art centres because they tend to replace potential customer relationships (Section 4.3.4). It is necessary to investigate SMEs from diverse sectors about their experiences with, and views about online payment facilities in order to understand to what extent these systems are suitable for SMEs, and whether they may be suited to some industries but not to others.

There is potential for quantitative future research, analysing specific ebusiness trends, for example, Aboriginal and Torres Strait Islander art centre sales driven by ecommerce shopping cart solutions. A research as such could provide generalising results. A study could also aim to quantify the funds needed to optimise ebusiness

effectiveness in art centres. Research can investigate the scope for outsourcing some art centre ebusiness activities to third parties and/or creating hub websites that support multiple art centres from the same region to replace independent art centre websites.

Future research has the potential to confirm the assumptions presented by the participants. Research can investigate what solutions are needed to optimise ebusiness in Aboriginal and Torres Strait Islander art centres. For instance, it could have a comparative character, thus comparing ebusiness with other industries that have succeeded in implementing successful ebusiness, e.g. the haute couture industry. Future research could also focus on ebusiness in the Aboriginal and Torres Strait Islander art market, investigating physical and online commercial businesses that deal in Aboriginal and Torres Strait Islander art.

There are many other research opportunities that are driven by this study. There is potential to research in more detail each individual ebusiness activity, for example, the current use of digital systems and their efficiency, e.g. the use of the stock management system (SAM), the customer database and newsletter system (Mailchimp), and the content management system (Wordpress), including the effectiveness of these tools. Considering the increasing popularity of UGC platforms and mobile communications, future research could focus on art centre use of, and benefit from UGC platforms and their plans concerning mobile communications.

Another area for further research is the engagement of remote communities with ebusiness while considering communications infrastructure constraints and lack of skills. Research could examine in detail barriers to ebusiness that are triggered by a range of issues including internet connectivity and available technical support in remote communities. Other research is also required about the need for, and development of ebusiness training programs to Aboriginal and Torres Strait Islander artists and staff in remote communities.

Further research could focus on the cultural appropriateness of the design and content of Aboriginal and Torres Strait Islander art centre websites. The website design requirements could be investigated while considering the culture of, and language

spoken in the community. In that respect, future research can also investigate artists' need in communications with the art centre through digital tools, considering that art centres sometimes serve artists in locations other than the location of the art centre. Such research could explore ways to involve the community in the design process and aesthetics of their art centre website and identify ways to ensure that the website has a two-fold function: (1) to communicate with customers and, (2) to communicate with community members and artists.

## 5.7 Conclusion

This research presents new findings that both correlate with previous research, and to a greater extent, expand upon this extant research. This chapter began by presenting the three research questions in turn and demonstrating through them the correlation between the findings and previous research. The implications of the research were then explained with an elaborated guiding framework. The research contributions were explored, outlining the theoretical contributions and practical implementations. Finally, the limitations of the research were described and future research opportunities were discussed.

The objective of this study was:

**To determine how ebusiness is being used in, and whether it is beneficial to, Aboriginal and Torres Strait Islander art centres.**

This objective was met due to the insights contributed by the participating Aboriginal and Torres Strait Islander art centres. They described their strategic planning procedures and provided a view into their current plans. Interviewees elaborated on their ebusiness activities, explained how ebusiness was used in their organisations and provided unique perspectives about ebusiness advantages and limitations.

As shown, Aboriginal and Torres Strait Islander art centres adopted innovative digital technologies and implemented ebusiness solutions similar to those implemented by SMEs from other industries. However, art centres also struggled with similar

challenges such as lack of resources and skills and had to operate according to set priorities.

The ebusiness challenges that were depicted by the participants helped with understanding what can be done in order to improve ebusiness effectiveness in Aboriginal and Torres Strait Islander art centres. One such solution is specialised ebusiness consultancy and assistance to art centres. The research also described the positive aspect of ebusiness in art centres. Examples are (1) ebusiness environments provide customers with insight into organisations that are located in remote geographic locations and (2) customers provide supportive and positive feedback to art centre staff and managers about their ebusiness environments.

To conclude, the three research questions aimed to explore ebusiness uses, benefits, opportunities, drawbacks, barriers, and effectiveness. As an applied research, this study holds concrete examples of the way Aboriginal and Torres Strait Islander art centres engage with ebusiness. The supporting literature helped identify solutions and provided recommendations to optimal use of ebusiness, in conjunction with the results. The five key themes explored in this thesis, including strategy, digital marketing, resources, the website, and UGC platforms, provide real-life insights for practical implementation of ebusiness solutions.

Overall, this research contains information that may be useful to governments, peak bodies and art centres, to optimise the potential of ebusiness and minimise waste and ineffective practices. Art centres are crucial to the livelihood and the economic participation of remote Australians and to the preservation of culture and traditional heritage through art. It is therefore essential that sustainable and innovative solutions are found to strengthen and support these unique organisations.

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## Appendix 1 - Dr Tim Acker's initial email contact with art centres

Hi NAME,

As you know, the CRC-REP art economies project is undertaking a range of research into key areas of the Aboriginal and Torres Strait Islander art sector. Your support has really helped - and findings will be published over coming months.

I'm emailing to introduce another of our projects: Iris Bendor, who is based in Alice Springs, and is researching art centres and 'ebusiness' - what opportunities and barriers there are for art centres in using the online environment to sell, promote and communicate.

As part of her project, she is hoping to interview (by phone, Skype, or in person if you are around Alice Springs) art centres that are active and committed ebusiness users. Would you - and/or any other people who are involved in ART CENTRE online work - be interested in participating?

If you are interested, I'll get Iris to follow up and give you the full range of information about the project and, assuming you'd like to proceed, to schedule in a time for an interview.

Let me know if you've got any questions. Thanks for considering the request!

Regards,

Tim

**PROJECT INFORMATION SHEET**  
**Research Project**

**Title:** How is ebusiness being used in, and is it beneficial to, Aboriginal and Torres Strait Islander art centres?

**Invitation**

Your art centre has been identified as a sophisticated user of ebusiness and an adopter of marketing solutions that require advanced digital technology. You are invited to participate in a study about the role of electronic business in marketing Aboriginal and Torres Strait Island art.

The study is being conducted by:

Miss Iris Bendor  
Southern Cross University  
Business School  
Tel: +61 4 2755 4479  
Email: i.bendor.10@student.scu.edu.au

**Project description:**

This project will explore the range of electronic business practices that are and may be used in Aboriginal and Torres Strait Islander art centres in remote Australia. It will examine the efficiency, benefits, opportunities and challenges of online marketing and sales activities. The data collected will be used in an honours thesis and may be published in a journal article. This project is supported by the Southern Cross University Business School and by The Aboriginal and Torres Strait Islander Art Economies project - Ninti One Limited/CRC-REP.

**Purpose of the project:**

This study aims to uncover:

- How is ebusiness currently being used by Aboriginal and Torres Strait art centres?
- What are the benefits and drawbacks, as well as opportunities and barriers to wider use of ebusiness in Aboriginal and Torres Strait art centres?
- Which ebusiness practices in Aboriginal and Torres Strait art centres are effective and which are ineffective?

**Participation:**

- Participation in this study is voluntary. You can decide to withdraw from the project at any moment without any negative consequences to you.
- If you agree to participate in the interview and the interview is conducted over the phone, please sign the attached consent form and send it back to me via email: [i.bendor.10@student.scu.edu.au](mailto:i.bendor.10@student.scu.edu.au)  
Otherwise, I will collect the consent form when we meet.

**What does participation require?**

- A research investigator will conduct a one-on-one interview with you which may take approximately one hour to complete. The interview will be held once, over the phone or in person as agreed with you in advance. The interview will be recorded using an audio recorder device in order to insure that all details are taken into consideration during the data analysis process. Once the results have been uncovered, you will be provided with the opportunity to review them and contribute to their validation.
- The researcher will ask you about your experiences with ebusiness as part of the marketing strategy of your organisation, your opinions about ebusiness benefits and challenges, and your suggestions on how to maximise the opportunities within this domain.
- You are free to refuse to answer any question or chose not to comment at all.

**Benefits in participation:**

Your involvement in the study will generate insight into the existing and potential uses of ebusiness and in that, improve the efficiency of online marketing in your organisation and others. It is hoped that in achieving this goal the community your art centre represents and other communities will benefit economically and socially in the future.

**Privacy:**

Your name or that of your organisation will not be mentioned in this study; you will remain anonymous and information about you and your organisation will be kept confidential. Information gathered from you will be kept for seven years at the University. Once the results are finalised you will be provided with the opportunity to review the content that involves you and your organisation.

**Thank you for taking the time to review this Project Information Sheet and we hope that you will be interested to contribute to this research.**

**Complaints or concerns:**

Ethical clearance has been given to conduct this study by the Human Research Ethics Committee at Southern Cross University. The approval number is ECN-14-018. If you have concerns about the ethical conduct of this research or the investigators, please address your complaint in writing to the following:

Ethics Complaints Officer

HREC

PO Box 157

Lismore, NSW, 2480

Email: [sue.kelly@scu.edu.au](mailto:sue.kelly@scu.edu.au)

All information is confidential and according to due process under the National Statement on Ethical Conduct in Human Research and this University.

For additional information or inquiries please contact the researcher with the details provided above or the research supervisors:

**Dr Tania Von Der Heidt**

Southern Cross University

Business School

Tel: +61 2 6620 3086

Email: [Tania.Vonderheidt@scu.edu.au](mailto:Tania.Vonderheidt@scu.edu.au)

**Dr Simon Wilde**

Southern Cross University

Business School

Tel: +61 4 442 82 53

Email: [Simon.Wilde@scu.edu.au](mailto:Simon.Wilde@scu.edu.au)

**Dr Tim Acker**

CRC-REP

PO Box 3971, Alice Springs, NT, 0871

Tel: +61 8 8926 6916

Email: [tim.acker@curtin.edu.au](mailto:tim.acker@curtin.edu.au)

## Appendix 3 - Art Centre Permission Letter



Division of Research

To the manager: .....

Subject: A Request to Conduct Research at .....

Date: .....

### Invitation

Your organisation has been identified as a sophisticated user of electronic business and an adopter of marketing solutions that require advanced technology. Your organisation is invited to participate in a study about the role of electronic business in marketing Aboriginal and Torres Strait Island art.

The study is being conducted by:

Miss Iris Bendor  
Southern Cross University  
Business School  
Tel: +61 4 2755 4479  
Email: [i.bendor.10@student.scu.edu.au](mailto:i.bendor.10@student.scu.edu.au)

**Title of research:** How is ebusiness being used in, and is it beneficial to, Aboriginal and Torres Strait Islander art centres?

### Project description:

This project will explore the range of electronic business practices that are and may be used in Aboriginal and Torres Strait Islander art centres in remote Australia. It will examine the efficiency, benefits, opportunities and challenges of online marketing and sales activities. The data collected will be used in an honours thesis and may be published in a journal article. This project is supported by the Southern Cross University Business School and by The Aboriginal and Torres Strait Islander Art Economies project - Ninti One Limited/CRC-REP.

### Purpose of the project:

This research aims to uncover:

- How ebusiness is currently being used by Aboriginal and Torres Strait art centres
- Which ebusiness practices in Aboriginal and Torres Strait art centres are effective and which are ineffective?
- What the benefits and drawbacks, as well as opportunities and barriers are to wider use of ebusiness in Aboriginal and Torres Strait art centres

**Request**

I would like to interview yourself, your business manager or your marketing manager for approximately one hour. I will ask a few open-ended questions in the interview. I will ask about experiences with ebusiness as part of the marketing strategy of your organisation, opinions about ebusiness benefits and challenges, and suggestions on how to maximise the opportunities within this domain. The interview will be held once, over the phone or in person as agreed with the participant in advance. I will probably include some quotes from the participants' responses in my written reports. If necessary, though, I will paraphrase quotations or modify information in order to protect people's identity. Once the findings are uncovered, the participant will be provided with the opportunity to review a summary of the findings and contribute to their validation.

**Ethical standards**

I will include data from the interview and from relevant company records in my written research reports. I assure you that I will not use any of the names of those who completed the interview, nor will I identify your organisation in my research reports to external audiences.

I assure you that my research will be conducted in ways that meet ethical standards. I have attached the consent letter that I wish to give to the volunteers who will participate in the interview.

**Benefits:**

My proposed research will benefit your organisation because it will help me evaluate the effectiveness of existing and potential uses of ebusiness and in that it may improve the efficiency of online marketing in your organisation and this of others. It is hoped that in achieving this goal the community your art centre represents and other communities will benefit economically and socially in the future.

Can I get your support on this activity before implementing it? If so, please sign below—you may keep one copy for yourself and give me the other.

Many thanks,

Iris Bendor

I authorize Iris Bendor to conduct the research project described above.

Name and Title	Date
----------------	------

## Appendix 4 - Consent Form



Division of Research

### CONSENT FORM

**Title:** How is ebusiness being used in, and is it beneficial to, Aboriginal and Torres Strait Islander art centres?

**Name of researcher:** Ms Iris Bendor

**Please tick the box that applies, sign and date and give to the researcher**

I agree to take part in the Southern Cross University research project specified above. Yes  No

I understand the information about my participation in the research project, which has been provided to me by the researchers. Yes  No

I agree to be interviewed by the researcher. Yes  No

I agree to allow the interview to be audio-taped. Yes  No

I understand that my participation is voluntary and I understand that I can cease my participation at any time. Yes  No

I understand that my participation in this research will be treated with confidentiality. Yes  No

I understand that any information that may identify me will be de-identified at the time of analysis of any data. Yes  No

I understand that no identifying information will be disclosed or published. Yes  No

I understand that all information gathered in this research will be kept confidentially for 7 years at the University. Yes  No

I am aware that I can contact the researchers at any time with any queries. Their contact details are provided to me. Yes  No

I understand that this research project has been approved by the SCU Human Research Ethics Committee Yes  No

Participant's name: \_\_\_\_\_

Participant's signature: \_\_\_\_\_

Date: \_\_\_\_\_

Please tick this box and provide your email or mail address below if you wish to receive feedback about the research.

Email: \_\_\_\_\_

## Appendix 5 - Interview Protocol

### INTERVIEW PROTOCOL

**Title:** How is ebusiness being used in, and is it beneficial to, Aboriginal and Torres Strait Islander art centres?

Thanks for taking the time to talk with me today. The main focus of our interview is to understand more about the use of electronic business and online marketing in your art centre. You were invited to this interview because your art centre was identified as a sophisticated ebusiness user that implements advanced online strategies.

There are no wrong answers but rather differing points of view on the use of ebusiness. I would like to record the session because I don't want to miss any of your comments. I won't use your or the art centre's name in my reports; you may be assured of complete confidentiality. The data I collect will be analysed and then will be kept for 7 years at the Southern Cross University.

Name: \_\_\_\_\_

Organisation: \_\_\_\_\_

Date: \_\_\_\_\_

Location: \_\_\_\_\_

#### **Context:**

1. What is your role in the art centre, i.e. what does your job entail?
  
2. How long have you been in this role/with the art centre?
  
3. The literature defines ebusiness as follows: it is a practice that encompasses commercial transactions and the exchanging and sharing of information, goods or services with customers, suppliers and business partners over the internet.

I consider any business activities that are supported by digital information systems as ebusiness. Examples are: a website, social networking websites, email newsletters, online advertising, cross linking and blogging.

Have you worked with ebusiness before doing so at the art centre, if so, what work did you do? How does that influence your current work?

#### **Internet connection:**

4. What type of internet connection do you have at the art centre?
  - a. Dial up
  - b. Broadband

- c. Satellite
- d. Mobile broadband (3G)
- e. Don't know

5. There is a simple online test that could show us your speed connection. Would you be willing to run it from your art centre? If so, I will email you the URL for it. I will appreciate it if you could share with me the results.

**Strategy**

6. Do you have a current business plan? *(if not go to question 7)* How often do you update the plan?

7. Does it include a section on ebusiness or your website?

8. Would you be able to provide me with a copy of this section of the business plan? Or else, can you please tell me what is covered in it?

9. How do you decide what ebusiness activities to implement in your business plan? e.g. market research, advice from consumers, advice from a web consultant/IT professional, personal knowledge, other?

10. Are you planning any new developments? If so, what are you planning? And when do you plan to implement it?

**Ebusiness activities**

11. What ebusiness activities have your art centre undertaken and when?

12. Can you rate those activities in terms of their effectiveness?

Activity	Highly effective		Highly ineffective		
1. Email communication with pictures	1	2	3	4	5

2. Using SAM for stock management	1	2	3	4	5
3. Using SAM for other purposes	1	2	3	4	5
4. A blog	1	2	3	4	5
5. Video	1	2	3	4	5
6. News letter	1	2	3	4	5
7. other	1	2	3	4	5
8.	1	2	3	4	5

13. Do you advertise your online environment? If so, how?  
e.g. paid advertisement on Google or Facebook, promotion on the footer of emails, links on other websites, printed material with your website URL, other?

**Website:**

14. When was your website established and what is its purpose? E.g. a business card, a shopping facility, to provide information?
15. What is the design of your website based on? E.g. the look and feel of the art centre, style of painting, what the artists wanted?

16. How important is your website to your marketing strategy?

Very important	Not important			
1	2	3	4	5

17. How satisfied are you with your current website? Why?

18. How effective is your:

<b>Activity</b>	<b>Highly effective</b>		<b>Highly ineffective</b>		
Website	1	2	3	4	5
Online gallery	1	2	3	4	5
Shopping cart	1	2	3	4	5
News section on the website	1	2	3	4	5

19. If you upload artworks to your website, what sort of artworks do you upload and why?

20. What price range of works do you upload to you website and why?

21. How often do you refresh the online stock?

22. Do you have online payments (shopping cart) on your website?

23. If online payment is not possible on your website, why is that? Do you plan to develop it? When and why?

24. Do you know how many sales have occurred through your website in the last year (either directly paid online, or following an online enquiry)?
  
25. Can you tell me what amount the art centre's online sales represent in dollars?
  
26. Can you guess the percentage of your total sales that are online sales (either directly paid online, or following an online enquiry)?
  
27. How much has the volume of online sales changed over the last 1 and 5 years? Do you expect it to change further? By which percent?
  
28. Is your website suitable for mobile phones? If not, do you plan to develop this feature?
  
29. Are you familiar with SEO (Search engine optimisation) marketing? If yes, have you undertaken any?
  
30. Do you monitor the activity on your website? If so, how?
  
31. If you collect any statistical data, would you be able to share it in order for me to gather data about the amount of unique users for your website, their age, gender and location, the amount of time they spend on it, and the amount of clicks for each post?

**User generated content platforms**

I have noticed that your art centre uses

.....  
 .....

32. Do you use any other user generated content (UGC) platforms? If yes, which ones? (e.g. Facebook, Twitter, Instagram, Flickr, Pinterst, YouTube, Vimeo)

33. How important are UGC platforms to your ebusiness strategy?

Very important			Not important	
1	2	3	4	5

34. How effective are UGC platforms to your ebusiness strategy and when did you start using them?

UGC Type	Highly effective			Highly ineffective	
Facebook	1	2	3	4	5
Twitter	1	2	3	4	5
Video	1	2	3	4	5
Other	1	2	3	4	5

35. For what purpose do you use UGC platforms?

36. Do your UGC platforms and your website work together (e.g. cross linking)?

37. Are the UGC platforms connected to each other (e.g. updating Twitter through Facebook)?

38. How often do you update the UGC platforms?

39. How do you measure the success of your UGC platforms?

40. If you use statistical data, would you be able to share it with me?

**Content:**

41. Do you hold any special online activities such as online exhibitions, competitions, or discounts?

42. If so, when? And do they work? How do you measure their success or failure?

43. Can customers pre-order/commission online certain type of works, or works by a certain artist?

**Resources**

44. Do you update your ebusiness platforms (e.g. website, social networking and newsletter) or do you have a third party doing this for the organisation?

45. How many staff members work on ebusiness in your organisation?

46. How many hours per week/per day do you spend on ebusiness?

47. How much money have you spent on ebusiness in the last year?

48. How money have you spent on ebusiness in the last 5 years?

49. Has your art centre received specific funding for ebusiness? From which funding body (e.g. Ministry for the Arts, Department of Tourism)?
50. Are you aware of other ebusiness government funding (e.g. programs from the: Ministry for the Arts, Department of Tourism)?
51. Has your art centre received any ebusiness training? If yes, what kind of training? Who was it offered by (e.g. the local government, the web consultant) and was it beneficial? In what way?
52. If you didn't receive ebusiness training, do you require training? Do you know what type of training you require and where to get it?

### **Customers**

53. What type of feedback do you get from customers? What do they use your online environment for? Are they satisfied by it? What type of complaints or suggestions do you get from them?
54. Do you have a customer database (a list you store with all of your customers and their contact details)? If yes, do you use SAM to update it? How do you use this list? Do you undertake any activities to manage or expand it? For example note the details of customers that come to the art centre?

### **Overall ebusiness:**

55. From your perspective, what would you consider as the benefits and opportunities of ebusiness for art centres? What is it bringing to art centres?

e.g.:

- New markets
- Overseas sales
- Direct sales
- Exposure
- Overcoming isolation

- Customer relationship
- Expansion of customer database
- Sharing of culture
- Educating the market
- Other

56. What are the drawbacks and challenges of ebusiness?

**Final questions:**

57. Do you feel that the quality of your internet connection is limiting the effectiveness of the art centre's ability to do business? If so, please describe these limitations.

58. Looking back, would you have handled some developments or activities differently, e.g. :

- Use a different web consultant
- Invest more in one section of the website rather than in another
- Invest more in social networking/SEO
- Invest more resources
- Invest less resources

59. Is there anything else you'd like to say about how ebusiness works in your art centre?

Thank you for your time. Do you have any questions? I will be in touch as soon as the data analysis has been completed.

## Appendix 6 - Quotes on ebusiness experience in previous employment.

Table 39 - Participants' quotes on their experience with ebusiness in previous employment.

<b>Participant ID</b>	<b>Responses</b>
1	<i>I worked for a museum, and I had worked a little bit on helping them build their web capacity through image management and providing images in a contextual process for the website, not in an ecommerce/ commercial way.</i>
2	<i>I worked in retail but not specifically with ecommerce, there was someone specialising in it. I did have to negotiate through email and order things on line.</i>
3	<i>Yes I have. I worked at a number of other arts organisations, and worked on their website, social media, and electronic newsletters.</i>
4	<i>I worked in a gallery in Sydney where it was my job to do the web stuff. Image transfer, and load things to the website.</i>
5	No previous experience
6	<i>I worked as a manager at another art centre, and as an art worker at ...</i>
7	<i>I volunteered to put together a website for the school at... From that experience I understood the power of the internet, being able to portray information on a website.</i>
8	No previous experience
9	No previous experience

## Appendix 7 - Quotes on business plan development

Table 40 - Participants' quotes on their business plans development

<b>Participant ID</b>	<b>Quotes</b>
1	<i>Usually we have to update the plan every three years and that's to comply with our IVAS [government] funding agreement.</i>
2	n/a
3	<i>We write new business plans every three to five years.</i>
4	<i>I used to update it every year but now my funding is triennial so I update it every three years. It's less work. Because I've been doing the job for so long I don't refer to it anymore. I had a really good person helping me write the document. For many years it was really good for me to review what I have written the year before, and to see where I was going. It was real confidence building. Now, after twelve years it provides a good document about how the business developed, as an archival document.</i>
5	<i>Yes, I have a current business plan but I don't refer to it. I update it when required, every three years. In three years I'll have to do another one. It is for compliance with Government funding. It's a strategy but we mainly do it for the Government.</i>
6	<i>We update it every three years.</i>
7	n/a
8	<i>It's been updated last year for a three year duration. Triennial funding has hastened creating a new one.</i>
9	<i>We have the plan from 2010 – 2013 and it is not updated at the moment, but we write a schedule each twelve months and have detailed policies and procedures about what we are doing. Informally it's there but due to frequent changes we need to change it quite often. We are funded by the Federal Government on a triennial funding agreement but they change it all the time.</i>

## Appendix 8 - Secondary research

Ebusiness activities were initially analysed through secondary research. Table 41 provides an overview of the main content elements in the art centre websites analysed. The table highlights content that was unique to those websites, for example, two art centres described a return policy of ten days with refund possibilities. Table 41 also provides a description of recent content that was placed on FB.

*Table 41 - An overview of the content found on art centres' websites and Facebook pages*

<b>Art Centre</b>	<b>Menu items and unique website content</b>	<b>Facebook content</b>
1	Exhibitions, directions, contact, copyrights, online sales conditions, supporting galleries, refund.	Exhibitions, artworks, projects, cultural information, donations, media coverage.
2	Gallery, history, FAQ, links to supporting galleries and associated agencies, contact.	n/a
3	News, cultural information, career, photo gallery, exhibitions, gallery.	Exhibitions, cultural articles from the media, promotion of the newsletter, interviews/quotes by artists.
4	Home, shop, about, volunteer, contact, Art centre-artists payment system, works on consignment, tax information, refund.	Merchandise, exhibitions, community events.
5	Artwork, artists, about, interactive camera.	Artwork, art centre, community news, artists at work, artwork in progress, art materials.
6	Emerging art, exhibition art, supporting galleries, latest news, contact.	Exhibitions, artworks, artists at work.
7/8	Artist news, donations, gallery, contact, mailing list, search function. About: Our work (different projects), links (partners), supporters (funding).	Exhibition, artists' biographies, online developments, online sales, enhancing sales.
9	News, contact, payment methods. About: history, videos, art centre operations, exhibitions. Events: current, future, past.	Exhibitions, media coverage, artworks, exhibition invitation, community events.

Table 42 shows that all but one art centre used a business page on FB. The amount of friends/likes on FB ranged from 151 – 2283 fans. Two art centres used Twitter and the following UGC platforms were used by individual art centres:

- Blogger
- Vimeo
- Pinterest

The frequency of updates was relative to the period in which this research was conducted. All art centres updated their FB page in the two weeks prior to this research. Two art centres updated their UGC platforms (other than FB) in the two weeks prior to this research. One art centre that used UGC platforms other than FB did not update those tools in the six months prior to this research. Three art centres updated their news or blog in the two weeks prior to this research. All art centres had more than three interactions per FB post. All websites linked to FB.

*Table 42 - UGC platforms, news, and blog activities*

<b>Participant ID</b>	<b>Type of FB page &amp; number of likes</b>	<b>FB update*</b>	<b>Other UGC update*</b>	<b>News &amp; blog last updated*</b>	<b>User activity on active UGC platforms**</b>
1	Personal (283)	1	4	1	1
2	n/a	n/a	n/a	4	n/a
3	Business (590)	2	2	1	1
4	Business (984)	1	n/a	n/a	1
5	Business (151)	2	n/a	3	1
6	Business (280)	2	n/a	2	1
7/8	Business (896)	1	1	1	1
9	Business (556)	2	n/a	4	1

\* 1 - updated in the last week prior to this research, 2 – updated between 7-14 days prior to this research, 3- updated between a month and 6 months prior to this research, 4- updated earlier than 6 months prior to this research.

\*\* User activity: 1 - much (more than 3 interactions per post), 2 - average (between 1-3 interactions).

Table 43 shows the Google search results obtained upon searching the respective art centres. All art centres were found on the first Google search result page when entering the art centre name. The art centres that represented artists from a single community were found on the first Google search result page, when entering the name of the community. The three art centres that represented artists from more than one community were found on the first Google search result when typing some of the names of their communities. Art centres were also found on Google search when typing names of major artists of the respective art centres.

*Table 43 - Google search results obtained upon searching the respective art centres*

	<b>Search by organisation name</b>	<b>Search by community name</b>
1	First page	First page
2	First page	Partly
3	First page	Partly (The community has two names)
4	First page	First page
5	First page	First page
6	First page	First page
7/8	First page	Partly
9	First page	Partly