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'Leadership in E-commerce industry'

BX3174 – Strategic Management and Leadership

1.0 Overview of E-commerce industry

According to statistics, till year 2019, over fifty-eight percent of the total world population are internet users ("Internet Usage Statistics," n.d.). It is being predicted that over two billion people across the globe will buy online through e-commerce websites till year 2021 (Clement, 2019). E-commerce denotes to transactions conducted via internet ("What is Ecommerce," n.d.). E-commerce platforms are the portals or websites where individual or companies buy or sale goods and services. There are various activities that comes under e-commerce such as shopping, payment gateways, internet banking, online ticketing, etc. The first e-commerce transaction was made in 1994 ("What is Ecommerce," n.d.). Nowadays, some of the big e-commerce giants are Amazon, Alibaba, eBay, Shopify, etc.
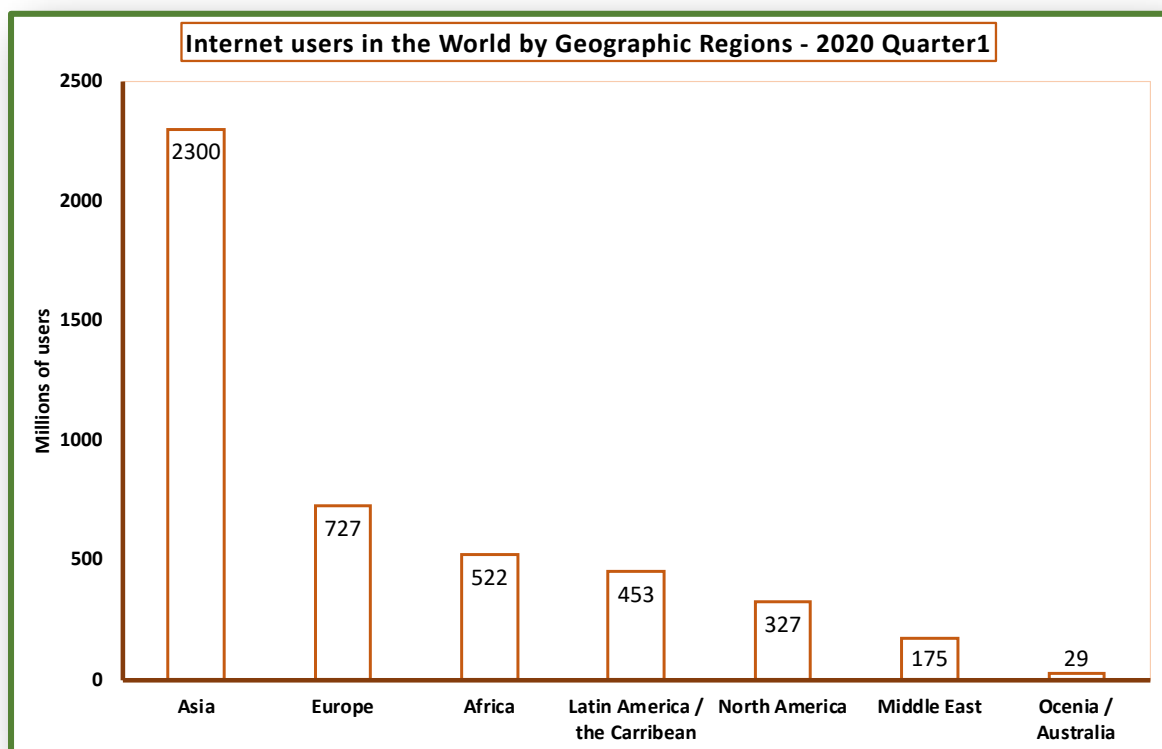

Figure 1 – Internet users in the World (Year 2020-Q1)

As seen from Figure 1, Asia is the biggest e-commerce market as of first quarter in year 2020. It has a lot of more online buyers than anywhere in the world. The second highest market is of Europe with the total of seven hundred and twenty-seven million online buyers. The lowest number of online buyers are in Australia with just twenty-nine million. More than fifty percent of total online buyers across the world are situated in Asia.

Figure 2 – E-commerce sales worldwide

According to Figure 2, E-commerce industry is growing continuously and rapidly. This trend is observed as almost all in today's world understand technology better. From the figure it can be seen that in year 2014 total e-commerce sales was one thousand three hundred and thirty-six billion dollars and just in five years the sale increased more than double.

Nowadays, users think e-commerce as a boon as it enables the individual to shop almost anything from any corner of the world and get it to deliver at their residence. This also saved lot of time of the customers; they can see their required products with a lot of choices from just sitting at home. Moreover, customers have the freedom and can trust e-commerce platforms for exchange or returns if products turned out to be defective or if it is not as expected by the individual.

For businesses too it proved to be beneficial. E-commerce helped businesses situated in any corner of the world to make the entire world as their prospective consumers. They gained more customers through platforms it also became easier to trade internationally without taking care of logistics. Furthermore, they have the commitment of e-commerce platforms about their payments. For businesses, it also saved the cost of renting prime property.

There are many major factors due to which e-commerce industry is increasing continuously. Some of them are, the rise in use of mobiles, with the use of mobiles people across the globe are buying and selling goods and services flexibly and in hassle-free manner. The trust on mobile technology also helped to convert payments into a cashless way. Nowadays, consumers are glued to their mobile devices with their mind ready to pay. Furthermore, data driven nature is also one of the factors. Due to this nature, businesses present on e-commerce platforms can recognize customer preferences and can make important observations, which can be used for future purposes. Additionally, improved consumer experiences also contributed in rapid increase of e-commerce industry. The customers are continuously in search of best prices and deals for their preferred products. Through e-commerce platforms, customers are always informed about new products, and about new offers on their favorite products. Lastly, businesses usually find it cheaper and convenient to establish an online store rather than a physical store. Also, e-commerce stores are available from any part of the world.

It is vital for businesses to choose appropriate e-commerce platform to establish an online store. There are five main factors of an e-commerce platform, a business should consider. Firstly, pricing and payments, business before establishing store on an e-commerce platform should know the monthly fees, other fees, their payment time after delivering the order, payment options available to customer. This all factor contributes majorly in sale of a business. Secondly, SEO friendliness, it is highly beneficial for business if their store rank in first few options in search results when a customer is searching similar products. There are other things such as ability for the customer to leave reviews, etc. that comes under SEO friendliness. Furthermore, customer service, the features such as loading time of an e-commerce website, server downtimes, etc. are the important features that adds up to the sale. Additionally, security, it is one of the important factors while deciding e-commerce platform. As the customer enters their credit or debit card details while shopping, they choose the most secure e-commerce platform to purchase to avoid financial loss. Therefore, it is evident that more secure the e-commerce platform is, the greater number of customers it attracts. Lastly, logistics network, it is important to know the logistic network of an e-commerce platform as it is the range upto which the platform can serve customers. To establish the store and to attract maximum customers it is important for businesses to choose appropriate e-commerce platform to establish their store.

There are some important and famous leaders in e-commerce industries such as Jeff Bezos founder of Amazon, Jack Ma founder of Alibaba, Pierre Omidyar founder of eBay, Elon Musk co-founder of Paypal, Peter Thiel co-founder of Paypal, Travis Kalanick CEO of Uber and Brian Chesky co-founder of Airbnb. Some personality traits of this leaders are realist, planner, risk-taker, tenacious, hard-working, confident, courageous, positive attitude, bold, determinant, perseverant, etc.

As the e-commerce industry is growing, it is facing many challenges some of them are cybersecurity, competition, order fulfillment, customer experience, website traffic, visibility, return and exchange policy, finding right target audience, etc. (Post, 2019) which e-commerce platforms try to solve on regular basis.

2.0 Leadership benefited from the use of complex literary, historical analyses and appreciation of art

According to Tourish (2017, p. 3), the two problems in leadership studies are being connected to positivist methodologies and functionalist views, and awful quality of academic writing, as most journals are uninspiring and use set form of words. Leadership can also be studied using complex literature, historical analysis and appreciation of art.

2.1 Leadership benefited from the use of complex literature

According to Bathurst and Kennedy (2017), in the rehearsals and act of 'The Waste Land', the troupe were invited by their director to bring their ideas for how each scene should be performed and try the ideas in rehearsals for better act. After trying the ideas, the director used to discard some ideas as well as use some ideas. This collaborative and 'Yes!' man attitude of the director helped to create a positive environment amongst the troupe members. Furthermore, during rehearsals schedules, director used to split the troupe into groups to prepare for one out of five movements of 'The Waste Land'. The Director wanted the troupe's different ways to explore the ideas within the poem. From 'The Waste Land' and similar performances, it is been seen that 'vision' is important ability people expect from leaders.

According to Faulks and Flanagan (2017), in the novels 'Where My Heart Used to Beat' by Sebastian Faulks and 'The Narrow Road To The Deep North' by Richard Flanagan, Flanagan's Major Nakamura's character was obedient and he used to get work done from his subordinates

without the showing any pity till the target which was set his masters is achieved. Flanagan added that during the time of crisis, the responsibility of a leader even with no resources is to put faith in illusions and make possibilities irrespective to the obstacles. Faulks also mentioned that imagining the world as a generous place is idealistic for pragmatic leaders.

According to Gosling (2017), the strong interdependence between individuals and the collective is the important attribute to strong organizational culture and coherent communities. "Anyone taking up a work or socially recognized role discovers the need to manage themselves in that role" (Miller & Rice, 1967). Gosling also added that in recent corporate scandals, people who are in senior positions due to their narcissistic attitude are confused between their self-interest and with moral responsibilities of their sanctioned authority.

2.2 Leadership benefited from the use of historical analysis

According to Bezio (2017), exceptionalism was important factor in the development of policy and the success or failure of political activities and elections.

According to Lipton (2017), bringing feminism and leadership together offers new ways to understand educational leadership, organizational structures and institutional power relations. Furthermore, writing through the labyrinth is an epistemological and methodological feminist mutiny of the masculine mode of rational and objective academic writing and research.

2.3 Leadership benefited from the appreciation of art

Brown and Hosking (1986) described leadership in their work as associated to 'social movements' and Hosking (2007) elaborated by proposing a link to the local-cultural and local-historical context. According to Edwards (2017), there can be the case where leadership is evoked by the form of turmoil. Furthermore, leader appreciating their own place helps to prepare themselves for the almost expected result of the mockery of their own leadership.

Moreover, while learning leadership, longitudinal, historical and narrative based interpretations should be taken into consideration. Additionally, transformational and charismatic leaderships are questionable in organizations.

According to Gabriel (2017), opera can sharply disclose the leader's inner conflicts and sufferings that are rarely discussed in public, and also the distance between a leader's inner state of mind and his or her public declarations and displays. It is important that a leader's psychology and emotion to be stable (Coutu, 2006). Furthermore, he added, to see a person in power cry and if the tears are seen to be honest rather than manufactured for effect destroys the leadership charm and lays bare the unconscious fantasy of the leader as someone above others. Moreover, Leadership cannot, in operatic terms, be distributed (Fitzsimons, James, & Denyer, 2011; Gronn, 2002; Rayner & Gunter, 2005) or dispersed (Raelin, 2003) in a bureaucratic hierarchy. Addtionally, two elements of leadership that are emphasized by opera are the leader's ability to punish disobedience (Cunha, Clegg, & Rego, 2013) and to reward loyalty. Opera is doubtful of the idea of charismatic leaders who, through force of personality or gift of grace, can sweep all problems aside and lead their followers to a promised land. Transforming leaders in opera are likely to be portrayed as opportunists. Lastly, in most organizational contexts, realistic, down to earth, responsible and pluralistic leadership is far more likely to produce long-term and meaningful outcomes.

According to Harrison (2017), a different approach, beyond competence, is based on four fundamental positions – an acceptance of creativity, a restoration of leadership, an orientation to the future, and the creation and communication of vision. Furthermore, it is required for both those leading and working in organizations and those thinking about organizations to accept that organizational change is dependent on a different set of characteristics than common ones. Additionally, as leader, at any level of leadership, the persona of the leader is a powerful one.

3.0 Implication of Leadership in E-commerce industry

In E-commerce industry, a leader should respect and be open to new ideas or strategies from their employees or subordinates. If the idea shared is useful and beneficiary, then it should be implemented otherwise, the leader should discard it. Also, the leader should have the vision while leading and managing the team. Furthermore, leader should fix targets that can be achieved comfortably and should avoid unrealistic targets that can put employees in mental pressure. In the situation of crisis, like current COVID – 2019 situation, leaders should come up with new possibilities and strategies that will help employees to tackle the situation and grow again. Moreover, the employees should be strongly bonded to the organization, and this is solely depended on leadership style of leader. Leader should not make self-interest as organization's interest. Furthermore, while solving major issue, leader should take help of similar type of past examples of different leaders. Additionally, it is important that leader is chosen due to his qualities not due to hierarchy.

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