

### Abstract

This thesis contains a mail survey of 2500 companies of the Hong Kong service industry. 497 valid returned questionnaires were involved in the data analysis. The response rate is 24.4%, the sampling error is  $\pm 4.3\%$ . The questionnaire was designed according to a proposed theoretical model of innovation decision.

The proposed theoretical model is built upon mainly Beard & Easingwood and Frambach's supply-side variables, Robertson & Gatignon's incorporation of information-processing characteristics, and Rogers' general framework of innovation decision process. The author suggests that information-processing characteristics, innovation suppliers' influence, perceived external environment, perceived characteristics of innovations, and organisational characteristics will affect the innovation decision process. Among these factors, communication behaviour is of key value to adoption decision.

Results show that adopters' exposure to interpersonal channels, market positioning of the innovation suppliers, and compatibility of an innovation will influence the adoption decision. Also exposure to interpersonal channels and to media, perceived competitive pressure, and market positioning will have an effect on the level of adoption. Perceived complexity of an innovation and exposure to mass media are the only two factors that determines the business models of e-commerce that will be adopted. Perceived customer satisfaction, exposure to media and previous adoption of similar technologies will affect the time of adoption. Finally, market positioning is the only factor that determines the likelihood of future adoption. Further research is recommended to see how these factors influence the decision process and the adoption consequences.