

The Factors Influencing the Adoption of E-Payment System by SMEs

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The research described in this paper reports the findings from interviews with twenty-five Small and Medium Enterprises (SMEs) in various business sectors in Thailand that currently implement an Electronic Payment System (EPS). This research investigates how Thailand SMEs adopt and develop the EPS process, and its requirements that would help benefit them with such adoption, from the perspectives of owner-managers in different business sizes and sectors. Semi-structured interviews were conducted in this research with each individual participant and the interview manuscripts were analysed by using thematic analysis. The findings of this research indicate that SMEs were at the early stage of EPS adoption, supported by informal decision-making processes. The findings show that the current EPS adoption was relatively ad hoc and not supported by a formally defined strategy. The factor affecting SMEs adoption of EPS is owner-manager knowledge, skills, and experience in technology. The method that SMEs generally employ to obtain such knowledge is by observing the EPS activities of other similar businesses in their industry sector and imitating and adapting such activities for their own use. The challenges associated with the adoption and implementation of EPS includes the age of owner-managers and a lack of leadership knowledge.

Key words: *Electronic Payment System; Cashless Society; e-Payment; SMEs; Social Media*

INTRODUCTION

There can be little doubt as to what has motivated the Small and Medium Enterprises (SMEs) to adopt an Electronic Payment System (EPS), the rate of which will continue to increase and to have an enormous impact on SMEs in Thailand. Despite the growing body of research on EPS by both academics and practitioners, existing guidelines for adopting, implementing and

creating it as a business strategy in Thailand still lack research support. Within the wider context of EPS, initiatives, particularly the ways large, medium and small businesses engage with such initiatives, appear to differ (Hamidianpour, Esmaeilpour, & Daryanavard, 2016; Mkansi, 2021). Hence, it is vital to have a clear picture of EPS adoption in practice and to discover critical issues and requirements that influence the formulation and adoption of EPS strategies. Indeed, this requires a formal strategic goal and long-term vision. It can be stated that the patterns of issues and challenges with respect to EPS faced in many businesses have been studied, based on their business contexts (Jocevski, Ghezzi, & Arvidsson, 2020; Kaur, Dhir, Singh, Sahu, & Almotairi, 2020; Mkansi, 2021). The findings that will be described in this paper were thus developed in response to these patterns of issues encountered by such businesses.

This study chose to focus on Thailand because Thai people were reported to rank in the top three highest levels of internet access via smartphones in 2019, according to Digital 2020 Global Overview (Kemp, 2020). Moreover, Thai consumers were amongst the world's heaviest users of social media (SM), with nearly 75 percent of the population accessing the internet daily (Kemp, 2020). In the same vein, as recently reported by the BOT (Bank of Thailand, 2020), the number of transactions processed through e-Payment by Thai SMEs has continually increased from 2018 to 2020 (Bank of Thailand, 2020), with an average of 4.5 million transactions at 5,000 baht (200 U.S. dollar (USD)) per day per person (Bank of Thailand, 2021). This has resulted in additional regulations upgrading the IT risk management standard of e-payment service providers to be in line with the standard applied to financial institutions, as announced by the Bank of Thailand (2021). Obviously, the emergence of e-commerce plays a vital role in the ways of doing business that is in line with the rising internet penetration. Many business owners take into account the benefits of adopting a new alternative technology with a long term perspective (Mukherjee & Roy, 2017). EPS is considered by SMEs that are hoping to change the traditional payment methods (Yao, Di, Zheng, & Xu, 2018). However, it has been found that in spite of the exponential growth of EPS as part of the global business model (Bezhovski, 2016), the rate of EPS adoption as a strategy by Thai SMEs has remained unclear, in that most of the reported adoptions are conducted merely as additional payment tools or even payment options (such as weekly, fortnight, or monthly). This implies that Thai SMEs are currently at the early stage of EPS adoption where such SMEs are more likely to learn how to effectively integrate their existing corporate strategies, particularly traditional business strategies combined with social technologies, to help them engage with current and potential customers through whichever way they prefer to communicate. Indeed, EPS strategies require a variety of resources in new forms and situations. This also suggests the need for a systematic examination of the fundamental requirements in relation to the resources and capabilities underpinning EPS strategies. This paper, therefore, aims to contribute to overcoming this gap in knowledge.

This research study defines EPS as 'online payment transactions in various electronic payment devices (like electronic card payment, internet banking, e-money, QR codes, mobile-banking,

PayPal and so forth) through the use of internet access. The aim of this research is to investigate the phenomenon of EPS in SMEs in Thailand by addressing the following research questions:

- What is the current level of EPS usage/strategy in SMEs located in lower northern Thailand?
- What factors affect SMEs adoption of EPS ?
- What are the challenges and requirements for EPS adoption by SMEs?

LITERATURE REVIEW

The implications of EPS in SMEs

Prior EPS literature has shown that the key to adopting EPS lies in extending traditional commercial strategies to the business's entire extended social network, which is a dynamic and evolving organism encompassing its customers and suppliers (Jocovski et al., 2020; Madzimure, 2020; Mkansi, 2021; Mukherjee & Roy, 2017). EPS is considered as the backbone of e-commerce and one of its most crucial aspects (Bezhovski, 2016). Given that an effective EPS strategy needs to be able to identify SM users' needs (whether they are customers or not), understanding web users' social behaviour is therefore essential at the first stage (Appel, Grewal, Hadi, & Stephen, 2020; Izogo & Mpinganjira, 2020; Kar, 2020). On this basis, business begins with the common model of payment methods where they initially offer a unique experience in exchange for the customers patronage by making it easy to add their shopping cart features with various online payment methods in an official commercial web site. Consequently, EPS has been attributed as an alternative payment model. This means that an EPS strategy stems from a solid existing financial strategy foundation incorporated with SM platforms to keep track of events and manage sales and marketing processes (Swiecka, 2018). EPS strategies therefore need to be supported by associated technologies, systems, processes, and tools. With the synergy and support of these elements, an effective EPS strategy will result in mutually derived benefits characterised by a fundamental shift in the payment environment between the business and its stakeholders (Mondego & Gide, 2020).

In Thailand, the Organisation for Economic Cooperation and Development, (OECD) defines business size based on employee numbers and its fixed capital excluding land and properties (OECD, 2020a). The term small-sized businesses refers to all businesses with less than 30 employees with a fixed capital of no more than THB 30 million (1 million USD), while medium-sized businesses refer to all businesses that employ more than 30 employees but fewer than 100 persons with a fixed capital of no more than THB 100 million (3 million USD) (OECD, 2020a). SMEs in Thailand account for 98 percent of all businesses in Thailand. According to Monetary Policy Group (2019) report by BOT, although e-payment usages continually increase in Thailand, cash usage still remains a common and widely accepted payment system. This can

raise the issue of whether such SMEs have recognised and fully invested in EPS initiatives where SM plays an important role in their business commerce.

The reason why SMEs do not fully invest in it may be due to the challenges associated with such an adoption. One important challenge is how to effectively harness the potential and collective intelligence of EPS which is constantly evolving in response to a changing environment. With the trends of e-commerce, a cashless and aging society leading to structural changes in Thai economy, the government and policy makers have developed a payment infrastructure that has contributed to the long term potential growth (OECD, 2020b). In this sense, businesses must transition their practices from one generation to the next. This means that not all consumers prefer to conduct transactions and to engage with online payment. A recent study conducted by BOT indicates that the e-payment usage is limited to certain groups, particularly adolescents, students and working-age people between 30-40 years of age (Monetary Policy Group, 2019). Also, given that EPS is not merely confined to the technical specifications but rather involves the business structure and environment, transformations in both of these areas are deemed essential for the adoption of EPS (Mshvidobadze, 2018).

The intention of EPS adoption by SMEs

Previous empirical investigations on factors influencing the intention of e-payment usage by consumers include perceived usefulness (Bailey, Pentina, Mishra, & Mimoun, 2017; Brakewood, Ziedan, Hendricks, Barbeau, & Joslin, 2020), perceived ease of use (Kaur et al., 2020), attitudes (Fan, Shao, Li, & Huang, 2018), cultural factors (Junadi & Sfenrianto, 2015), performance expectancy (Junadi & Sfenrianto, 2015), perceived security (Tiwari & Singh, 2019), trust (Cao, Yu, Liu, Gong, & Adeel, 2018; Mondego & Gide, 2020), social influence (Yang, Mamun, Mohiuddin, Nawi, & Zainol, 2021), governance issues (policy)(Kar, 2020; Widayat, Masudin, & Satiti, 2020), and consumer behaviour (Kaur et al., 2020; Sivathanu, 2019). Although all such constructs have reported positively direct and indirect impacts on consumers' intention to continue using e-payment, the intentions of EPS adoption based on SME owners' perspectives are still unclear. Possible reasons could stem from internal factors such as age, gender, knowledge and experience, age of business operation and business context — or external factors such as changes in consumer behaviours, changes in technology, and market and government forces. These factors could be perceived as potential predictors depending on business characteristics and traits of the SME ownership. From the owners' perspectives, the service quality will directly affect customers' intention for repeat purchase (Ahmad, Bhatti, & Hwang, 2020; Ho, See-To, & Chiu, 2020; Iqbal, Bhatti, & Khan, 2020). Meanwhile, confidence in security and the complexity of technologies where SMEs advocate the acquisition of complex technologies to enhance business performance make businesses remain reluctant to fully commit to EPS.

Approaches for EPS adoption in SMEs

Three types of approaches can be considered for EPS initiative adoption – leadership with high technical knowledge and skills, managerial support readiness and proactive learning and competence management. These enable SMEs in Thailand to leverage their technological, human, and other business-related resources/capabilities effectively and efficiently to achieve the fundamental requirements of EPS adoption and implementation.

The first approach, that of leadership with high technical knowledge and skills, involves the ability to blend existing corporate vision, strategy and practice, coupled with knowledge of technologies and trends, into EPS concepts of value creation (Igudia, 2016). Previous empirical research indicates that most owner-managers often lack requisite technological knowledge and skills in IT (Bradshaw, Pulakanam, & Cragg, 2015). Insufficient skills and technical knowledge, combined with the uncertainty regarding the suitability of ESP for their businesses and the appreciation of the benefits of SM, remain as crucial impediments to investment optimisation in the short to medium terms for Thai SMEs countrywide (ISEAS-Yusof Ishak Institute, 2020).

The second approach – managerial support readiness – reflects the importance of effective owner-managers of SMEs as a fundamental element in effective completion of an EPS project (Igudia, 2015). The involvement of SMEs owners will ensure funding for the project and enhance employee awareness of the importance of EPS adoption. The failure of implementing EPS in business could stem from the fact that the EPS is developed and implemented solely by inexperienced executives and troubled by the absence of required resources, trust, security, cooperation, and mutuality of benefits; while key users and actors such as employees, customers and related stakeholders are excluded from being involved in the design and development of such a system. Effectively managing changes in relation to people, process and technology is indeed one of the biggest challenges in EPS implementation, and this requires strong support from top management (Yusof, Hariri, Taheer, & Omar, 2018).

The third approach involving proactive learning and competence management is an internally-focused strategy aimed at learning, adapting and applying new innovation to one's own business context (Kaur et al., 2020; Widayat et al., 2020). The concept of stakeholder mutuality has been applied to the adoption of EPS (Oh et al, 2006). This is also related to the empowerment of the businesses where the leader unifies followers through shared vision, trust and common values, to enable smooth adoption of new and changing technologies and systems (Azmi, Ang Yen, & Talib Siti, 2016; Cao et al., 2018). However, the less hierarchical nature of business structures characteristic of smaller businesses offers opportunities for direct communication and close interaction between employer and employees, thereby facilitating the creation of a more unified culture and making the exploitation of learning resources for new knowledge creation more straightforward (Kaur et al., 2020).

Perceived challenges of EPS adoption in SMEs

Previous research indicated that the challenges of e-payment adoption by consumers are price value and attractiveness (Mondego & Gide, 2020). Indeed, consumers tend to adopt EPS if the aforementioned costs were outweighed by the benefits of the payment system. In the same vein, SMEs might be attracted to adopt an EPS if their integration costs were compensated by benefits such as increased revenues, lower transaction fees, and reduced risks and costs associated with non-sufficient funds (Lorenzi, Vaidya, Chun, Shafiq, & Atluri, 2014; Mkansi, 2021). SMEs face a myriad of challenges ranging from resource shortage, uncertainty of change, technology, and an absence of partnerships, networks, and alliances. These challenges hinder collaborations among supply chain partners and consequently affect SMEs performance. Lack of appropriate technologies has also been cited as an impediment to SMEs' collaboration, innovation and growth.

METHOD

The research reported in this paper was exploratory in nature, using a qualitative approach through personal semi-structured interviews aimed at finding out about the current level of EPS strategy, methods of implementation, challenges, and requirements of EPS initiatives amongst SME businesses. The research, conducted in Thailand, focused on SMEs across 25 different business sectors located in the central business district (CBD) of Phitsanulok province—all of which were using EPS. The potential participants (one informant from each business) represented a wide range of businesses of different types, sizes and sectors as well as business ownerships, managers or the persons that played a crucial role in making decisions on the adoption of EPS by the businesses.

The interviews lasted approximately 30 to 45 minutes and focused on the participants' experiences and opinions on their EPS strategies/practices and how their businesses implemented such strategies/practices. This included the challenges and requirements for EPS adoption by their businesses.

All the interviews were recorded and later transcribed. When transcribing the interviews, the participants' names were replaced with code numbers. The participants of this research were assigned the codes Biz1_O and Biz2_M "Biz" refers to business, "O" indicates Owner, "M" stands for Manager or interviewees who worked in the area of marketing management. The details of the number of employees, position of the interviewee, location, and business sector in each case are summarised in table 1. The qualitative data from the semi-structured interviews were analysed using thematic analysis by applying the principles of grounded theory to support thematic coding (Strauss & Corbin, 1990). In doing so, all interviews were transcribed verbatim, then analysed and summarised according to emerging themes using thematic analysis techniques (Miles & Huberman 1984).

The quality of the qualitative data analysis depends on repeated and systematic searches for the data (Lincoln & Guba, 1985; Merriam, 1998). To achieve this, repeated coding needed to be performed to review interpretations (Strauss & Corbin, 1998). The coding process was then conducted iteratively using thematic coding, a number of coding was iterative, and a sample of coding was reviewed and checked by the researchers (Strauss & Corbin, 1998). Indeed, the coding process and analysis involved a number of iterations before reaching the production of themes (Creswell, 1998). The major themes including powerful quotes (in participants' own words) were identified and are reported here. The next section outlines findings in the form of the major themes that emerged from the data analysis.

Table 1: Summary of interviewees' details

Participants and Positioning	No. of employees	Business sector	Year of operation
Biz1_O	1-30	Retail/wholesale	Less than 1 year
Biz2_O	1-30	Tourism	Less than 1 year
Biz3_O	1-30	Food/beverage	Less than 1 year
Biz4_O	1-30	Retail/wholesale	Less than 1 year
Biz5_O	1-30	Retail/wholesale	1 to 3 years
Biz6_O	1-30	Automobile	1 to 3 years
Biz7_O	1-30	Education	1 to 3 years
Biz8_O	1-30	Food/beverage	1 to 3 years
Biz9_O	1-30	Retail/wholesale	3 to 5 years
Biz10_O	1-30	Agriculture	3 to 5 years
Biz11_O	1-30	Education	5 to 10 years
Biz12_O	1-30	Tourism	5 to 10 years
Biz13_O	1-30	Retail/wholesale	More than 10
Biz14_M	1-30	Retail/wholesale	More than 10
Biz15_M	1-30	Financial/insurance	More than 10
Biz16_O	31-100	Agriculture	Less than 1 year
Biz17_O	31-100	IT/appliances	1 to 3 years
Biz18_M	31-100	Food/beverage	1 to 3 years
Biz19_M	31-100	IT/appliances	5 to 10 years
Biz20_O	31-100	Food/beverage	5 to 10 years
Biz21_M	31-100	Retail/wholesale	5 to 10 years
Biz22_O	31-100	Retail/wholesale	More than 10
Biz23_M	31-100	Tourism	More than 10
Biz24_M	31-100	Financial/insurance	More than 10
Biz25_M	31-100	Financial/insurance	More than 10

FINDINGS

Of the 25 respondents, 60% (15 respondents) were from small-sized businesses followed by 40% from medium-sized businesses. The number of business owners represented 68%. Most of the respondents reported that their businesses were of the retail and wholesale sector. The average age of business (number of years in operation) was less than five years, as shown in table 1.

1. State of EPS adoption as strategy

- *Customer engagement*

There was a consensus among respondents indicating that one of the main reasons for their business's decision to adopt EPS was to use its EPS to bring about superior engagement with customers and to build positive customer experiences into their brands. By integrating SM into a traditional website, EPS was seen as a 'strategic engagement' tool (alternative payment options) to create more attraction through a payment method for existing customers and prospects, and to build positive customer experiences compared to competitors who had not adopted it. *"You know engaging consumers desire greater engagement with brands... For customer convenience, the new payment options were added to outrace our rivals [Biz12_O]"*.

In a highly competitive and dynamic environment, SMEs were increasingly focusing their efforts on customer insights or a deep understanding of the demographic, psychographic and behavioural attributes of their customers. To gain customer insights, as demonstrated by the interview findings, different approaches to EPS were used to manage different types of customers. EPS was incorporated with e-commerce with the focus on online customers (and requiring shipping services), while offline customers did not need shipping services as they took their items right after payment. *"The business level and the individual level... it becomes a robust strategy. [Biz14_M]"*.

- *Process of EPS uptake*

Most of the respondents, regardless of business size, stated that their business was at the early stage of EPS adoption, supported by informal decision-making processes. Such adoption was related to the age of owners and technological knowledge. This was due to resource/knowledge constraints related to the small size of most businesses in the sample, which imposed barriers to the development and formalisation of EPS as a well-defined strategy. *"No, I would say at this stage that it's more of an ad hoc than a defined strategy. We do not have a process behind it to really push and control it. It is about generations and trends. [Biz6_O]"*.

Due to the absence of a formal, defined EPS strategy, ownership and managers in SMEs were characterised by high levels of informality and personal knowledge. *"So, yes...not formal. But*

certainly, a lot of informal decision processes take place, so it is intuitive [Biz17_O]". Although their businesses were engaged in EPS, no concrete business objectives were tied to such an initiative. At this stage, the objectives of EPS adoption were linked to the objectives and benefits of their business context and their customers. *"I don't think there's any hard and fast business objectives tied into it. The reason behind EPS adoption is to increase accuracy and seamless transactions [Biz18_M]*". However, only a few respondents from medium-sized businesses stated that their business developed specific metrics for measuring the direct impact of EPS activities on its business objectives. *"We worked out what metrics we could measure, and then we matched that against our business goals and objectives. We have both financial accounts one for EPS, the other for cash payment [Biz21_M]*".

2. Insights into EPS implementation in practice

- ***Planning for EPS investment***

When asked about the methods of implementing EPS that was currently being used in the business, most respondents reported their business's 'in-house' investment in EPS and that initial ideas came from themselves. *"I made a decision to implement it. We grew up with technology and can understand our customer's thought process [Biz2_O]*".

It was also noted by all respondents from medium-sized businesses stated that young businesses with 'good cash flow', 'younger people' and 'professionals' were more likely to see the social opportunities offered by EPS, compared to long-established businesses. *"Just... cash flow...Because we are a young business, I think we probably understand the social opportunities better than older businesses. [Biz16_O]*". At this stage, the low cost of investing in SM sites in terms of IT and infrastructure was found to attract many responding businesses to adopt and use SM communication channels – the 'social' part of EPS. *"Yeah, it's actually quite low...and the outlay in terms of infrastructure, IT software/ hardware is zero as our staff have IT knowledge, they are young, and they know how to work on it [Biz17_O]*".

- ***Business conditions***

As pointed out by most respondents, changes in the business's culture brought about by EPS adoption necessitated the need for management to empower social process – or create a shared vision among individual staff – that generated consensus and significant employee involvement. *"The challenges really are in how to build a business culture that caters to individuals' understanding and needs [Biz15_M]*". Most respondents from the SMEs also noted that the selection of ways or options to manage changes within their business to support their EPS adoption was pragmatic, flexible and nimble and considered their context-sensitivity. *"you've got to be a pragmatist as well when you run a business [Biz1_O]*".

- ***Recognising the role of employees***

Almost all the respondents indicated that the idea of bringing EPS into their business was initiated by the owners, who played a key role in managing and monitoring EPS activities. *“It’s our boss, he takes full responsibility for EPS. [Biz23_M]”*. In addition, it was evident from the analysis that in small family businesses, managing and implementing EPS were a ‘shared responsibility’ of family members particularly the ones with an expertise in the IT area. *“EPS cuts across many different functions of our organisation. So, in a sense, it is a shared responsibility and we take shared ownership to work together across different functions... Like my sister, she is good at social media and different types of electronic payment... She taught us [Biz10_O]”*.

3. Challenges to the adoption of EPS

- ***Uncertainty of EPS***

The analysis also revealed that a number of respondents were uncertain about the applicability of EPS to other areas of the business. Many respondents admitted that the external factors that forced SMEs to uptake EPS stemmed from the government policy that attempted to drive digital services and increase efficiency as well as pressures from stakeholders, competitors and suppliers. In the absence of such e-payment technology, businesses could miss opportunities in a competitive market. *“Definitely.... rivals, government and our suppliers force us to uptake it. We need to perform well otherwise we’ll lose the market share, could be more difficult to stay in the market [Biz20_O]”*. Another key barrier to adopting or implementing EPS identified by most respondents involved a lack of skills and expertise to identify and use resources properly. *“One challenge is to find somebody, to find a resource... it’s a long-term thing. [Biz9_O]”*.

A lack of time, resources, and expertise to manage the current financial system and SM presence in their workplace and an inadequate change in associated corporate strategies were mentioned by most respondents as important challenges resulting in reluctant and hesitant actions to further implement full-scale EPS activities. *“I don’t see that as being realistic unless we had a complete change of strategy and thorough resources, but I can’t see that happening. [Biz7_O]”*.

- ***Controlling and monitoring***

Many respondents pointed to the need for a business to develop a policy that controlled the checking of customer’s payment via EPS by their employees. Checking carefully every single transaction was essential to ensure the consistency and accuracy of all monetary transitions received from customers. *“If you have a policy that your employees can check... We are open*

at 3.00 a.m. daily, sometimes the system is being updated and customers make a payment during that time [Biz13_O]”. There was an agreement among respondents that ease of use of EPS was a crucial factor for EPS implementation. However, the age of customers could also be an obstacle: “...if I can actually do it, it is easy to use, but I don’t think like that because our elderly customers do not use it. [COM2_M]”.

4. EPS Requirements

- **Top management support and resources**

There was a general agreement among respondents that while EPS was valuable for all sizes of businesses; larger businesses with high-frequency payment transactions, due to being well-resourced, were in a better position to utilise and capitalise on opportunities offered by EPS, compared to their smaller counterparts. Larger businesses were viewed as possessing advantages over small businesses in their ability to create hybrid structures to manage EPS properly. “I think all small businesses would really struggle with that...big businesses are recognising that it’s all those things. [Biz25_M]”. Most respondents reflected that strong support from senior management was considered by all the respondents as one of the most important factors for effectively engaging in EPS. “Yes, I do believe that our EPS initiative has been supported by our managing partner and senior leadership team. For those who struggle with this, yes, it is a big issue for them. [Biz5_O]”.

- **Knowledge is key**

As mentioned by many respondents, especially those in medium-sized businesses, providing education or training to all staff members was crucial in enabling the adoption of EPS and minimising problems associated with such an adoption. “Education is key. If we provide education as to the value this can bring to more people across the organisation, then... our true understanding... [Biz22_O]”.

There was a general agreement among respondents that the adoption and implementation of EPS essentially required skilled employees who were competent and had experience in managing such a complex initiative. “So, I need to equip people with skills and tools to help me manage it. [Biz4_O]”.

Several respondents from SMEs indicated that the implementation and execution of their EPS initiative were still in a learning process and believed that good knowledge and understanding of new technologies associated with EPS were critical. Such knowledge could be obtained by imitative learning and adaptation through observing other similar businesses. “I can go and look at all my competitors and see what they’re doing... and I can just copy what they’re doing but try and do it my way [Biz8_O]”.

DISCUSSION

This section presents a summary of EPS implications towards SMEs in relation to the key themes identified in the previous section. This includes a provision of key considerations for EPS requirements from the findings of the analysis. The section aims at gaining a deeper understanding at a more detailed level in relation to strategy, implementation, challenges and resources required of EPS initiatives by businesses in Thailand.

The following five implications of EPS have been identified:

Implication 1: EPS as a tool to support marketing strategies

EPS involves using SM capabilities and technologies to expand and deepen the traditional marketing approach. The emergence of EPS has changed the scale and perspective of brand involvement in SM and has raised businesses' engagement levels with customers and people. As evident from the analysis, building brands by offering alternative payment methods is one of the key objectives for EPS adoption, and thus EPS is usually seen as a 'marketing support strategy' that allows businesses to revitalise the relationship with customers/people by creating a deep-seated change in brand attitude, building a new meaningful relationship that places a particular focus on the idea of business modernisation, and incorporating customers' more positive experiences into brands (in terms of technology). Thus, it would appear that in the future, building business model transition, for example, encouraging offline customers to make the switch online will become easier and will continue to be a key objective for EPS engagement by businesses (Azmi et al., 2016). As such, the adoption of EPS is not merely considered as a technology that equips SMEs with tools to solve financial transaction problems, but it also indicates the business's level of readiness for their stakeholder relationship management (e.g. suppliers, distributors and so forth) (Madzimore, 2020). Particularly, it will make the shift from cash to e-payments more plausible for Business to Business (B2B) transactions.

Implication 2: EPS uptake by informal practice

The implementation of EPS by SMEs, as found from the analysis, has been relatively ad hoc, and superficial. None of the businesses in the study's interviews have 'fully' and formally integrated EPS into their business operation. This could, perhaps, reflect their early stage of SM integration into existing e-commerce systems, leading the processes of managing and monitoring EPS system to be characterised by high levels of informality, personal knowledge, experiment, and abstraction. Businesses at the early stage of EPS adoption understand the need to master a steep learning curve and are prepared to work with new technologies. These businesses also prefer not to change their current successful strategies, but rather to add new strategies that support EPS to their successful ones. The view adopted by these successful

businesses is that growing business too fast can rapidly bring a lot of problems that are difficult to be managed effectively. At this stage, the financial account of SMEs was separated between online payment and offline payment (cash).

Implication 3: Methods of implementing EPS based on business context

Developing an in-house EPS system was the approach most often reported by small businesses compared to medium businesses. At this stage, such businesses do their own research by observing publicly available information on the activities relating to EPS or social networking of competitors or other businesses within their industry sector, and by subsequently imitating and adapting the best practices that are most relevant to their business or that most fit their organisational culture, resources, and customer base. There is a consensus among businesses, regardless of their size, regarding a creation of a shared vision of a customer-centric culture at the individual, team and business levels, and an integration of such a shared vision to EPS objectives and strategies.

Implication 4: Top management knowledge

At the early stage of EPS adoption, the awareness of the importance of knowledge as a key to achieve EPS adoption is crucial for senior management. Strong IT leadership with extensive knowledge of managerial responsibilities including developing and implementing departmental programs, monitoring programs and analysing operational processes—enables a business to acquire new technical capability and capacity that allow them to accomplish its mission and reach its goals (Yusof et al., 2018). In specific, a manager generally creates an informal plan for the EPS project and assigns suitable staff to particular tasks. Marketing staff are typically responsible for planning, implementing, and managing EPS related activities, while IT staff are responsible for developing and monitoring technological platforms or applications that are built to support those activities. Assigning a role to a specific individual or the right business units to encourage the flow of new EPS knowledge into their business helps business to acquire new capabilities and competencies to engage in EPS. Moreover, ownership with competencies in IT have the ability to proactively find out new ways for using social technologies to engage with customers, and to redesign their core business processes in order to maximise their values due to the current technological advances and the pace of environmental change.

Implication 5: Barrier for EPS initiatives

Barriers to EPS adoption and implementation include a lack of knowledge, skills, and expertise on how to use SM technologies effectively and how to integrate such technologies into a financial system smoothly and efficiently. Specifically, early technology adopters such as younger people and professionals tend to be more aware of the potential value offered by EPS

and to increase their investment in such an initiative, compared to older people and non-professionals. Indeed, the age and experience of owner-managers have significantly impacted upon such adoption and usage. This consequently leads to the reluctance to fully invest in EPS in terms of time and resources. It is also evident from the analysis that new businesses with a consistent and high-frequency payment transactions and a well-managed system are in a better position to capitalise on new opportunities offered by EPS. Moreover, government policies and a fundamental welfare program proposed through the EPS, particularly the Thai government's co-pay scheme, to help cut the general public's cost of living, make the adoption of such technologies inevitable as customers must pay via the use of EPS. Hence, SMEs that deny the existence of these suppositions could lose the market share to their competitors or even the opportunities provided by governments in the future (Widayat et al., 2020).

CONCLUSIONS

Based on the evidence that emerges from the study, it was clear that EPS adoption is seen by SMEs as 'a supporting strategy' tool that incorporates elements of marketing, sales and customer services. However, such adoption was relatively ad hoc and not supported by a formal defined strategy and policy framework. At this stage, given their awareness of the importance of knowledge as a key to success in EPS adoption, the method that businesses generally employed to obtain such knowledge was by observing EPS activities of other similar businesses in their industry sector, and imitating and adapting such activities for their own use. Typically, developing an in-house EPS system was a predominant practice. There were two main concerns from businesses about the challenges associated with the adoption and implementation of EPS: the first regarding significant factors related to the age and experience of owner-managers that impacted EPS usage, and the second related to a lack of leadership knowledge. Since the planning and execution of EPS in Thai SMEs relied heavily on the knowledge and technological skills of their owners, it was thus crucial for the organisational leaders to have sufficient knowledge of what EPS was and how such an initiative was important and relevant to their businesses, as this would help ensure the long-term implementation of such an initiative. Specifically, leadership with high technology knowledge was a key resource in developing strategic plans and implementing EPS.

LIMITATIONS

This study had several limitations that point to future research. First, due to the nature of the data available about the current situation of EPS in Thailand, this study was limited by its focus on the current level of EPS strategies, methods of implementing such initiatives, challenges and requirements for EPS adoption perceived by senior managers. As this study was exploratory in nature, the researchers were unable to test the extent to which different factors influenced the adoption decisions of EPS by Thai businesses. Second, the use of a single informant in each business – focusing on higher-level managers and ignoring lower-level staff



and customers – could introduce potential biases. Thus, it may be argued that conducting more interviews could provide a deeper insight into the issues regarding such initiatives. Third, the findings may only reflect the specific characteristics of businesses in Thailand and may not therefore be generalisable to businesses in other economies.

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