

**ARIV****International Journal of Business****Paper ID: AIJB21012021****Vol 2 Issue 1 2021****Effective Utilization of E-Commerce among IT Employees****Pragadeesh R Raja****Senior Manager, Scotiabank, Scarborough, Ontario, Canada****Abstract**

*This study on the Effective Utilization of e-Commerce in Chennai, among IT employees helped to understand the real situation prevailing and to understand the attitude & behaviors of consumers towards e-Commerce. This study is designed to provide a complete status report detailing the extent of e-Commerce utilization among IT employees and degree of success within Chennai city. This study was intended to be a status report on business-to-consumer e-Commerce, among IT employees in Chennai City. The study was done using the descriptive research technique and a simple flow of questionnaire was initially prepared to conduct a pilot study to evaluate the adoptability and flexibility and to bring in preciseness over the objective of the study. The web-based questionnaire was prepared using Google forms and the entire data base of the responses was noted down on Microsoft Excel spread sheet. The survey was done using Descriptive research technique by collecting the primary data and finalizing the sample through Quota and Convenience Sampling methods. Survey is designed to benefit e-Commerce service providers, by providing a better insight over the real situation prevailing with respect to e-Commerce effectiveness. The study also to certain extent would help in understanding the preferred choice of shopping systems. This study is designed to benefit e-Commerce companies & service providers, by providing a better insight over the real situation prevailing with respect to e-Commerce effectiveness. This study would also help to understand the attitudes of consumers towards e-Commerce, and thereby to provide better solutions and services to these consumers. From the study, based on the data and after statistical analysis, it was found that e-Commerce is very much effectively utilized by IT Employees in Chennai.*

**Key Words:** E-Commerce, Information Technology, Internet, Web-Technology, Effectiveness

## Introduction

Electronic commerce, commonly known as e-Commerce, consists of the buying and selling of products or services over electronic systems such as the Internet and other computer networks. The amount of trade conducted electronically has grown extraordinarily with widespread Internet usage. E-Commerce, in its dependence on the Internet, continues to flourish in the 21st century. Modern electronic commerce typically uses the World Wide Web at least at some point in the transaction's lifecycle, although it can encompass a wider range of technologies such as e-mail as well. Electronic commerce is generally considered to be the sales aspect of e-business. It also consists of the exchange of data to facilitate the financing and payment aspects of the business transactions.

## Identified Problem

Before the emergence of the Internet, EDI (Electronic Data Interchange) was the major form of electronic commerce. EDI systems operate on private networks and aren't accessible for all consumers. The Internet/Web has streamlined this and facilitated consumers to buy or sell goods and services over electronic networks. It also has allowed them to sell their goods and services to fellow consumers. This study was intended to be a status report on business-to-consumer e-Commerce, among IT employees in Chennai City. This study is designed to benefit e-Commerce companies & service providers, by providing a better insight over the real situation prevailing with respect to e-Commerce effectiveness. This study would also help to understand the attitudes of consumers towards e-Commerce, and thereby to provide better solutions and services to these consumers.

## Objectives

This study is designed to provide a complete status report detailing the extent of e-Commerce utilization among IT employees and degree of success within Chennai city. It also identifies the areas that need attention. Specifically, this study addresses:

- **E-Commerce Adoption and Utilization.** Nature and extent of e-Commerce usage in buying or selling of goods and services among consumers in Chennai city.
- **Drivers and Inhibitors.** What are the e-Commerce adoption drivers with respect to buying or selling of goods and services? What are the factors that inhibit e-Commerce adoption?

- **Attitude and Satisfaction.** What attitudes do consumers hold towards e-Commerce and how satisfied are they with currently used services?
- **End-Benefits.** Does e-Commerce help Consumers to save time, money etc? Does it make their life, easier?

## Literature Review

Owens, I. and Beynon-Davies, P., 2001, Electronic commerce or E-commerce is already causing fundamental changes to the traditional economic marketplace, affecting every aspect of how business is and will be conducted. The issue is whether or not Small and Medium Sized enterprises (SME's) will be able to take advantage of the opportunities afforded by E-commerce. The literature and research surrounding E-commerce activity has been dominated by an examination of its relevance to the large enterprise. This paper addresses its relevance to the small and medium enterprise. It describes research conducted on the awareness and uptake of E-commerce amongst the SMEs in the South Wales region, an area of the UK which is characterized by both extremes of economic prosperity and deprivation. Our research suggests that SMEs within this region are predominantly using the Internet as a communication and advertising medium. Little thought appears to have been given to how E-commerce can be used as an enabler of business change amongst this sector of the economy.

Quader, M.S. and Quader, M.R., 2008, is to examine the strategic utilization of electronic commerce by traditional supermarkets through strategic alliance with Internet based companies. The paper explores how a clicks and bricks alliance can transform the traditional marketplace; from re-engineering their business processes, to enhancing the bricks and mortar retailer's business models, and further contributing to changes in the market structure. Thus, by re-engineering their business process to allow enhanced business models, they will be able to improve their overall performance and thus gain competitive advantage. From the research undertaken, this paper draws conclusions on both bricks and clicks benefits and how these alliances fit into the broader context of the business strategy of the traditional supermarket.

Lawrence, J.E., 2008, The Internet is portrayed by the media, academia and IT professionals as a new frontier that will transform and revolutionize the way business is conducted globally. The

contribution of small to medium-sized enterprises (SMEs) is extremely important to the economy of many countries and their contribution cannot be over-emphasized. SMEs account for more than 50% of private-sector employment in the UK and currently are contributing most of the private sector employment growth. Information technology, particularly the Internet, has the potential to radically change the way business is conducted, offering a competitive edge and a gateway to the global marketplace. Although much has been claimed about the potential benefits of the use of the Internet in businesses, there appears to be little evidence at present to indicate the actual level of usage in SMEs. In order to address this, this paper presents the results from a survey of UK SMEs between March and June 1999. The survey gives a current picture of how SMEs are using the Internet and its technology, including the benefits, the issues and the impact of use on business activities.

Zhu, S. and Chen, J., 2013, Using data from a national survey with 1,288 respondents, this study investigates the socio-demographic determinants of the first-order digital divide (access to the Internet) and the second-order digital divide (e-commerce use) in China. The survey employed spatial probability sampling technology so it would encompass migrants as well as registered residents. Multiple logistic regressions were applied to model the associations between access to the Internet/e-commerce use and demographic characteristics, socio-economic attributes, and migration and residency status. The results demonstrate the significant effects of rural-urban inequality and socio-economic divisions in Internet access. Age, gender, education, and residency were identified as significant predictors for individual e-commerce use. The findings provide helpful information for enterprises wishing to broaden their business horizons. The research can also be used in designing effective policies to reduce China's digital inequality.

Alojaiiri, A., Almansour, A., Basiouni, A., Tan, K.M.A., Ali, H.M. and Bahamdan, W., 2019, Objectives: The study aims to examine the factors and context that encourage the adoption of e-commerce among selected Canadian companies. Methods: The study employed Benaroch use of real-option theory in assessing risk factors from 811 Canadian companies. Furthermore, the NEBIC model was used to analyse firms' capacity in managing e-commerce. Data were analysed using maximum likelihood estimation, correlation matrix, and t-test of means equality. Findings: The study arrived at the following conclusion on the basis of the results obtained: technology-

competent employees, competitive industry, and high variability of consumer sales positively correlate with the decision to use e-commerce. Applications: The study also found the agility of the firm to work on e-commerce positively correlates with e-commerce usage. Agility is attained by intensive e-commerce technology in-house training, encouraging its customers to use its e-commerce facility, and promoting e-commerce among other members of the industry.

## **Research Gap**

This study is confined to a geographical location (Chennai) and is not extended to a vast area. The study has taken into consideration a specific industry (IT / ITeS) and the respondents were obtained in that particular industry only. The study was taken into consideration of the respondents among specific Gender (Men) and within specific age group (26 – 45). This Study has just considered the middle- and upper-class category in the society and has ignored the lower level economic group. The study is not an extensive research as the entire duration of the study is limited to 2 months period. Since the study has confined within a geographical location the conclusion of the study is confined to that particular area only and cannot be considered as a whole.

## **Methodology**

The Study uses to use Descriptive Research Technique. Descriptive research, also known as statistical research, describes data and characteristics about the population or phenomenon being studied. The study adopted a cross-sectional survey design. An online survey was used for data collection. The higher cost of telephone surveys and limited reach of print-based surveys dictated the choice of the design. Since email addresses of potential respondents were available, the chosen method was easy to implement. The Study used primary data. Primary research (also called field research) involves the collection of data that does not already exist. Primary data was collected through questionnaires and interviews. Secondary & Tertiary data sources were used wherever needed.

The Sampling Technique followed in this study is a combination of “Quota” and “Convenience Sampling” under Non-Probability based Sampling Techniques. Convenience sampling technique is followed to collect the data quickly & efficiently from the large number of respondents. Quota sampling technique is followed to select the prospective respondents according to pre-specified

quotas like gender (men), age group (between 26 to 45), occupation (IT Employees) etc. To estimate the required sample size, the following formula is used, and the sample size is 271.

The Data Collection Procedure would begin with Pilot Testing. The survey would be administered to 25 respondents to detect the weakness in the proposed methodology. Based on the responses, the questionnaire may be re-designed, re-phrased and improved. The refined survey questionnaires were converted to web-based survey forms, using Google Documents. A cover letter was included to provide encouragement and instructions to respondents. No monetary or non-monetary rewards were provided to complete the survey. Data collection was administered personally or over websites. The respondents were guaranteed anonymity in the process.

Data coding was done, by converting the questionnaire data into numbers. Microsoft Excel would be used for this. Standard quality control procedures were conducted to ensure there were no errors in data entry. Data entry was done at the end of every day for all questionnaires completed so far. Data ambiguity was taken care and the survey would be extended to additional respondents, if needed. For Questions that use Nominal Scales and have two optional answers, each was coded as "0" and "1". For example, for a question that asks for the respondent to answer either yes or no, all YES was coded as "1" or all NOs were coded as "0". For questions that use Ordinal Scales and have five ranking answers, each were coded "-2", "-1", "0", "1", "2" respectively. Since there were no open-ended questions, there was no need for data coding for them.

The data was analyzed using Microsoft Excel and SPSS package. Frequency and Mean Analysis, Descriptive Statistics, mean comparison – Analysis of Variance (ANOVA) and Correlation were used for analysis of data.

## **Result and Discussion**

81.54% of respondents have purchased products or services using e-Commerce. Among the respondents who are using e-Commerce currently. 78.11% of respondents' ratio of money spent on conventional shopping and online shopping is 75:25 (mean: -0.6830). Majority of these respondents (86.79%) currently use e-Commerce for Travel (mean: 0.8679) and 50.56% of them

use for Entertainment (mean: 0.5056). Respondents very rarely use e-Commerce for buying Groceries & Toiletries (mean: 0.02641) and Health & Fitness Products (mean: 0.03018).

Factors promoting e-Commerce Utilization are ranked below

- 1) Helps to use time efficiently and productively
- 2) Accessibility and convenience
- 3) Global choice of products & services
- 4) Allows comparison shopping
- 5) Problems with conventional shops (parking, queues etc)
- 6) Availability of personalized offerings
- 7) Access to extensive information about the products
- 8) Provisions to share feedbacks / comments

Factors that doesn't have any role in promoting e-Commerce Utilization are ranked below

- 1) Users can form useful relationships with like-minded people
- 2) Privacy and anonymity

Of all the respondents who have purchased any product/service or prefer to purchase any product/service using e-Commerce, 53.84% of them believe that the factor "Access to extensive information about the products" pushes them towards utilizing e-Commerce (mean: 0.5384). 38.46% of them believe that the factor "Accessibility and convenience" pushes them towards utilizing e-Commerce (mean: 0.3846). 53.84% of them believe that the factor "Allows comparison shopping" pushes them towards utilizing e-Commerce (mean: 0.7692).

Most of the respondents who are using e-Commerce currently or in past, felt that several factors push them towards using e-Commerce and several of them stops them from using e-Commerce. 85.66% of these respondents felt than e-Commerce helps them to use time efficiently and productively (mean: 1.1962), 84.53% felt that accessibility and convenience push them towards e-Commerce (mean: 1.1924).

89.23% of respondents believe that e-Commerce saves time & money and make their life easier. 80.378% of respondents who are using e-Commerce currently or in past felt that e-Commerce saved time & money and make their life much easier (mean: 0.9886) and 95.65% of respondents who do online shopping frequently or very frequently felt that e-Commerce saved time & money and make their life much easier (mean: 1.2173).

The study on Effectiveness of E-Commerce in Chennai City, Among IT Employees in the age group of 26 – 45 years has revealed the status current e-Commerce usage. With the existence of limitations over the sample in geographical, age and gender, the study has revealed the lack of effective utilization among the middle age group between 26 -45 years, over e-Commerce.

1. There are several factors that promote e-Commerce utilization, which are ranked by this study. If these feedbacks are considered by the e-Commerce service providers and actions were taken based on that, it would help in improving the effective utilization of e-Commerce.
2. However, the perception on e-Commerce and its usage has revealed that people are effectively utilizing the opportunity of availability of alternative shopping system that is widely available in this modern world.
3. Although the people are utilizing e-Commerce effectively in this particular sector of respondents, a very deep study could change the concept of e-Commerce among various levels of people, would even have the chance of perceiving e-Commerce as the most viable shopping system.

## Conclusions

This study on the Effective Utilization of e-Commerce in Chennai, among IT employees helped to understand the real situation prevailing and to understand the attitude & behaviors of consumers towards e-Commerce. From the study, based on the data and after statistical analysis, it was found that “e-Commerce is not being effectively utilized by IT Employees in Chennai”. Future research can also include focus groups with industry participants to generate more in depth, qualitative responses. The different perspectives can provide further understanding of the issues involved in E-Commerce effectiveness. The future research in the same effectiveness study would be appreciated with the omission of the limitations that has been mentioned such as the



geographical, industrial, age and gender specific. Instead of getting across the whole community to the participation of study, it could also be done through cross study among various industries and including the gender and age criteria as mentioned over here.

## References

- Alojairi, A., Almansour, A., Basiouni, A., Tan, K.M.A., Ali, H.M. and Bahamdan, W., 2019. Integrating Financial Perspectives in Examining the Factors and Context of E-Commerce Utilization among Selected Canadian Firms. *Indian Journal of Science and Technology*, 12, p.44.
- Lawrence, J.E., 2008. The challenges and utilization of e-commerce: use of internet by small to medium-sized enterprises in the United Kingdom. *Information, society and justice journal*, 1(2), pp.99-113.
- Locke, L.F., Silverman, S.J. and Spirduso, W.W., 2009. *Reading and understanding research*. Sage Publications.
- Owens, I. and Beynon-Davies, P., 2001. A survey of electronic commerce utilization in small and medium sized enterprises in South Wales.
- Peet, J., 2000. Shopping around the web. *Economist*, 354(8159), p.5.
- Quader, M.S. and Quader, M.R., 2008. The utilization of e-commerce by traditional supermarkets in the UK through strategic alliances with internet-based companies. *Journal of Services Research*, 8(1).
- Tarafdar, M. and Vaidya, S.D., 2006. Challenges in the adoption of E-Commerce technologies in India: The role of organizational factors. *International Journal of Information Management*, 26(6), pp.428-441.
- Whiteley, D., 1999, November. Learning to drive e-commerce. In *Proceedings of the 2nd Int. Conference IeC* (Vol. 99).
- Zhu, S. and Chen, J., 2013. The digital divide in individual e-commerce utilization in China: Results from a national survey. *Information development*, 29(1), pp.69-80.