

An Assessment of the Inhibitors of Electronic Business Adoption in the Zimbabwean Service Sector

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Abstract; Electronic commerce is being used by businesses in Zimbabwe as a means of increasing profitability and productivity. While there are numerous advantages to electronic business adoption, there are also numerous barriers to this growth. The study examines the barriers to implementing electronic business in Zimbabwe's service industry. A field survey of senior information technology executives was performed to investigate the barriers to electronic business adoption. The underlying structural characteristics of inhibitors impacting the adoption of electronic business were determined using a sample of 100 CEOs. The research was conducted in a qualitative manner. The study used a method called purposeful sampling. As research tools, in-depth interviews were used. The findings reveal that insufficient infrastructure and a lack of confidence are the main barriers to electronic business adoption. As research tools, in-depth interviews were used. The findings reveal that insufficient infrastructure, a lack of trust, and a lack of security are the main barriers to electronic business adoption. It was suggested that large investments in infrastructure, a secure and reliable internet, and global awareness be used to boost electronic business adoption.

Keywords: Electronic Business, Information Technology, Digital Technologies, Adoption.

I. INTRODUCTION

In the future, electronic commerce could have a significant economic impact. Internet trade will forever alter the face of business or the landscape of business [1]. According to [2], the advantages of electronic business include worldwide market reach, lower operational expenses, and faster information flow. Furthermore, [3] discovered that electronic commerce has altered global patterns in a variety of ways by increasing productivity and profitability. Reference [4] claims that since the birth of electronic commerce, new items have been in high demand all around the world. The concept of internet commerce is redefining the rules of business itself. Trading online, or using the internet as a catalyst, is referred to as electronic business. Electronic commerce is less about technology and more about strategy and management. If used effectively for development, electronic commerce and the internet can be tools for assuring long-term growth [5].

The substantial impact of internet commerce on global economy and societies will undoubtedly boost economic efficiency, competitiveness, and profitability. Reference [6] emphasizes that electronic commerce and future digital technologies can be development tools that help better the lives of billions of people

traders together to promote economic and social development.

Reference [7] stated that the internet's great flexibility has enabled what is known as electronic business, which has made inroads into traditional corporate administration practices. All aspects of traditional business that organizations are used to in a physical setting, such as online advertising, online banking, online training, online booking, investing, auction, and professional services, may now be carried out over the internet.

Electronic commerce entails doing business using modern communication tools like EDI and EFT. Electronic commerce is not only a new technology and a new frontier for global trade and business, but it is also still developing. As a result, it's critical to fully comprehend the roadblocks or barriers to electronic business adoption in Zimbabwe's service industry.

II. STATEMENT OF THE PROBLEM

Despite the significant socioeconomic benefits of electronic commerce, there is a paucity of empirical research on the barriers to electronic commerce in Zimbabwe's service sector. In Zimbabwe, no comprehensive research has been conducted with regard to inhibitors in the service sector. To address this gap in knowledge, a study was conducted to determine the major barriers to electronic business adoption.

III. OBJECTIVE

The objective of the research was to assess the electronic business adoption inhibitors in the service sector in Zimbabwe.

IV. SIGNIFICANCE OF THE STUDY

The study is intended to complement, rather than duplicate, existing programs addressing global barriers to electronic business adoption. The study is calculated to give maximal practical consequences by focusing on analysing these main inhibitors within the natural framework. It aids in the assessment of electronic markets in the service sector and assists industry captains in doing electronic commerce more efficiently and effectively.

Furthermore, this research provides a factual foundation for policymakers to analyse and identify essential methods for overcoming electronic business barriers. In this circumstance, research aimed at identifying key barriers to electronic business adoption should help industry leaders and

policymakers assess the barriers to electronic business activities within a natural framework.

V. RESEARCH LIMITATIONS

The major limitation of the faced by the researchers was that of data confidentiality and company secrecy acts. Most of the CEOs were initially not reluctant to avail to the researcher their company status on the electronic business inhibitors. To avert this limitation, the researchers adopted the confidentiality and anonymity approach. They guaranteed the participants that no name of the participant and organisation shall be published in the research.

VI. LITERATURE REVIEW

Electronic commerce has grown rapidly in recent years. China dominates the electronic business platform, accounting approximately 42% of worldwide services [8]. As a result, China's yearly revenue is expected to reach US\$862.6 billion by April 2021, surpassing the United States of America's revenue of US\$469 billion during the same period. By the end of 2021, Europe is expected to produce \$541.713 billion in total revenue [9]. By the end of 2021, the total revenue generated by internet commerce in Africa will be US\$ 27.97 billion [10]. This implies that the rise of electronic commerce is uneven across countries and continents.

Many organizations are embracing the internet as a business conduit due to the current dominance of Information Communication Technology (ICT) services and goods [11]. Electronic commerce, which is currently the world's largest economic sector, is powered by ICT.

According to the ITU (2021), technical innovation has resulted in an exponential rise or growth of the internet due to a high degree of mobile penetration and usage. One of the most important applications of the internet is electronic commerce, which has led to the convergence of nations to establish a networked economy that lowers transaction costs, improves company efficiency, and expands global reach [12].

Aside from the favourable elements mentioned above that are pushing worldwide adoption of electronic commerce, there are also barriers that are causing uneven adoption in different countries. Business environment elements such as security and trust, according to the World Economic Forum (2021), are important barriers to electronic business adoption. According to [13], security concerns including as hacking, system failure, and computer viruses deter organizations from implementing and using electronic business. Similarly, the International Telecommunication Union (ITU) (2021) agrees that businesses are wary of using internet commerce due of credit card fraud and data misuse.

Reference [14] suggested that the adoption of electronic commerce is hampered by insufficient and outdated infrastructure that cannot meet the demands of the new digital economy. The new digital environment necessitates secure and solid network architecture capable of handling large

amounts of data at rapid speeds and in a variety of formats. Furthermore, UNCTD (2021) discovered that African countries invest less in digital infrastructure in their research on the adoption of electronic business in Africa. According to the survey, barely 0.01 percent of the annual budget is allocated to the development of electronic business infrastructure.

Electronic commerce is strongly reliant on high-cost technology infrastructure, therefore enterprises in developing nations are unlikely to participate. The cost of using the internet has a direct influence on how often people use it. Monthly internet charges are extremely high in many undeveloped nations [15]. Reference [16] discovered that poor infrastructure is a major barrier to electronic business adoption in Zimbabwe in their study on electronic business adoption inhibitors. Similarly, [17] discovered that inadequate bandwidth and access to technology are the most serious infrastructural constraints. Reference [18] claims that developing countries suffer from irregular power sources and unreliable internet connectivity. As a result, the majority of businesses are not ready to accept internet commerce. E-payments are essential for electronic commerce. E-payments are essential for the adoption of electronic commerce. Scalability, security, efficiency, convenience, and privacy are just a few of the benefits of electronic payment systems.

The adoption of electronic business by nations is based on the benefits of the new technology and its relevance to business operations, according to UNCTD (2020). Organizational considerations such as the complexity and cost of electronic business are identified by the UNCTD (2020) as barriers to adoption of new technology. The OECD (2020) agrees, stating that organizational managers' resistance to change is a barrier to electronic business adoption. According to studies, 60 percent of African management does not readily accept new technology and views it as a needless expense [19].

The World Trade Organization (WTO) emphasizes that several African countries' business rules do not promote electronic commerce. Zimbabwe, for example, has no electronic commerce laws, according to the WTO. Similarly, ECOWAS (2020) finds that internet consumers are subjected to insufficient and flaky legal protection when they are cheated online. Due to a lack of electronic document rules in emerging nations, businesses are cautious to implement electronic business (EU, 2020).

The electronic business environment necessitates specialized knowledge [20]. However, Africa lacks the necessary competence to administer and maintain electronic business systems. According to the International Telecommunication Union (ITU), major business environmental variables such as trust and security are important barriers to electronic business adoption. Hacking, cyber fraud, and system failure are all security issues to be concerned about. Virtual clients are also concerned about credit card fraud [21]. Reference [22] discover that security is a trigger for a lack of trust. Users will

lose trust in an electronic business platform if it is not secure. According to OECD study conducted in African countries, security inadequacy impedes worldwide acceptance of new technology.

Companies must have distribution and delivery methods capable of satisfying client needs in order to successfully implement electronic business. Speed is one of the most defining characteristics of internet commerce.

Reference [23] agrees that in the early stages of electronic business adoption, cognitive difficulties such as lack of awareness play a significant influence. According to an ITU study (2020), barriers to electronic business adoption include a lack of information, the absence of a local language, a lack of English language skills, and bad managerial perceptions. Reference [24] asserts that the slow adoption of electronic commerce in organisations is due to high implementation costs, organisational reluctance to change, and a lack of technical skills and IT awareness among employees or at all skill levels. Reference [25] look at the cost of technology and its mismatch with way businesses are run as the key hurdles to electronic business adoption.

In their study of the challenges to electronic business adoption in Iran, Malaysia, and India, [26] found that security and privacy concerns, as well as the high cost of information communication infrastructure, are impediments to enterprises adopting electronic business. Reference [27] realised that infrastructure is a significant impediment to electronic commerce.

Lack of trust in internet payment systems and the high cost of accessing the internet were identified as important barriers to electronic business adoption in a research done in Nigeria by [1]. Furthermore, according to a study by [26], electronic business adoption in Botswana is hampered by concerns about internet fraud. The study also found that increasing awareness of electronic business, as well as sufficient training and skill upgrading, are critical in promoting electronic business adoption in Botswana and elsewhere.

Reference [27] conducted study in Sri Lanka and discovered that internal obstacles to organisations adopting electronic business were a lack of awareness of accruing benefits associated to electronic business adoption, a lack of personnel capabilities, and security concerns. Infrastructure, legal, and regulatory barriers were also noted by the researchers as external forces inhibiting electronic business adoption. While a rising reliance on electronic commerce opens up new possibilities, a lack of security and trust remains a major roadblock to such transactions.

VII. METHODOLOGY

The research was conducted in a qualitative approach to assess the barriers of electronic business adoption in the Zimbabwean service sector. The study deployed a purposive sampling method to select the participants who were rich with information in the field of electronic business.. A field survey

of senior information technology executives was performed to investigate the inhibitors of electronic business adoption. A sample of 100 Chief Executive Officers (CEOs) was used. The study used in-depth interviews to gather data. This was executed through Zoom meetings. The researchers then used NVIVO 12 to analyse the data and prouped it into different themes.

VIII. RESULTS AND DISCUSSIONS

A number of studies have also found that a lack of top management support and technology readiness had a detrimental impact on electronic business adoption in the Zimbabwean service sector.

High rates for accessing infrastructure and ICT services in the service sector in developing nations like Zimbabwe, according to the participants, are impeding electronic business.

According to the report, Zimbabwe's service sector will continue to face competitive challenges due to a lack of contemporary technology infrastructure to facilitate internet use. This is a problem with the infrastructure.

The study found that in underdeveloped countries, a lack of confidence and security is a barrier to electronic business adoption. Hacking has also been identified as a barrier to internet commerce.

Broadband connectivity and high access charges were also discovered to be impediments to electronic business adoption in the study. According to the report, online buyers are cautious to make online purchases due to a lack of trust in the payment system.

The study discovered that organisational direction and adoption of electronic business, as well as its use, are determined by expertise. Electronic business adoption is difficult for organisations with incompetent expertise in information communication technology.

Inadequate and antiquated infrastructure is a hindrance to electronic business adoption, according to the report.

Electronic business adoption is also hampered by organisational reasons such as management opposition to technology, firm complexity, and a lack of ICT skills, according to the report.

Inadequate regulatory laws, according to the report, are a barrier to the adoption of internet commerce.

IX. CONCLUSION

The study found that in poor nations like Zimbabwe, adoption of electronic business in the service sector is hampered by a lack of technological infrastructure, insecure internet networks, high bandwidth prices, and a lack of experience.

XI. RECOMMENDATIONS

It is suggested that service sector organisations adopt security management systems to enforce information security policies.

Security policy, organisational security, personal security, access control, and physical and environmental management should all be covered by the management system.

Because the construction of electronic business infrastructure necessitates a significant capital commitment, the Triple P (Public Private Partnership) model is strongly recommended. This should go beyond collaboration by encouraging infrastructure sharing among major telecommunications companies and internet service providers.

XII. FUTURE RESEARCH

The researchers suggested that areas on strategies of investing in electronic business cost-effective infrastructure; the best techniques of securing electronic business systems to promote trust among traders and consumers; and the global awareness imperatives of electronic business requires further research.

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