

DOI 10.1515/sbe-2015-0028

## WHOLESALE AND RETAIL E-COMMERCE IN MAURITIUS: VIEWS OF CUSTOMERS AND EMPLOYEES

#### SAWMY Tiruvenee

University of Mauritius

#### DAMAR-LADKOO Adjnu

University of Mauritius

#### Abstract:

The internet triggered a significant rise in e-commerce as many businesses found that the advent of online business provides unparalleled opportunities for organisations to extend their operations overseas. In Mauritius, many retail and wholesale shops have decided to embark in the online experience and are contemplating to launch e-commerce websites, more specifically electronic ordering (e-ordering), where customers can then order for their products without having to move to the outlets. The aim of this study was to provide a thorough understanding of the several benefits and problems associated with the adoption of an ecommerce website by wholesale and retail shops. The following were done: an assessment of the readiness of customers to go online and an evaluation of employees' motivation and opinion towards the implementation of e-commerce. The study mainly revealed that majority of the respondents had never purchased online and a significant number of customers were reluctant to order online despite the various guarantees provided. Moreover, 56% of the employees were against the implementation of an e-commerce website as they related it to an increased workload or a waste of resources. Consequently, relevant recommendations catering for all stakeholders were formulated for successful implementation of an e-commerce website.

Key words: Wholesale, retail, internet, customers, Mauritius

#### 1. Introduction

The explosion of the internet has triggered a significant rise in electronic commerce (e-commerce) as many businesses found that the advent of online business provides unparalleled opportunities for organisations to extend their operations overseas. Mauritius, a small Island found in the Indian Ocean with approximately 1,253,000 inhabitants (Statistics Mauritius, 2012), has recognized the huge potential that e-commerce can convey. Since Mauritius has adopted the culture of 24/7, coupled with the Government's aim to turn Mauritius into a cyber-island (Goering, 2006; cited in Hanuman and Stephen, 2009), Information and Communication Technology (ICT) has

indisputably become one of the main pillars of the Mauritian economy (Allafrica.com, 2008) and it appears that e-commerce may hold some potential. Nowadays, Mauritius is trying to keep pace with the technological advancement prevailing in the market. It bears some local e-commerce examples like: www.lacase.mu, www.tantebazar.com, www.flower.mu or www.t-shirts.mu. Online opportunities are experiencing an upward trend worldwide and Mauritians are already being engulfed in the e-commerce waves. Indeed, there are many success stories of organisations that adopted e-commerce,

however many organisations are still lagging behind in establishing an online presence. This is due to the fact that several problems can emerge while adopting ecommerce. To curb down these problems, the Mauritian government had been adopting several legal measures in the likes of Electronic Transactions Act 2000 (ETA 2000), the Data Protection Act 2004 (DPA 2004) and the Information and Communication Technologies Act (ICT Act) 2001. However, the failures of ecommerce in Mauritians prefer their conventional way of making their purchase rather than going online.

Objectives of the study were set as follows:

- Assess customers' willingness and readiness to go online
- Determine the perception of customers towards an e-commerce website
- Analyse what factors stimulate customers to purchase online
- Find out the views of employees about an e-commerce website

### 2. Literature Review

The use of the Internet coupled with ICT is changing how businesses are operating locally and globally. Undoubtedly, the emergence of electronic business, generally called e-business, is one of the most remarkable and exciting phases of the Internet evolution as an alternative to the traditional way of conducting business.

E-commerce is a component of e-business and it uses the internet to carry out commercial transactions among the organisation and its customers (Watson *et al.*, 2008). According to the Organisation for the Economic Co-operation and Development (1997), e-commerce can be defined as "the buying and selling of products between customers, businesses, governments and other public or private companies, over the Internet."

E-commerce was introduced about 40 years ago, in the late 1970's. At this stage, it simply involved the electronic sending of documentation from businesses to businesses. E-commerce became a reality in the early 1990's when the Internet was brought to the general public, but it took another four years for the creation of the required security protocols and fast internet connections. In 2000, businesses started to carry out their buying and selling transactions online, notably in America and Western Europe. The first two businesses allowing the buying and selling of products on the Internet were Amazon and eBay (Lawson, n.d.).

One major empirical review contextualized from Mauritius, guiding the objectives of the present study was that of Hanuman and Stephen (2012) which concluded amongst many others, that further studies should be conducted on: 1) impact of the Mauritian's culture and gender on e-commerce, 2) factors influencing online shopping adoption & repeat purchasing, and 3) web-experience factors & their impacts on consumer behaviour.

#### 2.1 The Benefits of E-commerce

During the past recent years, many companies have been embarking on providing online services to their customers due to the advantages that can be derived. One major benefit related with e-commerce is the reduction in costs as less human resources are required due to automated processes (Stockdale & Standing, 2004). Automation of processes also leads to a more rapid service and hence is considered to be less time consuming (Xu & Quaddus, 2009). Moreover, the advent of e-commerce has opened a new avenue for businesses to have easy access to new global markets and international customers and partners (Sajuyigbe, 2012). Consequently the presence of international sellers has helped in providing customers with the opportunity to have a wider variety of choices at their disposal (Botha *et al.*, 2008). Convenient shopping is another term often associated with e-commerce; customers now have the luxury to stay at home and make their purchase from any location and at any time, provided they have internet connection (Hannon, 1998).

#### 2.2 The Drawbacks of E-commerce

Undeniably, e-commerce has brought drastic positive changes to the way companies are operating. However, it has also brought a multitude of limitations. The implementation of e-commerce itself is complex; it is a tedious task to integrate the World Wide Web with existing legacy systems (Abid et al., 2011). Additionally, as technology is constantly evolving regular updates become available and others become obsolete (Lee, 2001). However, the main problem with e-commerce adoption remains resistance to change. Many top level managers of companies are unwilling to accept that their businesses require revolutionary alterations to survive in this digitalised world (Duan, 2012). Employees are also against e-commerce as they may lack technological knowhow and hence fear that the organization may have recourse to an external pool of employees (Arendt, 2008). Another problem that often hampers the effective adoption of e-commerce is lack of trust from customers; this is attributed to the lack of real control of information that are being exchanged over the internet (Koved et al., 2001) coupled with the fact that customers encounter a faceless computer instead of a sales agent (Alter, 1999). According to Schwartz (1999), late deliveries are amongst the possible reasons why customers are reluctant to adopt ecommerce as they cannot derive instant gratification with products they purchase.

#### 2.3 Models

The Internet has a great impact on the way businesses are operating nowadays. It has enabled sellers and buyers throughout the world to conduct sales; it has also enabled a cheap and faster means of communicating with stakeholders (Chen *et al*, 2003). However, the main question that crops up here is whether consumers and businesses are ready to embrace the benefits of IT (information technology) and adopt the concept of e-commerce (Lee *et al.*, 2000).

#### 2.3.1 The e-adoption ladder

According to a study carried out by DTI (2001), e-adoption consists of a series of steps and can be illustrated by an "e-adoption ladder", where sophistication levels increase as we climb up the ladder. According to the latter, the first two phases of the e-adoption ladder depicts the acquisition of basic IT skills in order to be able to operate emails for communication and websites for online marketing and sales. The third stage, which is the e-commerce phase, basically involves the online interaction between the company and its external stakeholders like suppliers and customers for eordering and electronic payment (e-payment). The e-business phase deals with integrating supply chain in order to minimize wastage, hence enhancing manufacturing and delivery. The last stage of the ladder enables the sharing of information between customers, suppliers and partners. Moreover, in this phase, new business models are created to enable the company to operate more efficiently. To be able to implement ecommerce and e-business effectively, the adoption ladder highlights that companies need technology adoption together with organizational change. The main criticisms of the adoption ladder model pertain to two facets namely the linear progression and the technology sophistication. Gary (2003) stated that the ladder is a helpful tool providing technological progression but is too linear and does not reflect processes that are complex and non-linear. In line with the argument of Gary (2003), Poon (2000) commented that in real life, companies are more likely to follow a "zig-zag" path based on a "trial and error" approach rather than a linear progression one.

#### 2.3.2 The Technology – Organisation – Environment (TOE) model

Developed by Tornatzky and Fleischer (1990), the Technology – Organisation – Environment (TOE) model lays down three aspects of an organization which influences the way a technological advancement is adopted and applied, namely: technological context, organisational context, and environmental context. The technological context explains the internal and external technologies that are relevant to the firm. The internal technologies are the current practices and equipment that exists in the firm while the external technologies pertain to the set of technologies that the firm may access on the market. The technological context also refers to the perceived benefits that technology can bring like compatibility, simplicity of use,

comparative advantage and the like. However, according to a study carried out by Venkatesh & Bala (2012), it is argued that technology alone cannot determine firms' technological adoption but financial and employee readiness are also to be considered. The organisational context refers to how managers react towards the technological innovation and relates to the level of contribution and support they provide. It also points out the organisation's characteristics as a whole, the degree of centralisation prevailing within the company, the quality of human supply and the amount of unused resources that are available. The environmental context (also called the macro arena) is centered on the external forces and relates to the industrial perspective. They can both be an opportunity or a threat to the technology adoption of an organisation. For instance, clients willing to purchase online may be beneficial to an organisation if the latter is planning to launch an e-commerce website. Another example might be tax exemption or incentives by the government to organisations adopting green technology. According to Boateng et al. (2009), the TOE framework may be useful in explaining the interrelationships between the three factors in one simple dynamic framework.

#### 3. Research Methodology

A mixed approach- gualitative and guantitative- has been used in this study. Nunkoo and Ramkissoon (2009) critically reported about the different research methodology approaches; where they pointed out that few papers utilized a mixture of both qualitative and quantitative approaches, for instance Andereck et al., 2005; Ap & Crompton, 1998; Besculides, Lee & McCormick, 2002; MacKay & Campbell, 2004; Petrzelka, Krannich, Brehm, & Trentelelmen, 2005. The study focused on one pioneer major wholesale and retail shop in Mauritius. Primary data was collected through two sets of structured questionnaires; one for the customers of the latter and one for its employees whilst secondary data about various wholesale and retail outlets in Mauritius were gathered through research articles, brochures and the internet. The sample size for the clients was based on the average monthly sales transactions that exceeded Rs. 10, 000. It was found that the average monthly sales of the grocery shop were 1400 transactions. The sample size was 227 and was calculated through an online sample size calculator named Raosoft based on the average monthly sales combined with a 90% confidence level. On the other hand, questionnaires of the employees were administered to all employees of the retail/ wholesale grocery shop. The data collected from the questionnaires was analysed through the Statistical Package for Social Sciences (SPSS) Version 16.0.

#### 3.1. Research Questions of the Study

- Are customers willing and ready to adopt online purchase behaviour?
- What are the views of customers towards an e-commerce website?
- What are the various factors that can stimulate customers to purchase online?
- How employees perceive the idea of adopting an e-commerce website?

#### 3.2 Conceptual Framework of the Study & Hypotheses

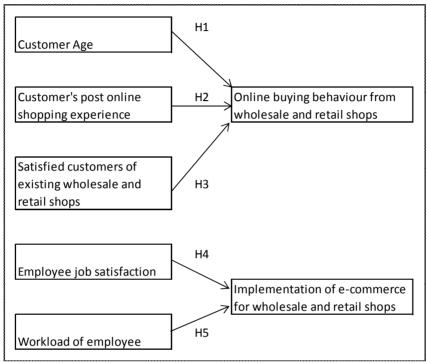


Figure 1: The conceptual framework of the study

Conceptual boundary (Context of Mauritius)

(Source: Authors' creation)

A conceptual framework was developed to test the various determinants which may affect e-commerce. H1 was used to assess the relationship between age and online buying behaviour from wholesale and retail shops. Consequently, H2 (post online shopping experience) and H3 (satisfied customers) were related to those factors which might affect online buying. In addition, employee satisfaction (H4) and their workload (H5) were taken into consideration while assessing whether an e-commerce for wholesale and retail shops would be successful.

### 4. Findings and Discussions

The findings have been presented as per the objectives set for the study.

### 4.1 Assessing customers' willingness and readiness to go online

62% of respondents had access to internet connection while 38% did not have access to internet connection. However, according to the Housing Census (2011), only 27.9% of households in Mauritius had access to the internet. The ICT Statistics

Mauritius (2012) revealed that the number of internet subscriptions increased by 53.8%, which is guite high and this, may explain the fact that 62% of respondents did have access to the internet. Out of those who had access to the internet, 24% were using the internet for more than 5 years while the others were using for a period of less than 5 years. Moreover, 25% of the people who used the internet had previously purchased online while 75% had never purchased online despite having access to the internet. Given the rapid growth of the internet along with internet users and online businesses, it was found that more than 20% of people who uses the internet in several countries already opt for online purchase (Taylor Nelson Sofres, 2002). Consequently, the Survey of eMarketer (2009) revealed that 37.1million of UK people aged 14 and above have access to the internet and out of this, 26.9million of internet users (or 72.5%) purchases online. As per the ICT Statistics Mauritius (2010), only 4.5% of persons aged from 12 years and above uses the internet for the purchase of goods and/or services. This statistics shows that a very small number of Mauritians buy products online. This may explain why only 16% of the total respondents had previously purchased online. Out of the latter, 58% purchased once in a month. 25% once every two weeks and 17% once a year. According to a research by Vijayasarathy and Jones (2000), it was found out that the frequency of online buying tend to increase as consumers' online experience increases. Hence, past online buyers with buying experience will be more likely to purchase again. Moreover, another research from US revealed that 50% of US internet users regularly purchase from the internet (Forrester Research, 2003).

#### 4.1.1 Online purchase satisfaction level

As satisfied customers will tend to be more loyal and hence purchase again, gaining a high level of customer satisfaction is of upmost importance to a business (Freed and Anderson, 2012; Kuo and Wu, 2012). Consequently, 7% of the online buyers were satisfied while 5% were very satisfied. Respondents rated their satisfaction level from 0 being very dissatisfied to 4 being very satisfied. The mean obtained was 2.94 while the standard deviation was 1.013. The mean value showed that the satisfaction level of online buying lies between "average" and "satisfied" but very much closer to the "satisfied" scale. The standard deviation of 1.013 was low, indicating that the data was reliable and consistent. Moreover, in agreement with an Online Shopper Survey carried out by comScore (2013) in the US, it was found out that overall customer satisfaction from online experience is quite high at 86%.

### 4.1.2 Reasons for online purchase

100% of the respondents opted for the 24/7 availability reason and 94% buy online because it saves time. Hence, it can be clearly seen that people who tend to purchase online did so because of the convenience provided by online shopping. This result tallied with Morganosky and Cude (2000) where they found that the most important reasons for online shopping were convenience and time saving which was cited by 73% of their respondents. Hannon (1998) also found that one of the benefits of

e-commerce is undoubtedly the convenience as compared to traditional shopping. 78% purchased online due to wider choices and according to Botha et *al.* (2008) online purchase provides customers with the opportunity to have a larger variety of choices at their disposal. Moreover, 94% responded that they buy online due to time saving and 64% due to easy comparison. This can be supported by Constantinides and Geurts (2005) where they depicted that time saving and ease of comparison were the second and third reasons that were most mentioned. From their research, the most cited reason by 27% of their participants was that they buy online as they might find cheaper products than in physical stores. 25% of the respondents who answered through the "others" option have been classified into three distinct reasons namely: better quality, cheaper prices and no need to queue up.

The majority of the respondents did not purchase online as they simply prefer off-line/traditional buying as supported by the findings of Constantinides and Geurts (2005) where they found out that the preference for traditional shopping was one of the main reasons for avoiding internet shopping. Other reasons obtained from their study were lack of physical contact with the product and trust issues. Other common reasons identified in this study were that online buying was too complicated as well as trust issues attached to online experience were vital. 59% and 70% of respondents gave security and privacy reasons respectively for being reluctant to purchase online. Miyazaki and Fernandez (2001) concluded that the main reasons why consumers are reluctant to buy online are issues surrounding their security and privacy. Harris Interactive (2001) cited that about 70% of US internet users pay special attention to the safety of their private information, security issues and misuse of the personal data. Moreover, Doolin et al. (2005) revealed that doubts and risks with online shopping can influence and deter an individual to shop online. Most respondents reacted that they would probably consider online shopping if guarantees like security of data, privacy of data and money back are offered. Point (2014) argued that online customers want evidence that the website they are purchasing from can protect them in terms of their personal data and security but also being able to give them all the required guarantees. However, there is still a group of people who might not buy online despite the guarantees being given.

#### 4.2 Customer perception towards implementation of e-commerce

A comparison was made between the criteria that customers deem important when buying in a traditional shop versus when buying online. As per the study, price was ranked first followed by quality. These 2 factors were what shoppers looked for while buying their goods in a physical shop. On the other hand, products presentation and salesman advice were ranked last as respondents do not consider them while doing their shopping or choosing in which shop they will buy. Eventually, this implied that the chance for accepting the implementation of e-commerce was positive; even if the challenge for the marketer was to provide evidence of online products' quality. But, as per the respondents, when it comes to online buying, price and security would be the two most important criteria.

#### 4.2.1 Online purchase stimulation

Free and rapid delivery and money back guarantee were found to be amongst the high rated factors that would encourage consumers to buy online followed by availability of option to pay offline bundled with lower prices than if bought in shops. However, according to Sinha (2012), delivery comes after other features like price, reviews and ease of selection. Yet, as per Javadi *et al.* (2012), the fear of non-delivery of products ordered can have a negative impact and hence customers will value guarantee of free and rapid delivery.

#### 4.2.2 Increasing trustworthiness of e-commerce

The first three factors that impacted positively on increasing trustworthiness were guarantee, security seal and privacy seal. According to the WorldPay global online shopping survey, the above three factors were revealed to be the online customers' top priorities. However, in the latter's survey, the three factors were in a different ranking with security of financial and personal information first (75%); followed by security checks concerning online payment (66%); and the guarantees and warranties given (57%). Furthermore, the factors which, according to the respondents, were less likely to increase the trustworthiness of a website were ease of navigation, company logo and information, logos of well-known brand and feedbacks from other customers. Belanger *et al.* (2002) developed hypotheses in their research and one of the hypothesis reported that consumers find security and privacy features less important than pleasure features like convenience, ease of use and navigation when they decide to buy online. Their study revealed that the main reason why consumers decide for online buying is not because of privacy and security but rather due to the convenience that online buying provides.

#### 4.2.3 Use of e-commerce to increase loyalty

Can e-commerce increase the loyalty of the customers towards a wholesale or retail shop? 74% of respondents said that it will definitely increase their loyalty. According to Jumaat and Yunus (2010), a good website that brings satisfaction will definitely increase loyalty and commitment towards the company. Moreover, Baveja, Rastogi and Zook (n.d.) of Bain & Company and Hancock and Chu of Mainspring found that in the early years of e-commerce, online experience along with a company website tend to enhance customer loyalty. Omnichannel Shopping Preferences Study by Kearney (2014) revealed that customers' most preferred shopping channel is undoubtedly physical stores as it is a place where value is created between consumers and retailers. Moreover, physical stores provide an experience which online stores cannot provide like the touch and feel factor and engaging with sales associates amongst others. Leggatt (2013) contradicts the latter by advancing that 84% of

shoppers in the US prefer online shopping to visiting a physical store. Hence, loyalty might, as it might not as well increase if shops adopt e-commerce. Different countries, products and micro or macro marketing environmental forces might impact on building loyalty through online shopping.

The world of technology is evolving and as such, marketers understand the fact that many tasks would soon go online. Hence, they continue to strive to please customers via online shopping. When queried, respondents answered that personalised updated news/information and after-sales service might attract them towards e-commerce. Smart phone applications could also be one of the solutions proposed by the respondents as well as online chats so as to clarify instant queries.

#### 4.3 Employee views about e-commerce

Without dedicated employees to service the customers, implementation of ecommerce might fail. Consequently, most of the respondents (employees) - 96% believed that e-commerce would help in boosting up sales followed by the idea that it would also help in connecting the customers better to the organisation. Yet, few believed that it would just increase the workload of the employees. According to The Deloitte survey (2013) the "Internet" was cited as the top venue for shopping, followed by "discount/value department stores" at 44% and "traditional department stores at 28%. This implies that implementing e-commerce should certainly rise in Mauritius in the near future and that consideration has to be given to employee workload as well. Yet, 69% of the employees agreed that the organisation will benefit a lot from e-commerce by enhancing its image, enabling clients to pick their products after working hours, informing clients instantly about promotional offers and saving time. Eventually sales will increase according to the latter. Therefore, 44% of the employees were in favour of the implementation of e-commerce while 56% were against as they think that Mauritius is not ready for e-commerce in its local supermarkets.

#### 4.4.The conceptual framework and hypotheses

# $H_0$ : Age is not a factor affecting online buying behavior $H_1$ : Age is a factor affecting online buying behavior

The asymptotic significance was 0.013 which is less than 0.05 (5%). Hence, the null hypothesis was rejected and it can be concluded that at 5% level of significance, there is an association between age and online buying behavior. However, the Cramer's V value of 0.250 indicates that despite there is an association between age and online buyers, it is a weak one. This finding is in congruence with Bellman *et al.* (1999) showing that demographic variables like age, education and income do have an impact on deciding to buy online, but only a modest impact. Consequently, according to a cross tabulation, it was observed that 75% of

respondents who buy online were aged below 35 years showing the positive association between age and online buyers. The weak association could be explained by the fact that the average aged and elderly persons also buy online with 3.9% from the age group of 36-50 and 51-60. However, there were no respondent in the age group of above 60 who bought online. As per Zickuhr and Smith (2012) there exists a relation between demographic groups in terms of age and online buying behavior. They reported that adults who are 65 and above are far less willing than younger age groups when it comes to online buying. Rajabalee (2007) states that the reason why people who are more likely to shop online are from the age groups 25 to 40 years can be explained by the fact that younger people feel freer to change their habits since they are more acquainted with modern technology and also, they are usually more computer literate as nowadays computers have become almost everyone's work tool.

# $H_0$ : People who have previously purchased online will not order online $H_2$ : People who have previously purchased online will order online again

Out of the 15.6% respondents who were online buyers, 38.9% answered that they would not order online. The reasons for being reluctant to buy online might be because they are accustomed in buying their grocery products in traditional shops or simply because they do not trust local websites. Moreover, according to a study by Hand et al. (2009), online shoppers may discontinue online shopping completely if they have once experienced a problem in their online transaction. This may justify the reasons why some previous online shoppers were unwilling to shop online. Moreover out of the 84.4% who have never purchased online, 67.2% said that they will not order online. Those are the people who do not trust online transactions and are not willing to adopt new technologies. With an asymptotic significance level of p=0.000, H<sub>2</sub> was accepted. It can be concluded that at 5% level of significance, there is an association between people who have previously purchased online and people who will order online again. However, according to Cramer's V value of 0.233, it is a weak association. This result contradicts the Forrester Research which showed that the main factors determining online shopping was past online purchase behaviours and the consumers' attitudes (Modahl, 2000). Another research by Dillon and Reif (2004) supported what Forrester's research revealed and pointed out that the consumers' previous online purchase experience or lack of experience is a significant influence on their purchasing decisions. As per Constantinides (2004), the primary means of delivering the Web experience is the corporate website. Sites delivering superb web experience are designed in a way not only addressing the client's product needs and expectations but also assisting the customers through the steps of the buying process. Hence, repeat purchase might be linked to the corporate website.

 $H_0$ : Satisfied customers of wholesale or retail shops will not order from their website  $H_3$ : Satisfied customers of wholesale or retail shops will order from their website

Having an asymptotic significance of 0.144 (greater than 5),  $H_3$  was rejected in favour of the null hypothesis  $H_0$ . Hence, it is observed that there is no association between satisfied customers of wholesale or retail shops and customers who will order from their website. 99.1% of respondents were satisfied with the services offered at wholesale or retail shops, with 67.5% satisfied and 31.6% very satisfied respectively. Out of those 99.1% satisfied respondents, 37.2% said they will order from their website. Hence, it can be said that despite being satisfied customers, 62.8% of them would not order online due to lack of trust in online transactions or because they prefer traditional buying.

# $H_0$ : There is no relationship between employees' job satisfaction and their views on the implementation of an e-ordering website

 $H_4$ : There is a relationship between employees' job satisfaction and their views on the implementation of an e-ordering website

The results obtained between these two variables were much dispersed. For example, on a total of 71.1% of satisfied employees (satisfied plus very satisfied counts combined), 44% said they were in favor of the implementation of the website while 56% said they were not. Theory Y and Theory X posited by McGregor could be used to further analyse the above findings. Theory Y assumes that employees are lazy, selfish and do not want to accept new responsibilities while Theory X presumes that employees are motivated and are willing to do additional tasks to uphold the benefit of the organisation as a whole (Kopelman et al., 2008). The 44% satisfied employees who were in favor of the implementation of the website seemed to be of Theory Y type of employees as they were willing to accept the fact that the website will help wholesale and retail shops to improve their performances. On the other hand, the 56% satisfied employees who were against the implementation of the website could be categorized as Theory X type of employees. Despite being satisfied, they might be resistant to change as it might involve new responsibilities and more tasks. The asymptotic significance of 0.495 (greater than 5%) implied there is no association between employees' job satisfaction and their views on the implementation of the eordering website. Accordingly, the null hypothesis was accepted. Whether an employee was satisfied or not, it might not influence his/her views on the implementation of the website.

 $H_0$ : There is no relationship between the change in workload of the employees and their opinion about the implementation of the e-ordering website  $H_5$ : There is a relationship between the change in workload of the employees and their opinion about the implementation of the e-ordering website

60% of employees believed that the website will negatively affect their current work and hence were against the implementation of the website. On the other hand, 80% of employees who stated that the website will positively affect their work were in

favour of its implementation. Therefore it can clearly be seen that those employees who thought that the website would be beneficial to them were in the favour of its implementation while those who thought the website would negatively affect their work were against. The asymptotic significance was 0.000 denoting that there is a relationship between the change in workload of the employees and their opinion about the implementation of the e-ordering website. Hence,  $H_5$  was accepted. The Cramer's V value of 0.734 indicates a strong relationship between the two variables. The more the employees thought that the website would negatively affect their current work, the more they would be against its implementation. But as per O'Keefe and McEachern (1998 cited in Constantinides, 2004), the back-office e-commerce infrastructure is also of crucial importance and that the web sites must be seen therefore as vital instruments of customer service and persuasion rather than simply as online brochures or catalogues of the company's products. Consequently, encouraging and having the support of the employees is a must for successful implementation of e-commerce.

# 4.5 Application of the Technological Organisational and Environmental framework

The technological context explains the internal and external technologies that are relevant to the firm. At the wholesale and retail shops, the internal technologies are the current technologies adopted for operation and pertain to the use of telephone calls, faxes and emails to order for goods. On the other hand, the external technology can be an e-ordering website which can be implemented by the latter. As per Venkatesh & Bala (2012), financial and employee readiness should also be considered before determining technological adoption. Without employee readiness, the adoption will not be a success and consequently, educating both the customers and employees about the benefits of e-commerce is vital. The organisational context pertains to the commitment of managers towards technological changes in the organisation. The study revealed that many people at Top Management positions can better understand the need, 1) for implementing e-commerce and 2) to accept technological change. Yet, it should be understood that the implementation of the website is a lengthy process as all stakeholders need to understand and adapt to the technological change. The environmental context involves the interaction of the organisation with its external business environment. It is detrimental for any business to effectively communicate with its customers and ensuring that the highest level of customer satisfaction is maintained. The advent of the internet has allowed businesses to increase their presence and proximity towards their customers. In so doing, the wholesale and retail shops would be able to be on the winner's side in the cut throat competition that is currently prevailing in the industry. From the result of the survey, only 37% of respondents said they will order online while a significant percentage of 63% said they will not order. Thus, for the e-commerce idea to be successful, the willingness of the customers to order from the website should be considered.

#### 5. Conclusion

Employee motivation plays a vital role in achieving successful implementation of e-commerce. This is due to the fact that, the more motivated they are, the more committed they will be and will therefore be more willing to accept and help in the implementation of the website (Bhatti *et al.*, 2011). In this respect, the employees of wholesale and retail shops should be motivated by heavily involving them in the implementation. As per Govender and Parumasur (2010), involvement triggers a sense of belonging towards the organisation as the employees feel valued. Mohsan *et al.* (2011) found that employees' involvement will lead to increase in productivity levels. Moreover, the top management of these shops should regularly inform the employees about the various changes in their work following the launching of e-commerce and reassure them that these changes will be beneficial to the company and also to them in the future.

Niranjanamurthy et al., (2013) stated that frequently asked questions can help a company reduce costs in terms of less customer service representatives. By including frequently asked questions on their websites, wholesale and retail shops may have to deal with fewer queries per day as solutions to common problems will be available. According to a Forrester Research (2003), online chat is considered to be one of the most important characteristics of a website. Moreover, from the analysis, it was found that some respondents would like to have an online chat on the websites for their queries. An online chat may enhance the users' online experience by providing live assistance to potential queries in the middle of their purchase. It is also vital to include a feedback form on the websites of wholesale and retail shops as feedbacks can help the company to know what customers like and dislike on the website. Therefore, suggestions of customers may be considered to improve the website and consequently improve customers' satisfaction.

Customers should be provided choices for delivery like either home delivery (with or without fee- depending on radius of delivery distance covered) or come and pick at our counter (customers might wish to visit shop again to buy more items or to buy frozen goods) or drive through.

E-payment, that is digital payment for transactions made over the internet, could be made available since the findings of the survey revealed that 39% of the respondents wanted e-payment. This can be attributed to the fact that some people may find it better to order online, pay online and get their delivery at their place rather than having to pay on delivery. As cited by Singh (2009), payment is a fundamental part in trading system and hence e-payment should definitely be an integral part of e-commerce. A non-mandatory option will meet the needs of customers who want to effectuate e-payment as well as those who are willing to only e-order and not pay online.

A voluntary Online Shopping Trust Seal Scheme has recently been launched by the ICT Authority with the purpose of boosting the confidence of customers in online buying and the ICT Authority will be responsible for the granting of a trust seal; the seal

will be published on the website and whenever a customer will click on the seal, the certificate of the online shop will be displayed (ICTA, 2014). Therefore, to position itself as a trustworthy and secured website in the mind of customers, it is recommended that wholesale and retail shops subscribe to this Trust-Seal Scheme.

A video or a well-detailed list explaining all the steps required for ordering online that is, from creating the login till confirming the purchase, should be included on the website. This will enable users who are not familiar with e-ordering to better understand the various steps and facilitate their online experience. Moreover, for some customers who are willing to order from the website but do not know how to proceed despite the above information being given, a demonstration of how to order online could be provided to them in person. Potential users of the e-ordering website should be encouraged to visit the outlet to view the demonstration. By so doing, any problem encountered or issues which are not clear can be resolved on the spot, thereby improving customers' trust and confidence in e-ordering.

To ensure that the implementation of e-commerce is successful, it is imperative for customers to be aware that the website exists and the benefits it may confer. It can be suggested that heavy advertising campaigns should be run in order to inform customers of the various benefits of using the e-ordering website. For example: advertising can be done through radio, television or/and newspapers coupled with billboards being placed on the motorway to grab people's attention. Kotler and Keller (2009) pointed out that advertising raises awareness and may reach a large spectrum of customers. However, the financial implication of the advertising campaigns should also be considered.

The unprecedented progress made by the internet coupled with the mushrooming of the digital era has prompted a paradigm shift in the way organisations are doing business. This drastic shift can be attributed to the prospects that e-commerce can confer in terms of expanding customer base, increasing sales turnover and easy access to international markets. Conscious of the benefits that e-commerce can bestow, numerous organisations in Mauritius have been adopting this gift of technology. However, ICT Statistics Mauritius (2010) shows that only 4.5% of persons aged from 12 years and above uses the internet for the purchase of goods and/or services. These statistics depicts that a relatively lower percentage of Mauritians purchase products online and therefore dampen the willpower of various organisations to adopt this practice. This study has shed light on the different issues that may obscure the successful implementation of e-commerce by wholesale and retail shops in Mauritius. Future research can focus deeply on the determinants that prevent online purchasing such as trust, security and privacy issues.

#### 6. References

Abid, A., Rahim, M., And Sheepers, H., 2011. Experienced Benefits and Barriers of e Business Technology Adoption by SME suppliers.

- Allafrica.Com, 2008. *Mauritius Cyber Island Strategy*, available online at: http://allafrica.com/stories/200806250953.html
- Alter, S., 1999, "Shopping.com: When E-commerce isn't a Bargain", *Communications of the Association for Information Systems*, 22(2).
- Arendt, L., 2008. Barriers to ICT in SMEs: how to bridge the digital divide? *Journal of Systems* and Information Technology, 10 (2), 93-108.
- Boateng, R., Molla, A. And Heeks, R., 2009. E-Commerce in Developing Economies: A Review of Theoretical Frameworks and Approaches. *In*: K. Rouiab, O. Khalil And A.E. Hassanien, eds. *Emerging Markets and E-Commerce in Developing Economies*. Hershey: IGI Global, 1-56.
- Botha, J., Bothma, C. And Geldenhuys, P., 2008. Managing E-commerce in Business. 2nd ed. South Africa: Juta & Company Ltd.
- Chen, L., Haney, S., Pandzik, A., Spigarelli, J., Jesseman, C., 2001. Small 15 Business Internet Commerce: A Case Study. *Information Resources Management Journal*, 16 (3).
- Constantinides, E., 2004, Influencing the online consumer's behavior: the Web experience, available online at:

http://www.emeraldinsight.com/doi/abs/10.1108/10662240410530835

- Data Protection Act, 2004, *Data protection,* available online at: https://www.icta.mu/documents/laws/dpa.pdf
- Duan, X., 2012. Evaluating the Critical Determinants for Adopting E-Market in Australian Smalland-Medium Sized Enterprises. *Management Research Review*, 35 (3-4), 289-308.

Electronic Transactions Act, 2000, *Electronic transactions*, available online at:

- http://www.ncb.mu/English/Documents/Legislations/Electronic%20Transaction%20Act%202000/ eta.pdf
- Hannon, J. N., 1998, "The Business of the Internet", Cambridge USA, Course Technology ITP
- Hanuman, V. And Stephen, M., 2009. *E-Retailing: An assessment of the Mauritian Consumers'* Behaviour towards Online Shopping, available online at:

http://www.wbiconpro.com/514-Vanisha.pdf

- ICT Statistics, 2012. Internet subscriptions by type of access as at end of year, 2008 2012. Economic and Social Indicators, available online at: http://statsmauritius.gov.mu/.../ICT%20Statistics%20Year%202012new.pdf
- Information And Communication Technologies Act, 2004, available online at: https://www.icta.mu/documents/laws/ictact.pdf
- Koved, L., Nadalin, A., Nagaratnam, N., Pistoia, M., And Shrader, T., 2001. "Security Challenges for Enterprise Java in an E-business environment", *IBM Systems Journal*, Armonk, 40(1), pp. 130 – 152.
- Lawson, J., n.d. In the beginning: The history behind e-commerce, available online at: http://colderice.com/in-the-beginning-the-history-behind-ecommerce/
- Lee, C.S., 2001. "An analytical framework for evaluating e-commerce business models and strategies." *Internet Research: Electronic Networking Applications and Policy.* 11(4), 349-359.
- Lee, D., Park, J., Ahn, J., 2000. On The Explanation of Factors Affecting E-Commerce Adoption.

OECD, 1997, available online at: http://www.oecd.org/

- Rajabalee, 2007, Online Grocery in Mauritius, a myth or reality? available online at:http://www.utm.ac.mu/resource/documents/exam%20case%20studymba3417.pdf
- Sajuyigbe, A.S., 2012. Adoption of e-commerce to business operations: A key to achieving Nigeria Vision 20:2020. A paper presented at 2012 National Conference on Nigeria"s Transformation and the Vision 20:2020 Policy of the Federal Government.

- Stockdale, R. And Standing, C., 2004. Benefits and barriers of electronic marketplace participation: an SME perspective, *The Journal of Enterprise Information Management*, 17(4), 301–311.
- Tornatzky, L.G And Fleischer, M., 1990. The Processes of Technological Innovation. Lexington: Lexington Books.
- Venkatesh, V. And Bala, H., 2012. Adoption and impacts of interorganisational business process standards: Role of partnering synergy. *Information Systems Research*, 1-27.
- Watson, R.T., Berthon, P., Leyland, F.P., And Zinkhan, G.M., 2008. *Electronic Commerce: The Strategic Perspective*, available online at: http://florida.theorangegrove.org/og/file/29589c3c-8bcd-72c1-b2f2-37789232eb3c/1/Electronic\_Commerce.pdf
- Xu, J. And Quaddus, M., 2009. E-Business in the 21st Century: Realities, Challenges and Outlook. SGP: World Scientific Publishing Co.