Electronic Commerce & Rural Economic Development

Helping Rural Businesses Prepare for the 21st Century

William M. Bomash
Agriculture Outlook Forum 2000
Arlington, Virginia, Feb. 25, 2000
Challenges to Rural Communities

- Increasing economic uncertainty
- Changing demographics
- Changing social values
- Changing societal norms
Communication Technologies

- Explosion of new technologies
- Telecommunications: the technology of the information age
  - Broadcast
  - Internet
  - Wireless
- Access any time, anywhere
- Interactive
Urban/Rural Digital Divide

• “Falling Through the Net”

• Urban/rural dichotomy
  – Access to new telecommunication technologies
  – Use of computers
  – Technical education and acquisition of skills
  – Access to employment in technology fields

• Increasing importance of E-commerce for rural communities
Access Minnesota Main Street
enhancing rural development through
electronic commerce

About Main Street

Curriculum

Participants

The Access Minnesota Main Street project is coordinated by the University of Minnesota Extension Service. For questions or comments, contact mainstreet@extension.umn.edu.
Project Description

• Introduces small rural business to e-commerce

• Allows them to “try it out” for 6 months at no cost

• Nearly 400 business have taken part in pilot project
Partners

University of Minnesota Extension Service

U.S. Dept. of Agriculture

Onvoy

Local Internet Service Providers
Objectives

• Understand what e-commerce is
• Learn to use the internet as a tool to:
  – *Find new suppliers and markets*
  – *Research new product lines or services*
  – *Check out competition*
• Decide if a web presence is right for their business
• Learn the process of creating a web site
• Learn techniques to effectively promote a web site
• Learn how to incorporate e-commerce into a business plan
Format

- 16 hours of instruction
- 4 sessions
- Taught in computer lab
- 20 participants per workshop
- Instructor & several “helpers”
- Pool of instructors and helpers
Content

1. Electronic commerce basics
2. Finding business information and services online
3. Exploring e-commerce websites
4. Creating your website
5. Promoting your website
6. Developing your internet business plan
Types of Businesses

- Chambers of commerce
- Supermarkets
- Libraries
- Newspapers
- Lawn care services
- Manufacturers
- Auto dealerships
- Farms
- Resorts
- Computer services
- Art galleries
- Orchards
Success Stories

Lawn Care Business

Needlepoint Shop

Hog Producers
Challenges

• Demand far exceeds current capacity
• Curriculum ages rapidly
• Heavy demand on staff
• Repackaging program for different audiences and using different delivery methods
• Assuring sustainability & securing additional funding
Successes

- Targets small rural businesses
- Encourages local business expansion
- Stimulates creation of new businesses
- Creates demand for improving telecommunication infrastructure
- Fosters business to business interaction
Next Steps

- Expand program beyond pilot phase
- Secure additional funding
- Explore new partnerships
- Develop alternative delivery schemes
- Develop process to collaborate with other state extension services
Access Minnesota Main Street Contacts

William Bomash
Information Technology Leader
612-625-8776
willie@umn.edu

OR

Rae Montgomery
Distance Education Specialist
612-624-2773
rae@umn.edu
Fall 1999 Summary

The Access Minnesota Main Street project teaches business owners in rural communities about the importance of electronic commerce for their businesses. Training is hands-on with comprehensive on-line curriculum designed especially for the program. Participants learn where to find resources and reach new markets. They prepare themselves and their business to compete in the worldwide electronic marketplace.

In the last year, the Access Minnesota Main Street electronic commerce course has been delivered in 13 communities in greater Minnesota: Grand Marais, Redwood Falls, Cambridge, Wabasha, Elgin, Lake City, Preston, Benson, Moorhead, Grand Rapids, Pine River, Walker and Oakdale.

250 people have participated in the course, representing businesses in the areas of tourism, agribusiness, the arts community, retail, service industry, and manufacturing.

Many of the businesses have 1 or 2 employees. Some are startup businesses and businesses that are internet-only, without a physical store. Some are farm families looking for alternatives to traditional farming practices. Some are stay-at-home moms who manufacture craft items from their homes. Some are retired persons seeking new challenges and income. Some run bed and breakfasts or small resorts and know their livelihood depends on customers being able to find them.

Business owners that have participated in the course have appreciated:
- The “high touch” approach of the course helps overcome participant anxiety. Several instructors and facilitators are at each class to assist learners.
- The opportunity to meet and share information with other business owners in the community is exceedingly important
- The curriculum is presented in a common, non-technical language.

The online curriculum (http://www.ecommerce.umn.edu) draws over 2000 visitors each month. Project staff have had requests from all over North America from groups wanting to use the curriculum or wanting to receive training on how to deliver the program in their communities.

For more information about Access Minnesota Main Street, send e-mail to mainstreet@extension.umn.edu or contact the Project Directors: Bill Bomash at wbomash@extension.umn.edu (phone 612-625-8776) or Rae Montgomery at rmontgomery@extension.umn.edu (phone 612-624-2773)