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## The Effect of Adoption of E-commerce on Business Performance: An Empirical Analysis

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### Abstract

In today's modern business environment, electronic business plays increasingly roles and applications. Electronic communication is part of the daily business process that is inevitable in many organizations, regardless of their activity and size. This study is an attempt to examine the efficiency of e-commerce applications in private companies in the capital region of Andhra Pradesh. The research base is the entrepreneur of one of the private companies in the region of the capital of the country. Sample facilities for 125 entrepreneurs who conduct private business are considered for this study. The purpose of the document is to identify the factors that significantly influence the importation of electronic commerce in their businesses, as well as the degree of efficient use of Internet technology in the current state of the private enterprise function. Research and analysis of the results obtained indicate that e-commerce transactions have a positive impact on the performance of commercial operations of private companies in the capital region.

**Keywords:**E-commerce, business performance, adoption, efficiency.

### Introduction:

The horizons and possibilities that the new technology, which has opened in the state, a former to the development of the organization. E-business has created a business driving force to create new business opportunities that require effective and efficient functionality and the rapid response to challenges and opportunities in a changing environment. The creation of communication and appreciation for the value of users through electronic control technology has created a new role for many groups. The electronic can be said that the reason why the new parts of the world. It refers to the broader definition of electronic commerce, because in addition to covering electronic commerce, since it includes both internal and productivity, and human resource management science (Turban et al., 2008).

Other new technologies not only imply important to use. It also implies and requires a change of use to serve customers and suppliers, to change the way in which the products and services are delivered to the buyer, the change of the necessary force skills to support electronic commerce, that is, with a complete business change practices. In this regard the relationship, e-business for a new capacity of their strategies of creation and marketing and markets that the modern workforce.



In this document, the achievements of the research, the attempts to determine the technology are in public use of Internet e-commerce companies. Start with the fact that the Internet offers companies a special ability and their business strategies are more effective in terms of market research and product development, sales increases, more efficient communication with consumers and the public, this Work intention is based on the introduction of the measure in Internet technology and electronic commerce are when in public companies, at the same time they contribute to the development of competitive companies. In this analysis is written in the current use of the Internet before the first use of e-business and a conceptual framework to formulate recommendations for efficient and effective.

### **Impact of electronic commerce on business**

E-Commerce and E-Business are not just Internet, web pages or dot coms.

This is a new business concept that combines all previous businesses. Management and economic concept. Therefore, E-Commerce and E-Commerce affect many parties Discipline of company and business management.

1. Management information systems - Analysis, design and implementation of e-business system in organization; Integration of front-end and back-end systems.
2. Human Resource Management - Online recruitment, tasks and services "Entrepreneurs" work on projects based on projects that replace permanent employees.
3. Financial and accounting banking-online; transaction cost issues; accounting and Audits should be assessed if assets and human capital are not significant in a growing knowledge-based economy.
4. Impressive ecommerce economy in local and global economy; understanding The concept and knowledge of digital economics based on knowledge and how it fits the economy theory
5. Management and production operations: the impact of online processing has led to reducing disability. It takes time to deliver digital products and services electronics. Similarly, processing time for processing can be reduced by more than 90 percentage from day to minute. The production system is integrated with financial marketing and other functional systems, as well as with business partners and customers.
6. Marketing: online advertising problems, marketing strategies and consumer behavior and culture. One of the areas in which it affects mainly is direct marketing. Inner Moving ahead door to door, party at home and postal order using catalog or brochure
7. Computing - Different network and computing technology development and language compatible with electronic commerce and electronic commerce, for example, front and back connections legacy office system with 'web-based' technology.
8. Business and ethical law: different legal and ethical issues that have been defined as a result of cyberspace problems, such as copyrights, customer privacy information, legality of electronic contracts.



### Literature Review:

Among the strongest powers affecting globalization of the economy and world trade is better through the use of information technology (ICT) and. Many authors assert that it offers a lot of opportunities to create a better electronic trading economy (Oliver, 1999) and some have gone so far as to show that it is the electronic system of "Great coaequatio" (Quinn, 1999). This means that companies should receive some of the benefits of implementing this technology.

The possibility that the World Wide Web (WWW) to facilitate communication has created a need for companies to think about a new way of doing business (Herbig Hale, 1997, Hamill, 1997). When the great news of excellence among members is, it seems that things are not quite ready to take part in e-commerce operators with the environment, but, many of them, they say, even a great researcher's growth in the near future. If the relationship between company and consumer (B2C) and business to business (B2B) remains in the "new economy" it is unlikely that the market (B to B) is 100 times larger than the market (B2C) ninety-five). In the context of this uncertainty and potential (Venkatesh 1998), this is for the ability of academic research to carry out extensive B2B e-commerce in perspective. Implementation exploration documents for B2B transactions in the direction of "old economy" and conveyed in trading examples.-Ecommerce Configuration

The most creative solution tomorrow involves the creation and placement of tracking stations. The first step on site development to identify best model tomorrow. Depending on the parties involved in the case, no major e-commerce 3 may receive from the most experienced model. Here are the following:

#### 1. Business-to-Business Model (B2B)

This is what is called the most rapidly growing e-commerce sector. The B2B value-added model is expected to be the largest industrial sector in several years. It has a business model for B2B administrative administration between genetics and purchases. And this is included in its market as a commercial payment, professional service, manufacturing and wholesale trade. Sometimes the B2B model, the company can almost become one that does not exist. In this case, we are now a company made through the Internet. Two key advantages in the B2B supply chain model can be made to support and acquisition and manufacturer's agents, and they can automate the process of producing fast and efficient right-cost products and services.

#### 2. Business-to-Consumer Model (B2C)

A B2C model involving transactions between business organizations and its customers. It applies to any commercial organization to sell its products or services by the user to the Internet. These pages showcase online product information catalogs and store them in databases. B2Cmodel also includes online banking services, travel health information and services. B2C e-commerce models may be security threats to individual credit cards, personal and business users to provide information to site orders. In addition, users can use information as a particular problem effectively punished and business opportunities. Therefore, God is not the most widely accepted form of B2C. Hence, it is



imperative that the security mechanisms that protect consumers in the purchase of commercial organizations can provide information.

### 3. User to user (C2C) Model

That transaction between users implies a copy of C2C. Here, users are selling directly to other users. What is offered to an online user auction site, to advertise and sell their products online from other users. However, it is important to register a place for those who sell, and those who buy in the auction. When the seller has to pay a fixed fee to the auction house to sell their products online; The buyer may not want to pay the fee. This page is the right buyer and seller to make the transaction. Now you can visit the [www.ebay.com](http://www.ebay.com) website to find products in the country. If the buyer touches the product, contact the same order on eBay's website. Ebay has become a product to buyers by sellers and buyers, sellers and will not inherit the accident. In this way, although both customers buy bad intentions, the organization acts as an interface between the two organizations.

#### **Hypothesis Formulation:**

Electronic commerce (EC) is where commercial transactions are made through a telecommunications network, especially the Internet. Electronic commerce reflects the purchase and sale of products, services and information through a computer network that includes the Internet. It is defined as the operation of financial transactions in electronic media. Now the research studies are carried out with the following hypotheses that analyze:

H1. E-Commerce reduces the time between the capital outlays.

H2. The use of e-commerce in business the sales of goods and services are increasing.

H3. The impact of E-Commerce affects the business performance significantly

Demographic characteristics of the respondents:

In a total sample of 125 entrepreneurs, about 67.2 percent of the respondents are female and the rest about 32.8 percent of the survey participants are females. When comes to the age category of the respondents about 55.2 percent are under the age category of 26-30 years of age and are followed by 20.8 percent of both 31-40 years and 41-50 years of age of the total respondents each. Out of the total respondents, about 88.8 percent are married and the rest are unmarried. The major demographic factor of the respondents, about 67.2 percent of the respondents is graduates and 22.4 percent of the respondents are post-graduates. The frequency distribution the survey respondents are represented in the Table 1.



Demographics	Frequency	Percentage
Female	84	67.2
Male	41	32.8
18-25 Years	4	3.2
26-30 Years	69	55.2
31-40 Years	26	20.8
41-50 Years	26	20.8
Married	111	88.8
Unmarried	14	11.2
SSC / Diploma	13	10.4
Degree	84	67.2
Postgraduate	28	22.4

**Table 1 Demographic characteristics of the Respondents**

**Testing Hypothesis:**

H1. E-Commerce reduces the time between the capital outlays.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	8	6.4	6.4	6.4
Disagree	5	4.0	4.0	10.4
Valid Neutral	10	8.0	8.0	18.4
Agree	62	49.6	49.6	68.0
Strongly Agree	40	32.0	32.0	100.0
Total	125	100.0	100.0	

**Table 2: E-Commerce reduces the time between the capital outlays.**

**Result Analysis:**

From table 2, it can be interpreted that about 49.6 percent of the respondents agree to the question posed that there is impact of e-commerce on the capital and product receipt and followed by about 32 percent strongly agree to the posed question.

H2. The use of e-commerce in business the sales of goods and services are increasing.



	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	2	1.6	1.6	1.6
Disagree	7	5.6	5.6	7.2
Valid Neutral	4	3.2	3.2	10.4
Agree	93	74.4	74.4	84.8
Strongly Agree	19	15.2	15.2	100.0
Total	125	100.0	100.0	

**Table 3: E-commerce in business thesale of goods and services are increasing.**

**Result Analysis:**

From table 3, it can be interpreted that about 74.4 percent of the respondents agree to the question posed that there is impact that the use of e-commerce for business marketing the sales of goods and services are increasing day by day and followed by about 15.2 percent strongly agree to the posed question.

H3. The impact of E -Commerce affects the business performance significantly.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	3	2.4	2.4	2.4
Disagree	38	30.4	30.4	32.8
Valid Neutral	10	8.0	8.0	40.8
Agree	20	16.0	16.0	56.8
Strongly Agree	54	43.2	43.2	100.0
Total	125	100.0	100.0	

**Table 4: E-commerce on overall business performance**

**Result Analysis:**

From table 4, it can be interpreted that about 43.2 percent of the respondents strongly agree to the question posed that there is impact that the use of e-commerce for overall business performance and followed by about 16 percent agree to the posed question.



**Implications:**

- 1) Governments and specifically companies that face the "adjust or die" scenario, especially in developing countries, fall after technology and innovation can increase the gap with a richer and more advanced economy.
- 2) Electronic commerce presents exclusive opportunities for less developed countries to expand their markets, both internally and externally. Externally, the Internet and other technologies can allow cheap international trade, even for small and local businesses. Internally, many groups considered "marginalized" and "non-traders" can obtain reasonable access to financial services and, therefore, can contribute more easily in all aspects of the economy.
- 3) Rural areas considered too expensive or not profitable for business development can be the focus for the expansion of investments and the market, as well as for the transfer of corporate offices.
- 4) Development of microfinance institutions to provide financial services to semi-urban and rural areas

**Conclusion:**

Electronic commerce promises to be an important tool to guarantee total growth. The conventional business model is undergoing aquatic changes to reduce the fame of the physical infrastructure of large cities as a necessary condition for the smoothness of the business. The arrival of international shipping options creates the opportunity to reach online users around the world. The increase in the economy with the growing spread of the Internet offers attractive options for retailers to grow.

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