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Abstract:
The paper considers how and why SME retailers use the internet in their procurement processes. Examining retailers' views and reasons, we relate these to existing technology acceptance models, employing a qualitative approach. Although our respondents accepted the pervasion of internet marketing, they believed that a more personalised approach to purchasing was necessary to maintain their competitive advantage. For them, effectiveness in purchasing took priority over efficiency. We argue that this view and the consequent actions were a result of the size of the firm and the nature of the products they sold. Our sample size prevents us from generalising. However, we argue that large scale surveys may miss the nuances of decision-making and that the unique character of SMEs may imply that conventional models of technology acceptance need to be modified to take account of these characteristics. Our findings challenge the assumption that one size theoretically fits all in technology driven procurement.

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1 Introduction

The purpose of this paper is to examine smaller retailers' attitudes towards, and practices in, e-procurement. Although there is now a very well-established and extended literature on the adoption and use of such technologies (Jaska and Reyes, 2010), little of this literature deals with smaller firms, nor importantly, takes much account of the particular role of the owner managers of these small firms. Consequently, the purpose of this paper is to extend the existing literature on e-procurement to small retailers. Furthermore, much of the literature focuses on 'factors' as determinant antecedents. The mostly quantitative research talks about determinants in a very strong sense. As Wang and Ahmed (2009) explain, extant research on e-commerce adoption in smaller sized businesses often focuses on what environmental, technological and organisational factors facilitate or inhibit firms from migrating from traditional physical transacting channels to the Internet trajectory. Although e-procurement has largely evolved in the domain of supply chain management, we feel it is important to recognise it as a marketing channel. Offerings by suppliers obviously form part of their marketing strategy, but as we show later in the paper, retailers' marketing strategies are also influenced by e-procurement.

We argue that such internal and external factors may provide a good general picture of adoption decision-making, but neglect the important nuances of context and processes. Moreover, because antecedents such as owners' attributes are seen post ante, but they may not be as causal or deterministic as the methodology implies. We thus see a need to contextualise these factors in the every day working environment (Anderson and Starnawska, 2009) and the practices of small retailers. As Sainio et al. (2011) point out. Both market and knowledge about customers can be important. In this way, we endeavour to advance our understanding of how these well-established 'factors' actually work in this context. Accordingly, we look at the processes, the attitudes and the practices of smaller retailers and attempt to see how these shape decisions about e-procurement.

Our research problem is the apparent slow take up by small businesses of e-procurement, a system that seems to offer efficiency and cost benefits that should contribute to competitive advantage. Oh et al. (2009) point out that although e-commerce appears to be an attractive option for both large and small companies, the take up by smaller companies has been much more limited (Fillis and Wagner, 2005; Quayle, 2002; *Old fashioned or enlightened? Small retailers' practices in e-procurement* 3 Walczuch et al., 2000) Yet any competitive edge seems vital in the current environment (Kraus et al., 2011; Anderson et al., 2011a), but especially so in the very competitive retail environment. Furthermore, as Flynn et al. (2010) suggest, an integrated supply chain does more than reduce costs. It also creates value for the company, its supply chain partners and its shareholders. Consequently there seems to be strategic advantages (Kraus et al., 2011) in such systems to produce competitive advantage (Collins et al., 2010). Moreover, Jack et al. (2004) argue that small firms are, by nature, constrained in terms of human, informational and financial resources, whilst also being especially dynamic in their quest to seize market opportunities. Yet despite the apparent benefits of cost reduction, speed and

efficiency, small firms seem reluctant to adopt e-procurement. In addressing this problematic, the paper contributes to, and extends, the literature by enriching our understanding of processes. Rather than measuring factors and their impacts we try to contextualise these in processes. We argue that data about the attitudes and the understandings of owner managers (Manral, 2011) are particularly important within smaller firms where the decision-makers may behave differently from the managers of a large firm. Furthermore, we take particular account of the context of decision-making; the particularities of specific products and the nuances of both retail customer and supplier relationships.

Our research objective is to try to reach a fuller understanding of how the perceptions and practices of smaller retailing firms affect their decisions on e-procurement. We believe that decisions in small firms are strongly influenced by the owner/manager's own understanding and attitudes about their firm and their business environment (Middleton and Byus, 2011). Indeed, Lee and Pae (2011) point out how emotions influence technology acceptance. Moreover, this cognitive context is shaped by the products they sell, their market offerings (Collins et al., 2010) and how they wish to sell them. So although the integrated supply chain (Zhao et al., 2010) may appear to be a strategic imperative, owner managers may take a rather different view. We argue that to understand decisions, we have to examine context and practices, going beyond simply measuring factors, to examine the process in which factors arise. Thus our interest lies in the how, the what, and the why issues. This signalled a qualitative approach to relate owners' perceptions to their actions.

Given that we wanted to try to understand decisions in their context, we adopted a qualitative approach. There is a broad consensus that when tackling social phenomena such as networks, rich detail is so essential to the research process that qualitative studies are to be preferred (Blackburn et al., 1990; Chell and Haworth, 1992).

We purposefully sampled small retailers in business sectors where we expected to see differences; differences in independence, differences in context, differences in products, but all city based in Scotland. Informed by the well-established models of technology adoption, we collected data from ten retailers about their views on the virtual environment, their operating environment and what they did and why they selected this practice. We first employed the unified theory of acceptance and use of technology (UTAUT) by Venkatesh et al. (2003) to establish the appropriateness of the model in the small retailer environment. We then analysed the data inductively by the constant comparative method to develop explanatory themes. These themes went some way to explain the reasons why e-procurement was rejected or only partially used. We found that the nature of their product and the retailers' closeness to customers provided broad reasons and some explanation for their decisions. We also found that practical awareness of the potential benefits was high, but the loss of personal involvement was a soundly reasoned strategy not to adopt e-procurement. We concluded that they were not Luddites with their heads in the sand; rather they were very well informed about the strengths of their own businesses. They deliberately chose to focus on what they saw as the effectiveness, rather than the

efficiency, of their buying procedures. Personal involvement was seen to add value.

In the following, we examine the literature to establish what we already know and what, if any, gaps exist. This review helps to explain how this paper fits into the research stream of the topic. We note that most previous work has been about larger firms, so that there is a gap in our knowledge about smaller firms. Nonetheless, small firms are the typical firm, forming some 90% of all firms in the UK, with similar patterns worldwide. Yet, small firms are different from large firms and have a much less formal, more handson management style. Generally, the literature has concentrated on establishing and measuring the factors that encourage or deter e-adoption. There thus seems to be a gap in looking at the processes in which these factors function.

2 E-procurement and the smaller firm

The development of information communication and technology is seen as a key source of labour productivity improvement and economic growth (Anderson et al., 2011a). The use of the internet has revolutionised how business processes are undertaken (Chapman et al., 2000; Raymond, 2001; Schlenker and Crocker, 2003; Jeffcoate et al., 2003; Yu et al., 2008), and this development seems set to continue (Gunasekaran and Ngai, 2008). Fiorina (2005) argues that any information that can be digitised is likely to be so, thus providing greater flows of information within companies and with their external partners. This helps explain the well documented increasing acceptance of online procurement in larger firms (Humphreys et al., 2006; Yu et al., 2008). The ability of internet technology to streamline and, in some cases, reduce the often lengthy supply chains of organisations has led to a lowering of costs (Lancaster et al., 2006). The benefits have been argued to extend to the automation of transaction processing (Gunasekaran and Ngai, 2008); cutting costs (Lancaster et al., 2006; Sharma and Bhagwat, 2006); finding new business (Sparkes and Thomas, 2001) and teaming up with new business partners to better serve customers (Lajara and Lille, 2004).

Online procurement can simplify the process of finding new lower priced suppliers and is generally seen as a more efficient method of undertaking business (Humphreys et al., 2006; Yu et al., 2008). Gunasekaran and Ngai (2008) argue that the business imperative for e-procurement is quite clear. Staffs are expensive, so there is a constant drive to get more from less. Where a technology can successfully take over from a person it is probable that this change will be undertaken. Similarly at the level of the supply chain, disintermediation of existing partners may be attractive. However, this quest for efficiency means that in some cases, the input of individuals is completely removed from the processes (Gunasekaran and Ngai, 2008). This last, but significant, point directs us to consider how the individual is involved in technology acceptance.

Davis' (1989) pioneering work on technology acceptance (TAM) noted the emerging evidence that adoption is neither uniform nor consistent. He proposed that views about the capability of an e-procurement system are likely to be

tempered by perceptions about how easy it is to use. Moreover, we note how the literature shows that the widely acknowledged adoption factors that act as barriers to adoption, are based on subjective perceptions. In turn, perceptions may be related to the firm owner or manager's personal characteristics, experiences and aspirations (Venkatesh et al, 2003). The owner/manager is thus argued to be a key underlying influence in the adoption and use of IT (Southern and Tilley, 2000).

Following Davis' seminal work, numerous studies have applied and modified the original TAM model. One major development has been the UTAUT by Venkatesh et al. (2003). This paper empirically compared eight of the most prominent models of user acceptance in IT and integrated elements to construct a new model (UTAUT). The model merges the most cited academic models of technology acceptance and adoption. Venkatesh et al. (2003) identify four direct determinants from the agglomerated models.

• *Performance expectancy*, this construct is evident in earlier models, starting with TAM (1989) where it is called *perceived usefulness*. This is defined as 'the degree to which an individual believes that using the system will help him or her to attain gains in job performance' [Venkatesh et al., (2003), p.447]. Performance expectancy is seen by the authors as the strongest predictor of intention of all the constructs.

• *Effort expectancy*, this construct was also employed in earlier models, starting with TAM (1989) where it is called *perceived ease of use*. This is defined as 'the degree of ease associated with the use of the system' [Venkatesh et al., (2003), p.450].

• *Social influence*, this construct is the same as *subjective norm* and is defined here as 'the degree to which an individual perceives that important others believe he or she should use the new system' [Venkatesh et al., (2003), p.451].

• *Facilitating conditions*, this constructs includes aspects from several of the models although the specific term used varies. Defined as 'the degree to which an individual believes that an organisational and technical infrastructure exists to support use of the system' [Venkatesh et al., (2003), p.453]. Unlike the previous three constructs that are direct determinants of behavioural intention, facilitating conditions is a determinant of usage behaviour (Venkatesh et al., 2003; Baron et al., 2006).

Although the model has become well-established, it has been criticised for its complexity and lack of parsimony (Raaij and Schepers, 2008). Indeed, Bagozzi (2007) points to the expanding number of independent variables in the model and its derivatives to suggest that a state of chaos has been reached. Baron et al. (2006) make an interesting point about the explanatory power of the model. Noting that UTAUT explains 70% of variance, they ask what happens to the 30% that is not explained. We argue that in addition to this unexplained 30%, the explanatory power of model has not been extensively tried out in the unique context of the small firm where, as we noted earlier, perception and practices

play a critical role. Moreover, these perceptions may also be linked to firm size and the complexity of their operations.

Batenburg (2007) suggests three reasons:

1 If a firm has many employees, it is likely to have many suppliers. Thus, larger organisations will experience greater benefits from e-procurement due to the larger number of purchase orders generated from a larger and more diverse number of suppliers (Karjalainen and Kemppainen, 2008).

2 Firms with more employees are likely to have bigger budgets for IT investments, and will therefore be less restricted in spending on new technologies such as e-procurement (Archer et al., 2008).

3 If companies with many employees have many departments, business units, or establishments with procurements needs, such firms will benefit most from e-procurement given the need for internal coordination and management control.

In considering the reasons behind non-adoption we thus argue that small firms are different from larger firms, and can be seen as a combination of the entrepreneur and their experienced circumstances. Small firms are more 'personal' and subjectively influenced than larger firms (Anderson, 2000) and management processes are more informal (Anderson and Russell, 2011). Wilson and Anderson (2004) argue that many small firms lack expertise and management skills and they may not have the time or resources to implement new ideas. Moreover, decisions are often reached through learning and experience (Chorev and Anderson, 2006).Whilst agility and adaptation are characteristic of small firms (Anderson et al., 2010 [b]) this may be more about survival than strategy (Anderson and Atkins, 2001). Archer et al. (2008) also point to the relationship that the SME has with its supply chain partners, and how this may influence their adoption of technology. This suggests that we must also take some account of the relationship with customers (Zontanos and Anderson, 2004). Moreover, Becker et al. (2010) point to the problem of e-commerce free loaders. The very nature of small firms means that are often strongly situated in social networks (Anderson and McAuley, 1999) of both customers and suppliers (Walters, 2008).

It seems then that the burgeoning literature on the adoption and acceptance of technology in general and e-procurement in particular, has tended to focus on larger organisation (Venkatesh et al., 2003) and may, for the reasons suggested above, have less explanatory power for small firms. Indeed, Redoli et al. (2008) and Bruque and Moyano (2007) propose that the adoption of e-commerce may present specific challenges for smaller companies, noting that this issue is not well researched. Certainly, the evidence is that in general, SMEs have been slower to accept and adopt technology (Archer et al., 2008; Karjalainen and Kemppainen, 2008). Indeed, Houghton and Winklhofer (2004) suggest that e-commerce adoption is actually declining within smaller companies.

In summary, the literature review has identified a gap in our knowledge about e-procurement adoption decisions by smaller firms. Although there is an extensive literature about larger firms, some less well developed issues are specifically relevant to understanding adoption in small firms. These seem to centre on the nature of small firms and the unique role of the owners and the perceptions they hold. The informality of management style and the hands on approach of owners also seems important, as well as their relationships with others. Less subjectively, the size of the firm is reflected in practical issues such as the number of suppliers and the type of product they sell. So these issues are a focus in our enquiry in asking if adopting e-procurement is indeed a strategic imperative for small firms.

3 Methodology

Our focus implies that we need to understand processes from the respondents' perspectives and signals a qualitative approach (Oinas, 1999). Many soft issues impinge on these processes, and these are not amenable to quantification (Hammersley, 1992). Consequently, our research design employed in-depth interviews of a purposefully selected sample of ten retailers. We first operationalised the constructs in the UTAUT model of technology adoption to provide the issues for discussion in our interviews. The interviews were not intended to test the model, but rather to gather data about the views and practices of respondents in the terms of the model. In other words, our interviews were informed by the constructs, but we wanted to see how relevant and useful they were for explaining the practices of our respondents. We analysed the resulting data inductively by the constant comparative method; in effect, looking for patterns in the data and asking what these mean for our research questions (Anderson et al., 2007). Analysing these data involved examining, exploring and looking for detail relating to these themes in the responses of the respondents (Alvesson and Sköldberg, 2000; Silverman, 2000). We did not begin the analysis *tabula rasa*, as is sometimes claimed for such grounded theorising (Glaser and Strauss, 1967). Instead, we used the extensive literature as pre-sensitivity to both frame our interview schedule and to guide our analysis.

3.1 Sampling

Our sample was chosen to provide a theoretically interesting, and hopefully informative, sample frame. Essentially, the sample frame presented a mix of retail types that would shed light on a number of different issues in relation to internet usage and online procurement based on their product type. We started with hi-fi, musical equipment and electrical goods (Retailer 1–4) since this sector was characteristic of changing patterns in retailing and where online procurement may have been significant. Also, it is an example of retailing which has been adversely affected by the internet but because the publicity has been about large companies we also wanted to capture 'independence'. Initially, four companies agreed to participate who were all independent retailers. Next, for comparison purposes, we approached a number of franchise businesses in the same sector and three (Retailer 5, Retailer 6 and Retailer 7) agreed to cooperate in our research. Later, seeking further diversity and by way of contrast, two

furnishing retailers (Retailers 8 and 9) were added who reflected independent retailers in an industry dominated by large chain retailers. Finally, as a total contrast we selected a florist (Retailer 10), a retailer who is directly affected by large supermarket retailers but who appeared to maintain a degree of artisan skill as product differentiation. Other retailers were approached but declined mainly because they did not use the internet and had no intention of doing so. While these contacts may have been useful for examining non-adoption, we felt that our respondents could provide enough appropriate data for comparison purposes. For example, the SME florist (Retailer 10) purchased stock directly from trucks that drive over from Holland and act as mobile wholesalers. Our florist respondent was the only florist who actually purchased stock on the internet, but, he also purchased stock directly from the Dutch trucks.

Thus, our sample was purposeful, or as is sometimes described theoretical. This means that it is not intended to be representative, but has the characteristics and attributes in which we are interested (Anderson and Smith, 2007). Table 1 describes our respondents' businesses.

Table 1 Our sampled companies by business type, number of outlets, date started and number of staff

Type of retailer No. of outlets Date started Staff (approx)
1 Hi-end hi-fi equipment 2 1973 15
2 Hi-fi and general music (shut June 2011) 1 1900 50
3 Musical instruments and amplification 1 1984 10
4 General music 1 Unknown 3
5 Hi-fi (franchise) equipment – 1 3 franchises 2000 4 per store
6 Hi-fi (franchise) equipment – 2 3 franchises 1995 4 per store
7 Hi-fi (franchise) equipment – 3 1 franchise 1997 5
8 Furniture store – 1 1 1989 3
9 Furniture store – 2 1 1932 10
10 Florist 1 1981 6

3.2 Interviews and analysis
The personal interviews were semi-structured to gain as wide an understanding of the various issues involved as possible. We asked questions about their experience of the internet and e-procurement; their business process and practices and finally about their attitudes. The interviews were taped and transcribed.

A content analysis was first used to identify themes. Bryman (2004) suggests that content analysis aims to 'quantify content in terms of premeditated categories' (p.183) and 'allow categories to emerge out of data' (ibid). We then used constant comparative analysis to iterate between data and data, and data and theory. We employed a semi-grounded approach, allowing us to "undertake empirical research which is informed by prior theoretical understanding, but which is not so determined or constrained by this understanding that the potential for making novel insights is foregone" [Finch, (2002), p.57].

4 Findings and discussion

4.1 Overview

We found that our respondents were all computer literate, rating themselves as medium to high users of the internet. Moreover, they were also very well aware of the importance of the internet. For example, Retailer 2 claimed that "it was likely to shape the future of the company." Many told us about their concern about how customers were migrating to internet purchasing. Indeed, Retailer 3 told us "in the next 5–10 years we will see a dramatic change in demand for specialist stores… many will perish." Retailer 6 went so far as to tell us, "the internet will spell the death of high street retail for electronic goods." Retailer 5 explained this will happen because, "as the use of the internet tool sharpens, more and more threats will exist. The public will become more comfortable and confident *Old fashioned or enlightened? Small retailers' practices in e-procurement* 9 online and more and more business will be undertaken online." We were told how the internet had shifted power to the customer, "without a doubt, the customer is far more in control than ever before" (Retailer 5). In practice, as Retailer 6 explained, "people will look round the shop and get the expertise of the staff and then buy online." Several commented on the power of the internet, "where price is king". So our respondents were keenly aware of the extent of the threat to their business.

But a somewhat different picture emerged when they told us about their use of e-procurement; they were more measured in their estimate of its importance for them. Retailer 8 told us, "It's not really appropriate for our kind of venture, given the nature of the business which is very focused on quality not price." We were also told that that the business was tactile in nature, so that pictures were not enough. Retailer 9, another SME furniture retailer stated that their business was still run on a "more on a traditional basis using a rep and purchasing from them or direct through manufacturers." Yet some aspects appealed. Retailer 10 explained how he, "like the idea of using cutting edge technology in the way the company operates as the sector is sometime seen as being run by middle aged women cutting ribbons." Similarly, "real time upload to the B&O factory impresses customers" (Retailer 7). The respondents also had mixed views on the usefulness of e-procurement for them. Retailer 1 explained, "in some niche areas, but not in the main businesses." Retailer 4 added that they "did try integrating the systems and it did not fully work – should work, and might be done if the cash and time was available."

Nonetheless, some internet use benefits were noted. Retailer 8 for example, told us how they "will check on a potential new supplier via their online presence and get a feel for the company prior to contacting them, normally by phone." But the general attitude of our respondents about e-procurement is summarised by Retailer 8 who stated that use 'might become more prominent but there are few obvious advantages to using the internet in this context for this type of business' adding that "the system tends to work via the use of reps, trade shows- basically human contact."

4.2 The explanatory power of the constructs

In this section we consider how well the constructs of the UTAUT model (Venkatesh et al., 2003) explain the behaviour of our respondents. We emphasise that we are not validating the model, but trying to establish the extent of its applicability to small retailers' e-procurement. Moreover, we have no wish to add to the existing complexity of the model by adding new contextual variables. Rather we make a qualitative assessment of the utility of the model in this particular context. Our rational was the gap in the literature which we identified as small business practices. The UTAUT model proposes that IT usage is driven by behavioural intent where intention is determined by attitudes towards use and usefulness. Usefulness is a function of ease of use, whilst both usefulness and ease of use are assessments about using a system to accomplish a task. But as Wixom and Todd (2005) point out, general attitudes are a poor predictor and explanation for specific behaviours. Hence, we contextualise the constructs in the practices of the retail small business environment.

Performance expectancy: Generally, respondents saw the benefit of e-procurement but most felt that it did not fully apply to them. This was partly explained by the nature of their product and the slower turnover of these products. We noted how some respondents had used elements of e-procurement where it was seen to be beneficial. In summary however, the general view was that e-procurement was not well suited to what they sold and how they ran their business. Thus, the usefulness of the system was seen as of limited value and not a better alternative to the existing system of company reps and trade shows.

Effort expectancy: Respondents were, in general, very comfortable with their level of IT skills and they understood how e-procurement worked. So shifting to e-procurement would not require new knowledge or the development of new skills. Consequently effort expectancy was not a barrier to adoption. What was very apparent was not the effort required but the return on that effort as described above. Again this seemed to reflect where the respondents wanted to direct their efforts, towards providing their customers with an expert and personalised service.

Social influence: The way in which others saw them did not appear to be a major concern to the respondents, or to provide a reason to alter their behaviour. Indeed this lack of concern was surprising in the way it appeared to contradict economic theory relating to how companies operating in near perfect competition are likely to react to their competitors. We were told about some push from some suppliers to move to an e-system, but this was not enough to cause change. It seems that the independence of the owner managers meant that social influence was not very significant. Of course, this is the current position and many respondents had commented on the pace of change. In the future, some competitive advantage might be lost if competitors all used more efficient buying processes. Nonetheless, the strength of the comments about personal service to customers, which depended on detailed product knowledge and buying skills, leads us to think that current practices will continue to prevail in spite of economic pressure to compete on prices. Indeed the desire by these retailers to differentiate themselves on issues of service makes sense providing them with a uniqueness with which they are better able to compete.

Facilitating conditions: Given that all respondents were connected and internet savvy, the conditions, the e-readiness, were ripe for facilitating change. Accordingly, the absence of facilitating conditions did not appear to present any sort of barrier. Again however we noted how respondents evaluated the benefits and disadvantages of e-procurement and how this provided an over-arching reason for not taking up the system.

In the light of these responses, we argue that the UTAUT mode appears to have a limited explanatory power for decision-making about e-procurement for these retailers. The core concepts simply appear to be less relevant in the context of how the respondents see, and how they run, their small businesses. Thus, we argue that this context shapes the applicability and explanatory scope of the model. The importance of the factors was thus shaped by existing practices, processes and the respondents views. We found that each of the major elements in the model required substantial adaption to fit the context. Moreover, the extent of adaption required indicated that a new, or substantially revised model with numerous extra variables, was called for to explain their decisions.

In the final section we discuss our comparative analysis of the interview data, where we identified themes in these data. These themes seem to support the argument that the practices and context of small retailing businesses are sufficiently different to challenge, even rebut, the applicability of the model. Moreover, our analysis goes some way to explaining the e-procurement decisions.

4.3 The respondents' practices and perceptions

Because we had asked respondents to tell us about what they did and why they acted in this way, it follows that our data consisted largely of practices and perceptions. But two somewhat different sets of issues emerged as explanatory themes in the interviews; the practical and the perceptual. We deal first with the practical.

For many respondents, the nature of their product determined how often it had to be reordered. Most respondents simply did not need to reorder frequently and, importantly, wanted to know about any changes in the product before re-ordering something similar. Several acknowledged that had their sales volume merited higher levels of ordering, they might be attracted to an automated system. But in the respondents' views the critical issue was about their need to be able to deliver a differentiated, rather than a homogeneous product. E-procurement was seen to impede, rather than improve, their ability to buy and subsequently sell, goods that were suited to their customers' demands.

Product value and price also played a role. Many sales were of high priced tagged products with larger margins, but also accompanied by a lower turnover. This not only affected reordering but also how the products are treated. The products were noted as at risk of becoming technologically or design obsolescent, yet they

are also expensive. This led the respondents to view purchasing as a critical part of their business strategy.

Obviously the florist's (Retailer 10) sales were not 'high priced' in the same sense, but the products were relatively expensive and very perishable. We saw that these factors led the respondents to prefer a more personalised purchasing experience; one where they could not only learn about product changes, but also about what was happening in the market.

However, the respondent's perceptions and how this influences their business seemed to offer the most powerful explanation of their e-procurement decisions.

Perceptions about the product and how it should be sold figured strongly in all the data. Respondents told us that the product had to be seen, and often had to be touched. In many ways, the respondents were placing themselves in the role of their customers, imagining how their customers would behave. Consequently, the tangibility of the product, the physical qualities, formed part of the respondents' decision-making process.

Respondents simply refused to accept that a virtual presentation in e-procurement was good enough to enable them to make informed buying decisions. Yet, paradoxically, six of our respondents told us that the products they sold, could be purchased by consumers online. This seemed to negate the argument about physical presence. But their selling practices held the explanation. In order to differentiate themselves from the online competition they offered a much more personal and expert service. They expected customers to value this service, so that this practice was perceived to add value to the consumers purchasing experience. Superficially, this sounds both logical and good sales practice, but there is no logical reasons for these retailers not to, themselves, buy online.

When we asked about this, it became evident that again, the retailers were mirroring the anticipated behaviour of their customers, they wanted to 'know' the products.

5 Conclusions
The technology of e-procurement offers efficiency, but most often through standardisation and the routinisation of processes and products. For the retailers that we examined, this standardisation ran counter to how they wanted to run their businesses. A critical part of their competitive strategy was to offer a personalised, knowledgeable service to their customers, but the perceptions they held about their businesses practices sat uneasily with how they understood e-procurement. In some cases this was not entirely logical, e-procurement is not antithetical to high levels of personalised customer service. But we saw how the respondents buying practices mirrored how they saw their own customers buying behaviour. From the respondents' point of view, their strength lay in their ability to satisfy customers. This was how they competed, by differentiation in service. Anything they perceived that would reduce this ability, including e-procurement, was consequently unappealing.

This perception about the importance of providing a differentiated service makes strategic sense. Our respondents were acutely aware of price competition and their own vulnerability. They saw this personal engagement as adding value to what they offered. In their practices they needed to 'know' the product in a way that would not be possible online. This need to know the product reflected what they saw as their competitive advantage, the 'knowing' the product was what they sold and was also how they sold.

Personal involvement was thus seen as necessary in providing this unique selling point of personal service. Thus, being closely and personally involved in all the stages of trading was seen as a way to ensure a more differentiated retail service. These perceptions and practices are likely to be limited to small firms. Nonetheless, we argue that understanding both what they do and why they behave in this way is crucial to understanding practices in small retailers. The uniqueness of small business seems to suggest that the tools we use, including the technology acceptance models, for understanding processes in larger firms may not be entirely suited to understanding the unique qualities, conditions and context of smaller firms.

We see some implications arising from this study. For theory, especially explanatory theory, the study shows the importance of the specific context. Many theories of technology acceptance seek to provide a general explanatory account. But as we show, the particular operating environment of small retailers conditions what they see as important and shapes their actions. One theory may not fit all. The practical implications are rather different in that they emphasise that small firms are different from large firms and the owner managers' views strongly influence decisions. Hence from a practical perspective, any promotion, any training and any marketing of e-procurement must take these into account.
There are several limitations to our findings. Although we explored the issues in depth, our sample was limited in size and scope. Accordingly we cannot generalise beyond far beyond our sample. Thus we recognise that whilst our study benefitted from depth, a consequence is the limitation in scope. Whilst our findings hold good for our small sample, they only hold good for that time and that place. Although we are unable to generalise empirically beyond these cases, we can conceptually generalise that these processes are likely to be common in similar contexts (Harbi et al., 2011). Nonetheless we have highlighted how the, possibly unique or even idiosyncratic perceptions of retailers shape what they do. This opens an opportunity to examine perceptions and practices on a much larger scale to establish if our 'perceptions' hold true across the sector and in other small firms.

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