# 

EVALUATING THE IMPACT OF E-BUSINESS STRATEGIES ON ORGANIZATIONAL PERFORMANCE

**Table of Contents**

[Literature Review 3](#_Toc132903010)

[Background of the context 3](#_Toc132903011)

[Theme 1: Impact of E-commerce on the Performances of the Business 3](#_Toc132903012)

[Theme 2: Impact of E-commerce on exporting products of the business 5](#_Toc132903013)

[Theme 3:Impact of E-business on marketing 6](#_Toc132903014)

[Theme 4:Impact of E-business and business sustainability 7](#_Toc132903015)

[Theme 5: Impact of E-business on Small businesses 8](#_Toc132903016)

[Literature Gap 9](#_Toc132903017)

[Summary 9](#_Toc132903018)

[References 10](#_Toc132903019)

# Literature Review

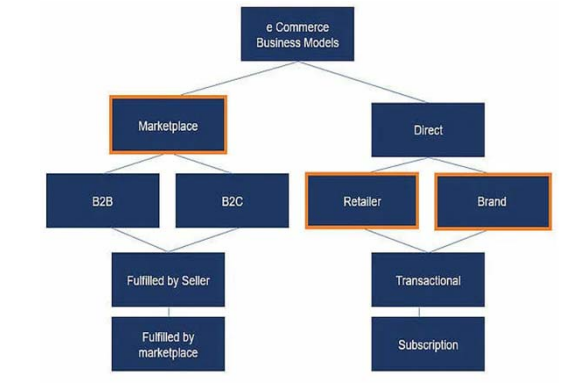
## Background of the context

Electronic business or e-business basically means carrying the business activities by using online tools like the internet, intranet, and many others. E-business is also known as an online business that includes various activities related to business like buying and selling products, dealing with customers and stakeholders, and monetary transactions over the online platform. E-business helps to build customer relationships and also helps to get in collaborate with suppliers and clients (Himki *et al*., 2022). E-business has changed the business model where the physical interactions of the buyers and sellers are no more essential and the interaction is done through telecommunication networks. E-business has increased the productivity of the organisation as data access and workflow have become easier and less time-consuming. E-Business has a significant impact on the supply chains, the supplier can exchange data, make schedules, and share information through a secured network. In the literature review of this paper, the impact of e-business on the performance of the organisation will be elaborately discussed.

## Theme 1: Impact of E-commerce on the Performances of the Business

**Link:** Andonov, A., Dimitrov, G.P. and Totev, V., (2021). Impact of E-commerce on Business Performance. TEM Journal, 10(4), p.1558.

E-Commerce is playing an important role in the development of organisation performance which provides a successful business model that enhances various benefits in the contemporary environment. E-Commerce business correspondence with e-business strategies directly provides opportunities not only to spread in the market but also to develop and innovate towards the products and services which can achieve the attention of the consumers. it also provides a contemporary environment to enlarge the business-to-consumer and consumer-to-business perspective. Various strategies are incorporated with the enlargement of the e-commerce business model which provides a necessary process through which challenges can be overcome and provide progress and functionality improvement in the organisation. Overcoming the challenges helps to reduce the risk factors through which a contingency plan can be developed for better performance.



**Figure 1: E-commerce business model**

(Source: Andonov *et al*., 2021)

However, engaging e-commerce impact it is necessary to provide E-Commerce strategies through which performances in the firm increase dynamically, and technology usage helps in providing specific target audiences which is helpful for critically analysing and conducting the optimum result for increasing the performances. According to the observations of Ali *et al*., (2021), the organisation's performances are mainly dependent upon three areas that are relevant to the outcome of the company that can be identified by product service quality, market performance, and customer satisfaction. On the other hand, Anwar and Abdullah, (2021), organisation performance also depends on the performance of the employee, management, capital, and many more. Hence, depending on both statements, mainly strategies are necessary for the development of an improved performance level, in terms of analysing the e-business. The strategies to create an impact on the organisation's performance positively are dependent on these necessary areas which help in creating proper strategies to gain advantages in the market, customers, employees, management, product quality, and many more.

The approaches and strategies related to e-business are necessary to align with the attainment of performances which should be improved and resources that are necessary to allocate under the same purpose. All companies are necessary to improve their performances and internal and external environment which help to create an impact towards the improvement of the organisation as well as strategies. For instance, Tesco engages customers Centric policies for managing the offline stores as well as online portals which provide strong financial performance, increase market share, and many more. The main strategy used by the organisation is providing satisfaction to the consumer through which the business of the organisation avail to achieve success and become a top listed supermarket in the UK. The determination of the strength and limitations of the topic on the impact of e-commerce on the performance of an organisation includes various benefits that the study shares regarding positive activity Over the organisation's performances, the significance of e-commerce and its strategies, and many more. However, the study also provided various limitations where challenges related to eCommerce implementation are discussed which include risk from cyber-attacks, an increase in website traffic, website crashes, and many more. From the journal topic, it is identified that challenges and risk factors are rising in the e-commerce business hence necessary steps are required to include which measures the risk factors and provide resolution accordingly.

## Theme 2: Impact of E-commerce on exporting products of the business

**Link:** Gregory, G.D., Ngo, L.V. and Karavdic, M., (2019). Developing e-commerce marketing capabilities and efficiencies for enhanced performance in business-to-business export ventures. Industrial Marketing Management, 78, pp.146-157.

E-business brought major changes in businesses through innovation and Organisation get an opportunity to expand their business in the international market. It helps the business to establish better communication and helps to exchange information securely with the help of the internet (Dethine, *et al.*,2020). E-business deploys specialise capabilities essential for the organisation to achieve market efficiency. It is important to export products to get recognition globally in the marketplace, exporting helps the business to collaborate with international firms. Export is expected to grow higher with the advancement of information technology the implementation of the e-business helps the organisation to expand the business across the globe without any intervention. The growth of e-business has significant importance to export as the company can easily connect with other countries through the internet. E-business is one of the greatest developments in the front of technology in the last twenty-five years, it has brought a revolutionary change in the business dealing in the global market.

The primary benefits that businesses get from e-business are, it is it helps to increase the customer base in the business, helps to collaborate with the supply chain, and improve the service provided to the customer with the help of the various online survey conducted among the customer through the e-business platform. It also helps the business to reduce costs and to increase its profitability of the business. Online interactions with suppliers and stakeholders also help reduce cost and time (Gómez *et al.,* 2022). There are various strengths and limitations related to the impact of the E-business on the organisation’s performance. The industrial organisation in the UK gets the strength of developing special capabilities by implementing advanced technology to increase communication with buyers and distributors. It also establishes collaboration with the suppliers. E-businesses played a pivotal role in business-to-business (B2B) as they are geographically separated from their ventures and it also helps businesses in the UK to establish global connectivity. However, there are certain limitations related to the implementation of the e-business as there is a concern related to cyber security as vital information and monetary transaction may get hampered if it is not protected by a firewall.

## Theme 3: Impact of E-business on marketing

**Link:** Agus, A.A., Yudoko, G., Mulyono, N. and Imaniya, T., (2021). E-commerce performance, digital marketing capability and supply chain capability within e-commerce platform: Longitudinal study before and after COVID-19. International Journal of Technology, 12(2), pp.360-370.

E-business helps the organisation to promote their business digitally and increase collaboration with the supply chain, it also helps to get a review of the experience of the customer. After the outbreak of the pandemic, the business model has been changed abruptly and there are also changes observed in the behaviour of the customers. Customers are more inclined to online shopping and thus there is an increasing trend in online transactions. E-business helps the organisation to expand its business digitally around the globe. E-business provides a platform for online trading between the suppliers and the customer anytime in spite of their diverse location. Digital marketing influences the decision-making of the customer which has an impact on their buying process (Kingsnorth, 2022). In the UK the organisation is inclined to E-business which helps to increase the sales online of retailers which increases the profitability of the business. It also improves the performance of the business in the market by increasing its productivity. Marketing plays a pivotal role for the organisation due to the advancement of technology marketing activities are generally carried out through electronic forms using online tools like the Internet and many other online applications such as email.

Marketing helps the company to achieve profit and to get a proper return on the investment that has been made earlier. E- businesses strategies to promote business through email, web, and online marketing and online marketing. E-business helps to get reach the customer in a lesser time way and to build a customer relationship, it also helps to improve the operational and financial activities of the organisation which leads to the improvement in the market share and helps an organisation to get a profit (Tuymuratovich, 2022). Various strengths and limitations are related to the impact of the e-business on the performance of the organisation One of the strengths of the E-business are that it helps to improve the satisfaction of the customers and increase customer loyalty. In the UK, E-business also helps the organisation to gain a competitive edge in the international market. However, there are certain limitations related to the E-business marketing strategy that as a real-time customer base is not available, easy availability of alternatives, and much more.

## Theme 4: Impact of E-business and business sustainability

**Link:** Escursell, S., Llorach-Massana, P. and Roncero, M.B., (2021). Sustainability in e-commerce packaging: A review. Journal of cleaner production, 280, p.124314.

With the advancement of E-business, there is an ongoing trend in online purchases and thus it is important to emphasise the packaging of the products so that it does not impact the environment negatively. E-business has reduced carbon emissions that have a negative impact on the environment and thus it helps to maintain the sustainability of the organisation. The most organisation focused on using cellulose materials like carton boards to maintain sustainability in their business. E-business helps to save energy as retail stores are more inclined to online selling than traditional store sales which result in the closing of many stores (Ukko *et al.,* 2022). It is important to develop eco-friendly packaging materials so that it can be ensured that the energy has been efficiently used and the waste product has been reduced. UK's target is to reduce greenhouse gases by 2050 and to become a net zero country, with the rapid growth of online businesses it is important for the Government to make regulatory guidelines for E-businesses.

Customers nowadays have become more conscious about the environment even some customers pay extra for eco-friendly packaging to the company dealing in e-businesses; however, it is not a sustainable way to increase customer satisfaction the company needs to focus on their packaging and proper description regarding the packaging should be provided so that the customer can get a knowledge of the same. Organisations which are relying on the E-business should give a proper description of the products on the website of the company or in the app the customers are using, descriptive terminology helps the customer to experience the product virtually which will increase customer satisfaction and the return rate will also decrease which has a negative impact on the environment due to carbon emissions due to transportation (Wynn, 2022). If the customer is not available to take the delivery of the parcel it is necessary to provide an automated parcel station that will be locker based to avoid repeated delivery. In UK Amazon has set up pick-up points and has allocated parcel machines in various areas to improve customer satisfaction and to avoid returns and repeated delivery. The strength of E-businesses is that they had a positive solution to maintain sustainability, however, there are limitations to this the organisation has to use its financial resources to increase sustainability.

## Theme 5: Impact of E-business on small businesses

**Link:** Mkansi, M., (2022). E-business adoption costs and strategies for retail micro businesses. Electronic Commerce Research, 22(4), pp.1153-1193.

E-business has benefited both large and small organisations. But managing the recurring cost and online trading has become a challenge for the small organisation. The significance of E-businesses is that it has increased revenue by a large, the growth of E-business is generally fuelled up due to the wide use of the internet and the widespread prevalence of mobile devices through which the internet can be easily accessed. Businesses are not limited to certain sectors; every product is available online from starting from groceries to books. Small business is inclined to apparel business dealing online as it is the most popular category throughout the world. In the UK small businesses have adopted e-business but still, the number is very low in comparison to large-scale organisation (Tolstoy, *et al.*,2022). Small business is regarded as the engine for the growth of the economy in a nation, thus it is necessary to assist small businesses, and government intervention is necessary.

There are certain strengths and limitations attached to the implication of the e-business and its impact on the performance of the organisation. There are various strengths that the small firm can get by adopting the E-business strategy they can promote the business worldwide and can also build a customer base that helps them to sell their products, and get into collaborate with suppliers. However, there are certain limitations associated with it such as adopting the E-business will affect the direct cost of the company such as buying computers, getting an internet connection, and getting access to telecommunication facilities, thus the small business dares to adopt the E-business (Sindakis & Aggarwal, 2022). The organisation also has to bear maintenance and security costs to protect the data and information related to business. Moreover, the resources of the small business are very low and thus it is not possible to use online tools.

## Literature Gap

From the above mention study of Literature, a gap has been identified, although the authors have described the positive impact of e-business and certain challenges the organisations have to face, they fail to evaluate the necessity of government intervention in the E-business and the taxation policies related to the related to those businesses.

## Summary

In this report the literature has evaluated the impact of the electronic business on the performance of the organisation. E-commerce helps the business to expand beyond the geographical location and to establish a customer base that helps the business to gain profit. E-business also helps an organization to export their product which helps them to gain a competitive advantage then the others in the international market. It also helps the business in marketing strategy, organisation can promote their products through e-mails and also help them to get a review of customer satisfaction by conducting online surveys it also helps to get a review of the product that has been newly launched and on the basis of that the organisation can amend the product.

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