



External Web content and its influence on organizational performance

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Abstract

Research into the Internet has experienced a tremendous growth within the field of information systems. In this sense, the recent literature focuses on more complex research topics. However, there is a need to further investigate into the more basic and primary use of Internet, the external Web site to interact with stakeholders. By external, we mean publicly accessible contents. This paper develops a framework that allows evaluation of external Web content of business Web sites and examines the influence on firm performance. Here, external Web content is studied according to three Web orientations: e-information, e-communication, and e-transaction. In addition, differences in external Web content are analysed according to two contingency factors: business size and business industry. To achieve these goals, a sample comprising 288 Spanish SMEs firms was employed. The results show a positive relationship between external Web content and firm performance. Furthermore, this research indicates the existence of complementarities among the Web orientations. Thus, existing e-information was found as critical for enabling e-transaction to impact upon firm performance. Additionally, e-information and e-communication (jointly considered) were found to mutually reinforce the impact of e-transaction on firm performance. The results also confirm that external Web content is not related to business size and differs slightly by business industry.

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Introduction

Today, organizations' Web presence is no longer exclusive to large companies or highly innovative firms. This statement is supported by the high rates of Internet adoption among firms. For example, Figure 1 shows 88% of European companies in EU-5 (Germany, Spain, France, Italy, and the U.K.) are connected to the Internet with no difference regarding business size when considering companies with more than nine employees. The literature on Web adoption recognizes the adoption of an e-mail account as the minimum Web adoption level (Teo *et al.*, 1998; Teo & Pian, 2004). These firms are normally connected to the Internet and have an e-mail account that they use to establish links with customers and business partners. Nonetheless, creating a Web site is the starting point for a firm to achieve the benefits derived from using the Internet. The average of firms with Web site in EU-5 is two-thirds, with a clear relationship between having a Web presence and business size (considered as number of employees) (see Figure 1). As a result, only one-third of companies with fewer than 10 employees have a Web site, while this number is doubled when considering businesses with more than 10 employees. The next,

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