

DETERMINING THE MOST EFFECTIVE STRATEGIES OF E-COMMERCE FOR NOVICE ENTREPRENEURS



Minahil Rasul
01-246202-005

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Approval for Examination

Scholar's Name: Minahil Rasul Registration No. 47185

Program of Study:

Master of Engineering Management MS(EM)

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ABSTRACT

Today, ecommerce is becoming an integral part of every business with the booming of new business models and e-services. With advancement in this era, ecommerce has provided immediate benefits such as profitability, cost saving and efficiency. There is a need to determine the effective strategies that other countries have adopted and become successful in the ecommerce field. The aim of this research is to determine the most effective ecommerce strategies which can help novice entrepreneurs to build up a successful business model which can help succeed in the ecommerce field. This research is quantitative research, conducted to find the most effective strategies that were adapted by world famous ecommerce businesses. Closed ended questionnaire was used and targeted population was all level managers/employees working in Pakistan's top ecommerce companies. This research was descriptive and applied research. This research was conducted using epistemological philosophical underpinnings. Random sampling technique was used for this descriptive research. 330 samples were floated among the respondents, of which 320 were used for analysis of this study. Results show a positive influence of ecommerce strategies on success of novice entrepreneurs trying to succeed in the ecommerce field. This study intends to prove that effective ecommerce strategies, which are equally important and play a significant role in the success of novice entrepreneurs new in ecommerce and trying to succeed. Through this research, entrepreneurs and ecommerce companies will learn about these strategies' effectiveness with benefits of effectiveness and profitability.

Keywords: E-commerce, Profitability, Business Models, Cost-Effectiveness, Novice Entrepreneurs.

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CHAPTER 1

1 INTRODUCTION

From past few years, businesses have expanded as they have started competing through new web technologies and web services with emergence of internet globally. With the passage of time, technological revolution is witnessed, and ecommerce is one of part of this massive IT (Information Technology) revolution and has become core point of world trade[1]. With the growth of the internet, the online market came out were selling and buying of various products came into being. This idea was named ecommerce. While most countries have already been in this race of ecommerce, some countries still lack them as they have less knowledge about the latest ecommerce strategies and electronic services. All these latest strategies are practices being already adapted by world famous ecommerce sites like Amazon, AliExpress etc. with the latest business models like business to business (B2B) and business to consumer (B2C). Customers find it more convenient to order stuff online which can be delivered on their doorsteps to just visiting shops physically and buy stuff. Meanwhile sellers also find it an effortless way of making a profit, as investment is less.

Entrepreneurs must be aware of all business models, services, sales volumes, market target and return on investment, etc. otherwise any company would fail in implementation of these strategies and will lack behind in emergence as new entrants in ecommerce sites.

Novice Entrepreneurs since are the people without prior experience and are new entrants in this ecommerce field so they should be aware of these strategies when entering in ecommerce field. A novice entrepreneur is new to entrepreneurship and has little to no experience in starting or running a business. This person may be someone who has recently started their own business or is in the process of doing so but has not yet gained considerable experience or expertise in the field.

With advancement in the information technology field, ecommerce is the most effortless way of trade and making profit not only through web services, but people have also started their own small business through social media too. Recent research

shows that customer satisfaction should be a priority for every business. Ecommerce sites should meet customer requirements to expand and make good profit. This study has highlighted some effective strategies to help new organizations and entrepreneurs learn new strategies of ecommerce so they can emerge and make good profit with cost saving and effectiveness. Organizations trying to succeed in this ecommerce competition should be masterminds in gaining customer and market attention. Organizations should first identify risks and opportunities in the targeted market. This will help them to formulate business plans and implement strategies and models effectively.

1.1 PROBLEM STATEMENT

With the emergence of Internet and technology worldwide, ecommerce has become an integral part of world trade, however; entrepreneurs are still unaware of the most effective strategies for succeeding in the ecommerce field. There is need to identify the most effective strategies of ecommerce to help entrepreneurs from countries like Pakistan to emerge and succeed in this race of IT revolution.

1.2 RESEARCH QUESTIONS

The following empirical study explains findings of effective strategies that have helped entrepreneurs and organizations succeed in ecommerce and make more profit through their business. This study is intended to answer following questions:

- How does backend efficiency affect the success of novice entrepreneurs in the ecommerce business?
- Can satisfied customers affect the success of novice entrepreneurs in the ecommerce business?
- Is there any effect of managing inventory on the success of novice entrepreneurs in the ecommerce business?
- Is there any influence of Market Expansion on success of novice entrepreneurs in ecommerce business?
- How can Cost Reduction affect the success of novice entrepreneurs in the ecommerce business?

1.3 RESEARCH OBJECTIVES

The study aims to find the effective strategies of ecommerce that entrepreneurs can apply and make their business effective in terms of profitability, cost reduction and effectiveness. Following are the objectives of this research:

- To understand the influence of backend efficiency on success of novice entrepreneurs in ecommerce business.
- To recognize advantages of satisfied customers on success of novice entrepreneurs in ecommerce business.
- To comprehend the effect of managing inventory on success of novice entrepreneurs in ecommerce business.
- To understand the influence of Market Expansion on success of novice entrepreneurs in ecommerce business.
- To understand how reduced cost impacts novice entrepreneurs' success in ecommerce business.

1.4 SIGNIFICANCE OF STUDY

This research is intended to be done as ecommerce is now an integral part of every business plan. It is the most essential and effective way of making profit and is cost effective. People find it more convenient to order things online rather than buying physically so quality of products and customer satisfaction are necessary keys to successful ecommerce. Apart from this, there are some latest strategies and plans that can help new organizations appear if they are trying to enter the ecommerce field as new businesses. Latest ecommerce sites have increased the economy of the world. One major reason for this large rise in the economy is the increase in business competition because customers are increasing and are opting for effortless ways through which they can shop. Ecommerce can increase sales and reduce costs, making business mostly effective and competitive. Sales are increased due to advancement of IT and use of internet at every place and region. Companies have given access to large numbers of people worldwide to target customers. Costs have decreased since electronic communications are cheap, and they can reach an enormous range of targeted markets and customers.

CHAPTER 2

2 LITERATURE REVIEW

Corbitt presented a paper that gave an idea to work its offline business to supply online technology to consumers, it is going to be much important to the change the environment of business. This literature presented the aim of e-commerce studies for new business all around the world [2]. As in 2019, Corona virus pandemic started, and business started opting online business. This case has also presented the theories and strategies for ecommerce to implement them for inexperienced users.

Jason Henderson presented his work on adoption of E-commerce strategies for agribusiness firms. His paper evaluated that there are many reasons due to which users are guided towards internet business. E-commerce provides a platform to distribute information of products for existing customers and inexperienced users as well [3]. Global companies are trying to reduce their additional expenses by E-commerce investment, as the administration charges were reduced when a company moved towards online business. At the international level, companies are spending 9% of their budget business-to-business, procurement investment to exceed 300% return on investment [4].

The aim of the presented study was to explain internet usage for business transactions and for agriculture purposes. E-Business is all about the movement of all products and services through a supply chain. To engage companies into E-commerce, there are few functions that guide towards its implementation [5] . The study's objective was to identify the factors guiding e-commerce usage in agribusiness firms. It was observed that the mentioned functions had influence and high impact for choosing e-commerce for business [6].

Garcia mentioned in the paper that the reduction in transaction costs integrates e-commerce into business studies. As electronic commerce or business is to sustain or enhance the current business which has change the tradition of doing business. The presented research develops an analytical framework based on theories of reduced

transaction cost and switching cost. The paper has also discussed e-commerce strategies and essential steps to implement new strategies for e-commerce success. [7]. The framework presented can be used by strategic managers to analyze and evaluate success factors for e-commerce success. The conclusion was that e-commerce is a disruption innovation that revolutionizes and transforms traditional commerce. It was observed that the companies who adopted the strategies over conventional methods were successful in business practices. Such firms which were slow in adopting the new strategies for products and services might have less profit margins as compared to firms who had adopted them.

To explain the significance of IT outlay, study the performance of “Amazon.com” in distinction to that of “Sears Roebuck,” and Company, over the last 15 years. Amazon made substantial information technology investments and structured an online store with advanced topographies to report customer concerns[8]. Manufactured goods and seller criticisms are now conjoint and permit buyers to upturn their level of belief in the transaction by vicariously accepting the practices of earlier clients[9]. Even though having the best business attitude for incoming the e-commerce information age, Sears was inactive and did not primarily participate in internet tools with the impartial of taking a management place. In the 1960’s Sears had a recognized mail order business that was reinforced by a remarkable circulation of stores all over the United States[10]. They referred out indexes with thorough product metaphors to clients all around the country. Consumers could order products over the phone, have them dispatched to their houses and, should there be any problem with the things, agreement with a local store to admit customer facility purposes. The consequence was Sears had a successful mail order business and relished an incomparable repute for quality excellence[11]. One might claim that had Sears comprised an efficient e-commerce approach in those initial years, they could have leveraged their mail order carriage and appropriated amazon.com online occurrence[12]. Sears could now own all of Amazon’s existing marketplace and business transactions. All Sears had to do was take their product report contented from the directories and post it on a website online proficient of dispensation sales transactions. Therefore, there must be an assurance by organization to participate in IT systems intended to provide a business policy intended to provide a leadership place. Else, the business will take up the height of a “admirer” and slowly drop ground and market share like Sears did at the beginning of the internet[13].

Like old-style customers, the existing online customer is “most anxious about the class of the products they obtain and the superiority of the facility that materials them.” In outmoded transactions, customer facility is identical with the eminence of the collaboration between the buyer and seller[14].

The deal is reinforced by person-to-person interaction and the proficiency of a specialized salesperson. Customer facility problems are correspondingly resolute by communication with qualified staff members. Online, though, clients thorough most transactions by interrelating with a digital structure and connections with a salesperson are infrequent[15]. In a sagacity, the customer facility purpose must look into a crystal ball and forecast any problems or glitches a customer may have when interfacing with the scheme to make an online procurement, deprived of communicating the buyer openly[16].

In online transactions customers use the website to search for goods, relate product topographies, order products, and pay for products[17]. The online customer facility competence must maintain these purposes and provide troubleshooting supervision with comfortable target at users with fluctuating levels of online capability. As they cannot inspect the products while buying, online shoppers also face extra suspicions when relate to retail transactions in goods[18]. The online customer facility competence must consequently simplify the procedure of refunding and swapping products that do not meet purchaser’s anticipations.

Adhocracy culture is characterized as a dynamic and creative workplace, in which people are always risk takers and companies always risk oriented to achieve innovation and success in their projects. [19] Presented his work which finds the effect of different culture off organizations on e-commerce. The study showed the positive relationship between e-commerce adoption and adhocracy of organization. Study also showed the impact of growth of organizational culture on e-commerce adoption[20].

Nickels research showed the organizational culture impact on acceptance of modern technology. Study has shown that organizational culture can be a barrier in adoption of modern technologies, and it also has impact in organization performance[21]. The research has suggested that the organizations which focus on external orientation are represented by the leader of that organization and they have a high-risk acceptance[22].

Studies have shown that strategies for online business have a positive impact on it. E-commerce got a higher popularity when strategies were implemented[9]. From the initial stages e-commerce has grown exponentially. E-marketer journal e-commerce has explosive pace in market as industry has developed e-commerce sales from 1.2 trillion dollars (about \$3,700 per person in the US) in 2013 to 1.47 trillion dollars (about \$4,500 per person in the US) at the end of 2014. In the Middle East 90 million people (about twice the population of California) have e-commerce business which is 15% of total population and it is increasing day by day.

Ecommerce is like an online market, where selling and buying of various products or things happen through the internet. Ecommerce strategies include all latest technologies in terms of services and practices that entrepreneurs can follow and make the most of profit and success by means of ecommerce. Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction and Customer Satisfaction are the most effective strategies highlighted in previous studies.

2.1 Novice Entrepreneur

A novice entrepreneur is new to entrepreneurship and has little to no experience in starting or running a business. This person may be someone who has recently started their own business or is in the process of doing so but has not yet gained considerable experience or expertise in the field [23] .

Novice entrepreneurs frequently encounter a variety of difficulties, such as a lack of expertise or experience in critical areas like marketing, finance, and business administration. They might also have trouble producing a workable business plan, getting financing, attracting clients, and negotiating legal and regulatory constraints. To overcome these challenges, novice entrepreneurs can benefit from seeking out resources and support, such as mentorship, networking opportunities, and educational programs. They may also need to be flexible, adaptable, and willing to learn from their mistakes as they navigate the complex and challenging world of entrepreneurship [24]. Overall, starting a business as novice entrepreneur can be difficult but with enough knowledge of effective strategies, mindset, and resources, it is possible to succeed and build a thriving business.

2.2 Backend Efficiency

Backend Efficiency is one of the effective strategies to make or break your ecommerce business. Most ecommerce businesses have positive effect of improvising backend by utilizing multichannel selling software. Customers are attracted more when ecommerce sites have effective backend efficiency. These backend efficiency factors include speedy order fulfillment, protected and high information security, up-to-date inventory stock and multichannel ecommerce software etc. Speedy Order Fulfillment is one of the aspects to make backend efficient. Customers prefer orders that require less shipment time[25]. For speedy delivery, sellers must evaluate their supply chain process and identify issues with their links. Another aspect is to protect customers' personal data by ensuring extra security for personal information of customers to attain customer loyalty for more sales. For securing personal data, strong configuration of backend process is required.

In e-commerce, backend efficiency refers to the efficiency and effectiveness of the systems and processes that support the operations of an online store, including inventory management, order processing, payment processing, and shipping [26]. A highly efficient backend system is crucial for the success of an e-commerce business, as it can help to improve customer satisfaction, reduce costs, and increase revenue. Here are some key areas where backend efficiency is essential in e-commerce:

- **Inventory Management:** An efficient inventory management system ensures that products are available when customers place an order. This includes tracking inventory levels, managing product data, and forecasting demand to ensure that the right products are in stock at the right time.
- **Order Processing:** An efficient order processing system ensures that orders are processed quickly and accurately. This includes managing customer information, tracking orders, and communicating with customers about order status and delivery.
- **Payment Processing:** An efficient payment processing system ensures that transactions are processed securely and quickly. This includes managing payment gateways, handling refunds and returns, and preventing fraud.

- **Shipping:** An efficient shipping system ensures that products are delivered quickly and cost-effectively. This includes managing shipping carriers, tracking shipments, and handling returns and exchanges.
- **Customer Service:** An efficient customer service system ensures that customers receive timely and effective support when they have questions or issues with their orders. This includes managing customer inquiries, providing support via multiple channels, and using automation and self-service options to reduce wait times.

[H1 (Hypothesis 1)]: Efficient backend has positive impact and is related to success of novice entrepreneurs in ecommerce field.

2.3 Market Expansion

Market expansion is the most impactful strategy nowadays in any ecommerce site as it includes all new and latest products, its selling and buying. To expand as new markets, a company (ecommerce sites) should expand by evaluating its capabilities. Market expansion has strength to expose new products and services to broader expansion, while increasing customers can eventually improve sales with higher profit and more success[27]. This strategy helps companies increase their reach to targeted audience by various means. The easiest way to expand a business or to grow a company is through ecommerce. Many of the well-known companies have expanded their business through e-commerce. But growing in the ecommerce market is not as easy as it seems to be. It requires a lot of effort in gaining the interest of consumers.

Market expansion through e-commerce has affected the ecommerce market a lot. For companies expanding through e-commerce, it is difficult to gain and maintain the trust of the consumer as many fake copies of the same product are available on the same platform but for a lot cheaper price. It is also difficult for companies to gain trust of customers on e-commerce as some customers have had an unpleasant experience with other stores while shopping online. It is also difficult for customers to find authentic products or store online, as they do not have any guarantee about the quality of the product. Due to market expansion a lot of competition is observed over e-commerce platforms. Surely, we can say that ecommerce itself has grown a lot due to market expansion. It can be concluded that market expansion through ecommerce can be a better option for those companies who have developed their policies for customers and

gained their trust. If the customer is not satisfied by the product or policies, the business on the channels other than e-commerce will also be affected [28]. Here are some ways in which market expansion can contribute to the success of a novice entrepreneur in e-commerce:

- **Increased Customer Base:** Expanding into new markets provides access to new customers and allows a novice entrepreneur to reach a wider audience. This can help to increase sales and revenue.
- **Diversification:** Expanding into new markets can help to diversify a novice entrepreneur's customer base and product offerings, reducing reliance on any single market or product.
- **Competitive Advantage:** Expanding into new markets can help a novice entrepreneur gain a competitive advantage by differentiating their business from competitors and creating new opportunities for growth.
- **Improved Brand Awareness:** Expanding into new markets can help to improve brand awareness and build brand reputation. This can help to attract new customers and retain existing ones.
- **Increased Revenue:** Market expansion can lead to increased revenue, which can be reinvested into the business to drive further growth and success.

[H2 (Hypothesis 2)]: Expanded market has positive impact and is related with success of novice entrepreneurs.

2.4 Inventory Management

Effectively managing inventory is one of the strategies that can help run a successful e-commerce business. It includes the process of ordering to restocking inventory and forecasting inventory. This process is helpful when unexpected events occur like running out of products, delays, cash flow problems [29]. Different Software is introduced to effectively manage inventory which can help automate several functions like inventory control, distribution, tracking etc. Use of different gadgets to order online makes purchase easy for customers but for sellers, it becomes difficult to monitor inventory levels. Managing inventory is one of the processes from supply chain and maintaining it properly can make or break customer satisfaction[30]. Here are some reasons why inventory management is closely related to the success of novice entrepreneurs in e-commerce:

- **Efficient Order Fulfillment:** Effective inventory management ensures that products are available when customers place an order, allowing for efficient order fulfillment. This improves customer satisfaction and increases the likelihood of repeat business.
- **Cost Savings:** Effective inventory management reduces the cost of excess inventory, storage, and handling. By minimizing overstocking, novice entrepreneurs can avoid the excessive costs associated with storing and managing excess inventory.
- **Improved Cash Flow:** Effective inventory management ensures that the right products are available at the right time, improving cash flow by reducing the cost of holding inventory. Novice entrepreneurs can reinvest the cost savings back into the business to drive growth.
- **Accurate Demand Forecasting:** Effective inventory management allows novice entrepreneurs to accurately forecast demand for their products. This helps avoid stock outs, which can lead to lost sales and dissatisfied customers.
- **Better Business Insights:** Inventory management provides valuable data on product demand and sales trends, which can help novice entrepreneurs make more informed business decisions. This includes identifying popular products, optimizing pricing, and adjusting marketing strategies.

[H3 (Hypothesis 3)]: Efficient inventory management has positive impact on the success of novice entrepreneurs in ecommerce fields.

2.5 Cost Reduction

Reduced cost is a key strategy that can be achieved through successful ecommerce business. It can also be considered if promotions on various products and discounts are given to attract customers of all types from all areas. In an e-commerce business, cost reduction refers to the process of figuring out and putting into action strategies that can lower overall operating expenses while maintaining or even improving the quality of goods and services provided [31]. Cost reduction is crucial in e-commerce to ensure profitability, especially in a sector with intense competition. An e-commerce company can increase profitability and spend more resources to growth, innovation, and improve the customer experience by putting cost reduction strategies.

Cost reduction is a crucial factor in the success of an e-commerce business. Here are some ways that cost reduction can make an e-commerce business successful:

- **Increased profitability:** By reducing costs, an e-commerce business can increase its profitability, which in turn provides resources for investments in growth and innovation.
- **Competitive pricing:** By reducing costs, an e-commerce business can offer competitive pricing on its products, which is a major factor in attracting and retaining customers in the highly competitive e-commerce market.
- **Improved customer experience:** By reducing costs, an e-commerce business can invest in improving the customer experience, such as providing better customer service, faster shipping, or higher quality products. This can help build customer loyalty and lead to repeat business.
- **Better cash flow management:** By reducing costs, an e-commerce business can improve its cash flow management, which is essential for the smooth operation of the business. This allows the business to manage its resources more effectively and invest in areas that drive growth.
- **Increased investment in marketing:** By reducing costs, an e-commerce business can invest more resources in marketing and customer acquisition, which can help increase sales and drive growth.

In conclusion, cost reduction can contribute to the success of an e-commerce company by increasing profitability, providing competitive pricing, improving the customer experience, better cash flow management, and increased investment in marketing. It gives the company the freedom to concentrate its efforts on development and innovation while laying the foundation for main contributions in a competitive industry.

[H4 (Hypothesis 4)]: cost reduction is directly related to the success of novice entrepreneurs in the ecommerce fields and has a positive impact on it.

2.6 Customer Satisfaction

Satisfied customer in all terms that can be in terms of services being provided or costs or billing method or delivery method, quality of all these things count when we are talking about customers, so customer satisfaction is important in every business either it is online like ecommerce or in market[32]. There are several schemes which are proved

to increase ecommerce success such as attracting customers through promotions and bolstering brand experiences etc. [33]. Customer satisfaction is crucial to the success of any e-commerce business, particularly for novice entrepreneurs. Here are some reasons why customer satisfaction is closely related to the success of novice entrepreneurs in e-commerce:

- **Repeat Business:** Satisfied customers are more likely to return and purchase again, which leads to increased sales and revenue. Repeat business is a key driver of growth and sustainability for any business, especially for novice entrepreneurs in e-commerce.
- **Positive Word-of-Mouth:** Satisfied customers are more likely to recommend a business to others, leading to increased brand awareness and customer acquisition. Positive word-of-mouth is a powerful marketing tool for novice entrepreneurs who have limited marketing resources.
- **Improved Brand Reputation:** Satisfied customers can help build a positive reputation for an e-commerce business, which is essential for building trust and credibility. A strong brand reputation can differentiate a novice entrepreneur's business from the competition and help attract new customers.
- **Reduced Customer Acquisition Costs:** It is more cost-effective to retain satisfied customers than to acquire new ones. Satisfied customers are more likely to make repeat purchases, reducing the cost of customer acquisition for novice entrepreneurs.
- **Increased Revenue:** Customer satisfaction can directly impact on revenue by increasing the number of sales and average order value. Satisfied customers are more likely to purchase additional products or services and recommend the business to others.

In summary, customer satisfaction is essential to the success of novice entrepreneurs in e-commerce. Satisfied customers can help drive growth, improve brand reputation, reduce customer acquisition costs, and increase revenue. By focusing on customer satisfaction, novice entrepreneurs can create a solid foundation for long-term success in the competitive e-commerce market.

[H5 (Hypothesis 5)]: Satisfied customer has a positive impact on success of novice entrepreneurs and is definitely directly related with it.

2.7 Theoretical Framework

This study directs the attention on the effective strategies of ecommerce that can impact the success of novice entrepreneurs trying to emerge their business in ecommerce field. Understanding these strategies is as essential as understanding the success of novice entrepreneurs. For this purpose, hypotheses are developed in such a way that ecommerce strategies will show the impact on success of novice entrepreneurs.

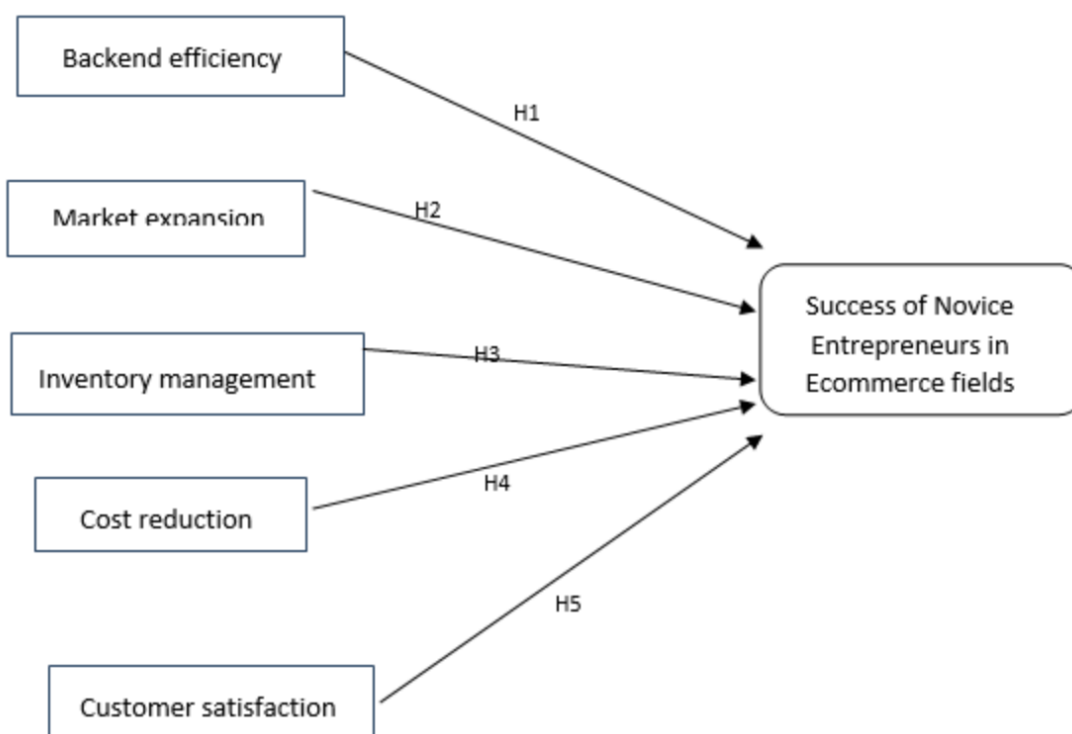


Figure 1: Schematic Diagram of Theoretical Framework

In this study, success of novice entrepreneurs in the ecommerce field is dependent variable and all the effective strategies are independent variables. These are the most effective strategies that are important for any entrepreneur to succeed in the ecommerce business. These strategies include Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction, and Customer Satisfaction. Further items of each strategy will also be measured in this research in questions.

CHAPTER 3

3 METHODOLOGY

3.1 Research Design

The presented research was cross sectional research. Quantitative research technique was used to conduct this research. This research was descriptive research. A deductive research approach was used in which data was collected through closed ended questionnaires and surveys. It is one of the most common data collection methods using standardized measurement tools.

3.2 Sample Size

For this Power and Precision tool was used which is an experimental tool to find the sample size. Fisher zero Approximation was used with the help of this software and 5% value of statistical level of significance (α) was selected. Correlation coefficient value (γ) retrieved from previous studies was 0.18, therefore it is used to find the size of the sample. Sample size of 320 was determined through this.

Power and Precision tool is an experimental tool which is used to find sample sizes. For this research, sample size was 320. 330 samples were distributed, and 320 were further used for data analysis. All the respondents were all level managers and employees working in top ecommerce sites of Pakistan like Daraz, OLX, PakWheels, Zameen.com etc. All these respondents were bachelor's or master's Degree holders. The respondents were provided with a paper-based questionnaire to get the information from them. Online Google survey was also used to gather data. No sort of personal information was asked for by them.

3.3 Sampling Technique

Random sampling technique will be used for this descriptive research. A stratified random sample is a population sample in which the population is divided into smaller groups known as "strata." Random samples can be taken from each stratum or group.

3.4 Targeted Population

Population selected for this research was all level managers and employees working in Pakistan's top ranked ecommerce sites. Data was collected from the following ecommerce sites; Zameen.pk, Daraz, Amazon, PakWheels, OLX, Priceoye.com, and some clothing sites etc. All respondents were at least bachelor's degree holders while some of them were master's degree holders as well. It was made sure that all targeted population was aware of these strategies while filling out the forms.

3.5 Data Collection Methodology

Most of the questionnaires were sent online through Google forms. 320 sample size was calculated through power and precision tool with 90% accuracy. A total of 325 questionnaires were sent to all level managers and employees working in the ecommerce field while 320 responses were collected resulting in a 90% accuracy rate.

The questionnaire had two sections; the first was a demographic section in which a respondent profile was obtained. Other sections included effective strategies variables and a variable which was the success of novice entrepreneurs. According to the principle of "Seven plus or minus two"[34], scale of five was adopted through which users conveniently judge. The five-point Likert scale, shown in Table 1, was used to ask the respondents to rate the significance of each variable (1 = strongly agree; 2 = agree; 3 = neutral; 4 = disagree; and 5 = strongly disagree).

Table 1: Scale used in questionnaire

OPTIONS	VALUE
Strongly Agree	1
Agree	2
Neutral	3
Disagree	4
Strongly Disagree	5

3.6 Data Analysis

Analysis of data was done through software. SPSS (Statistical Package for Social Science) was used for analysis. To check reliability and validity of data, different tests were applied on dependent and independent variables. Reliability and validity of data was checked through EFA. As data collection is Likert Scale so following tests were performed:

- Reliability Analysis.
- Normality Test.
- Correlation.
- Simple Linear Regression

Development of the questionnaire was done with the help of literature review. As discussed above, the most effective strategies include Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction and Customer Satisfaction. Different variables and their items proposed by Youlong Zhuang and Albert L. Lederer [35].in his research named as “An Instrument for Measuring Benefits for Ecommerce” were adopted in this research. None of the questions were reverse-coded and it was

considered that all the respondents of this research were educated, and they could understand English easily, thus no translation was required on the instrument.

First, a reliability analysis of the data was conducted. This allowed us to see Cronbach's alpha. It determines the study's internal reliability. It also reveals the reliability of the tool being utilized. Following the reliability test, the questionnaire's validity was determined. It is used to determine whether the suggested hypothesis, that a relationship between the variables and their constructs exists or not, is correct or not. It is a statistical procedure through which we can test different hypotheses. EFA was run and factor loadings of the questions were observed. For the significance of the questionnaire, KMO and Bartlett's Test of Sphericity was also carried out.

Normality tests were also run on the data and histogram, stem-and-leaf plots, Q-Q plots, and box plots were also observed. It is used to find the outliers in the data and to see the results of the responses so that any irregularity or wrong data can be removed from the analysis. It also tells the pattern of the responses. Correlations between the dependent and independent variables were found by running the Correlation test in SPSS. Strength of relationship between the variables is determined by Correlation analysis. The result of this analysis shows values between +1 and -1. The value of +1 indicates the positive linear relation between the variables and -1 shows the linear negative or inverse relationship between the variables.

Regression test was also run on the data for further confirmation of the results. In regression analysis summary of the model is also shown. Regression analysis is done to find how much dependent variables are influenced by one or more independent variables. It also talks about the significance of the model and tells if there is a null hypothesis also present.

CHAPTER 4

4 ANALYSIS

4.1 Descriptive Statistics

Descriptive statistics are shown in table 2 illustrating standard deviation (SD) and meaning of all variables including 5 independent variables and 1 dependent variable. All these values are shown in the table below.

Table 2: Descriptive statistics

	Mini mum	Maxi mum	Mean	Std. Deviati on	Skewness	Kurtosis		
	Statis tic	Statisti c	Statist ic	Statistic	Statisti c	Std. Error	Statisti c	Std. Error
Backend Efficiency	1.00	5.00	2.041	.63231	1.089	.136	2.723	.272
Market Expansion	1.00	5.00	2.131	.67562	.865	.136	2.004	.272
Inventory Management	1.00	5.00	2.171	.69548	.618	.136	.885	.272
Cost Reduction	1.00	5.00	2.171	.70471	.764	.136	1.290	.272
Customer Satisfaction	1.00	5.00	2.137	.68561	.896	.136	1.909	.272
Success Of Novice Entrepreneur	1.00	5.00	2.017	.66460	1.254	.136	3.745	.272

All questionnaires were filled by employees and managers working in Pakistan's top ecommerce sites. Table 3 shows the qualifications of all respondents. Statistics show that 87.5% of respondents had bachelor's degree while 12.5% had master's degree.

Table 3: Qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor	280	87.5	87.5	87.5
	Masters	40	12.5	12.5	100.0
	Total	320	100.0	100.0	

Table 4 shows all ecommerce sites from which data has been collected. Table 4 statistics show that 20.9% of data is collected from Daraz, 21.6% from Pakwheels, 15% from iShopping and Amazon each etc.

Table 4: Ecommerce sites

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Amazon	48	15.0	15.0	15.0
	Daraz	67	20.9	20.9	35.9
	Davispharma.com	1	.3	.3	36.3
	Elo	1	.3	.3	36.6
	Foodpanda	5	1.6	1.6	38.1
	Gul Ahmed	8	2.5	2.5	40.6
	GulAhmed	1	.3	.3	40.9
	Infinityimports	1	.3	.3	41.3
	iShopping	48	15.0	15.0	56.3
	Mas-organics.com	1	.3	.3	56.6
	Olx	2	.6	.6	57.2
	Pakwheels	69	21.6	21.6	78.8
	Priceoye	9	2.8	2.8	81.6
	Shophive	18	5.6	5.6	87.2
	Shopify	1	.3	.3	87.5
	Telemart	26	8.1	8.1	95.6
	Zameen.com	14	4.4	4.4	100.0
	Total	320	100.0	100.0	

4.2 Reliability analysis

Reliability analysis was done for each variable and the value of Cronbach Alpha was determined through SPSS software. It is utilized to evaluate the consistency or uniformity of data. To be considered acceptable, Cronbach's Alpha must be equal to or higher than 0.7.

Table 5 shows reliability statistics of all the 5 independent variables; Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction, and Customer Satisfaction and one dependent variable; Success of Novice Entrepreneur. There were 7 items selected for Backend Efficiency and Cronbach's Alpha values for these 7 items of Backend Efficiency is 0.879, which shows that questions of this variable were reliable for the study.

Table 5: Reliability statistics

Variable	Cronbach's Alpha	Number of items
Backend Efficiency	.879	7
Market Expansion	.893	7
Inventory Management	.841	4
Cost Reduction	.836	4
Customer Satisfaction	.849	5
Success of Novice Entrepreneurs	.816	3

Table 5 also shows reliability statistics of Market Expansion. There were 7 items selected for Market Expansion, and the value of Cronbach's Alpha of these 7 items of Market Expansion is 0.893 which also shows that all these questions were reliable to use for further study. The third independent variable was Inventory management, and 4 items were selected. Cronbach's Alpha value of these 4 items of Inventory Management was 0.841, which shows that these items were reliable for further study.

Table 5 also shows the reliability of Cost Reduction and Customer Satisfaction. There were 4 items selected for Cost Reduction. Cronbach's Alpha value for these 4 items of

Cost Reduction is 0.836 which is greater than 0.7 and it shows that all these items are reliable to be used for this study. 5 items were selected for Customer Satisfaction; Cronbach's Alpha value of these 5 items is 0.849, also greater than 0.7, so it is reliable for this study. Lastly, table 5 also shows reliability statistic of dependent variable; Success of Novice Entrepreneurs. 3 items were selected for this variable. Cronbach's Alpha of these 3 items of Success of Novice Entrepreneurs came out to be 0.816 which shows that is reliable for this study.

The values of Cronbach's alpha for Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction, Customer Satisfaction and Success of Novice Entrepreneurs were 0.879, 0.893, 0.841, 0.836, 0.849 and 0.816, respectively. All values were within the range, which confirms the reliability of the scale used.

4.3 Validity test

Next, Exploratory Factor Analysis (EFA) test was done on the data to check the validity of Questionnaire and model. Factor loading of items and variables were then checked and AVE (Average value extracted) was also examined. To check the validity, KMO and Bartlett's test of Sphericity was also examined. Kaiser [36] has recommended that value of KMO should be greater than 0.5, and if the value is below 0.5, then sample size should be increased, or variables should be excluded accordingly. There are certain value limits from which different assumptions can be deduced;

- KMO value between 0.5 to 0.7 is moderate.
- KMO value between 0.7 to 0.8 is good.
- KMO value between 0.8 to 0.9 is great.
- KMO value greater than 0.9 is excellent.

Bartlett's test of Sphericity should also be scientifically significant ($p < 0.05$) to prove the validity of questionnaire [37]. Also, the value of Chi-square divided by df should be greater than 3. Since there were only independent and dependent variables included in this study, Principal Component Analysis (PCA) was performed with Eigenvalues greater than 1 and Varimax rotation was chosen. Table 6 shows values of KMO and Bartlett's test for each variable selected in this study.

Table 6: KMO and Bartlett's Test of sphericity of variables

<i>Variables</i>	<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</i>	<i>Bartlett's Test of Sphericity</i>		
		Chi-square	df	Sig
Backend Efficiency	0.879	1099.43	21	<.001
Market Expansion	0.903	1098.43	21	<.001
Inventory Management	0.791	510.63	6	<.001
Cost Reduction	0.798	494.85	6	<.001
Customer Satisfaction	0.814	657.13	10	<.001
Success of Novice Entrepreneur	0.706	335.52	3	<.001

Factor loadings of complete model were also calculated and factor loadings that have values greater than 0.4 represent meaningful values [38]. Table 7 shows factor loading values of each variable. Since all the values of each variable listed below are above 0.4 so all these values were in acceptable range. Also, no rotation was needed.

Table 7: Factor loadings

	Component 1
Backend Efficiency	.879
Market Expansion	.909
Inventory Management	.822
Cost Reduction	.843
Customer Satisfaction	.894
Success Of Novice Entrepreneur	.829

Extraction Method: Principal Component Analysis.

a. 1 component extracted.

Table 14 in appendices shows the factor loading results of each item of questionnaire which shows that all values are above 0.4 so all values are in acceptable range and there was no need to remove any item.

Next, Exploratory Factor Analysis (EFA) of complete model was carried out and Average Value Extracted (AVE) was checked whose value should be greater than 0.5 to prove the convergence validity of model [39]. Table 8 shows AVE values of complete model.

Table 8: Average Values Extracted (AVE)

	<i>Initial</i>	<i>Extraction</i>
Backend Efficiency	1.000	.772
Market Expansion	1.000	.827
Inventory Management	1.000	.675
Cost Reduction	1.000	.711
Customer Satisfaction	1.000	.799
Success Of Novice Entrepreneur	1.000	.688

Extraction Method: Principal Component Analysis.

Table 9 shows KMO and Bartlett's test of Sphericity values of complete model. KMO is 0.896 which shows strong correlation between variables of the model. Chi-square value divided by df is greater than 3 and value of significant is less than 0.05, so this model is valid for further study.

Table 9: KMO and Bartlett's Test of Complete Model

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.869
	<i>Approx. Chi-Square</i>	1676.060
Bartlett's Test of Sphericity	<i>Df</i>	15
	<i>Sig.</i>	<.001

4.4 Normality Test

Next, a normality test was done in SPSS to determine how scattered the data was and whether there were any outliers or other irregularities. Different graphs like histogram, Q-Q plots, Stem and Leaf Plot, and box plot were observed for each variable in normality test. Skewness and Kurtosis were already calculated in this test, and it has already been explained in descriptive section above. Figure 2 shows histogram of Backend Efficiency.

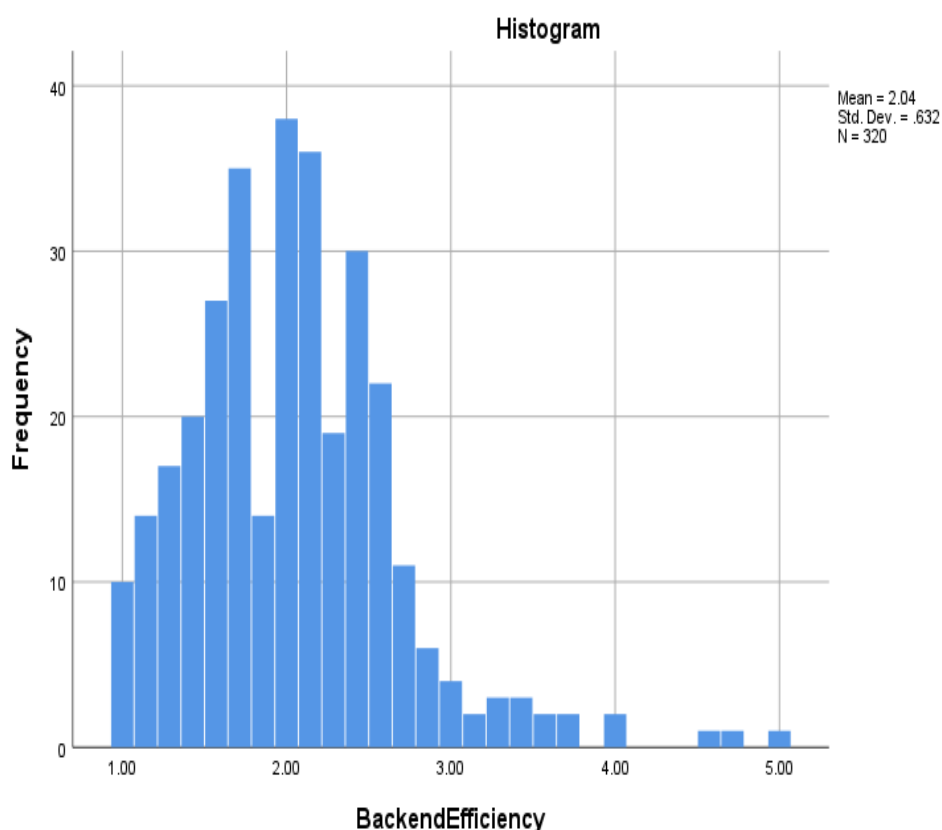


Figure 2: Histogram of Backend Efficiency

The Value of Skewness and Kurtosis can be observed through this histogram figure. The value of Standard Error divided by Statistical value of Skewness and Kurtosis should be less than 1.96 when sample size is less than 200 but if sample size exceeds 200 so value should not exceed 2.58. In table 2, standard error value of Kurtosis is .136 and statistical value is 1.089. The value of standard error divided by statistical value is 0.12 which is less than 1.96 and does not exceed 2.58.

The Stem and Leaf plot of Inventory Management is shown in figure 3. It shows what the respondents' response frequencies are. Quantitative data can be displayed in this graphical format, which is comparable to the histogram but more effective in helping to see the distribution's shape.

InventoryManagement

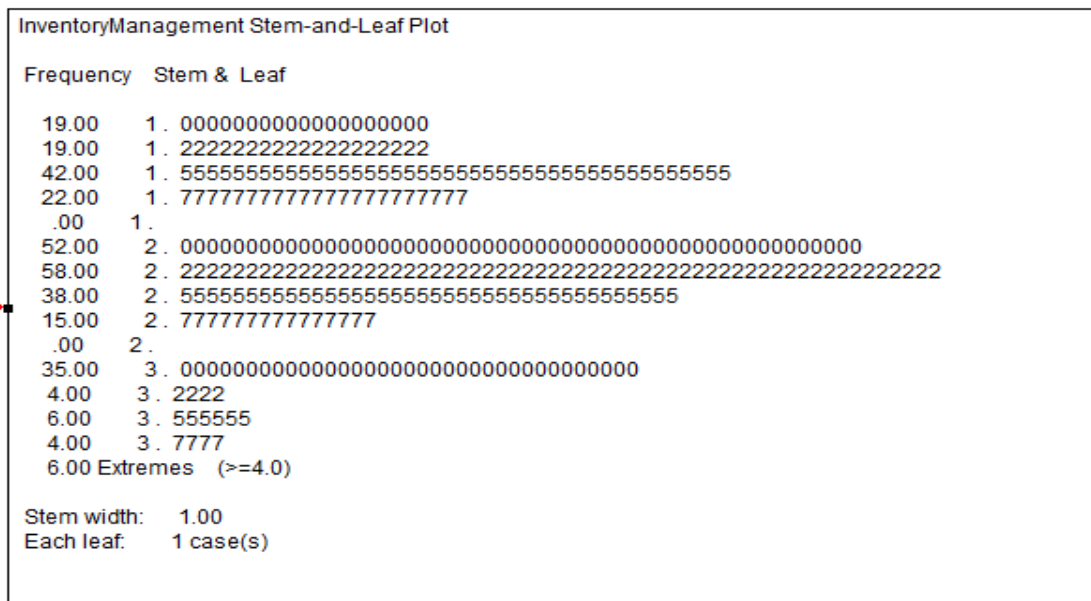


Figure 3: Stem and Leaf Plot of Inventory Management

Next is Q-Q plot, also called quantile-quantile plot, indicating graphical representation of probability distribution of quantities. Figure 4 shows Q-Q plot of Market Expansion.

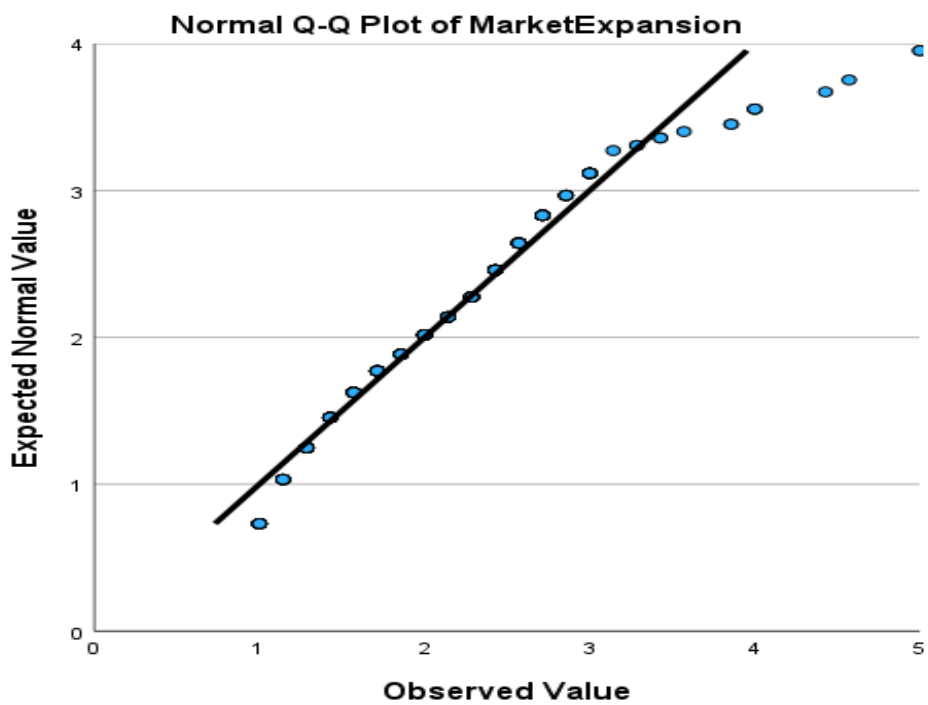


Figure 4: Q-Q Plot of Success of Novice Entrepreneur

Boxplot of data in form of variable was also observed. Figure 5 shows boxplot of Success of Novice Entrepreneurs. The middle line in the box shows medians of values.

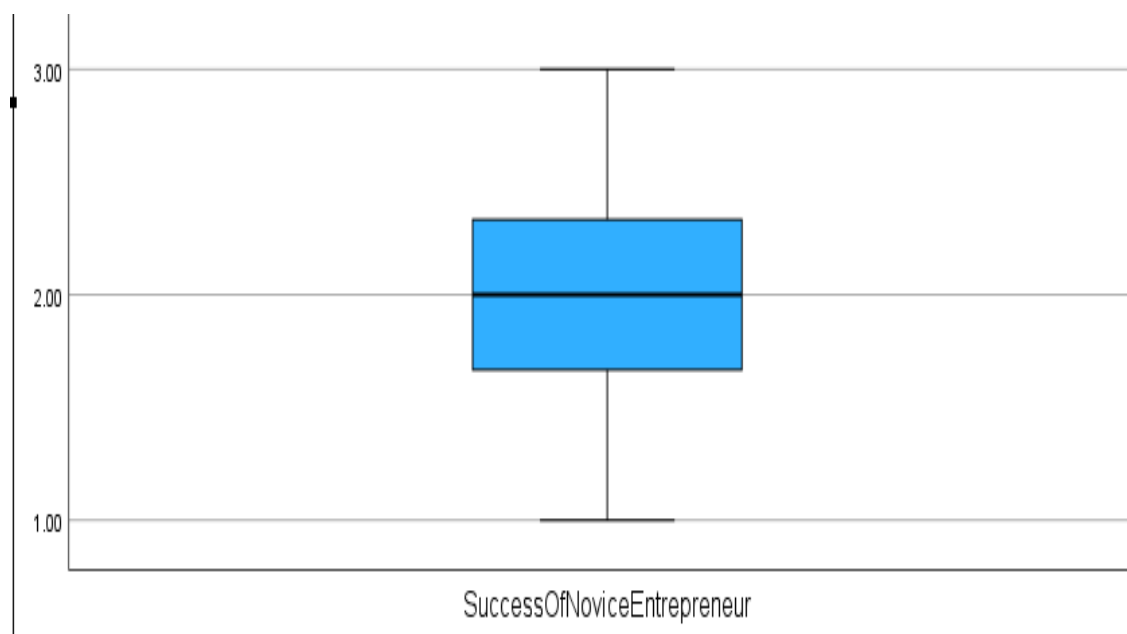


Figure 5: Boxplot of Task Performance

4.5 Correlation

Finding the dependence of variables is done via correlation. The range of correlation values is from -1 to +1. A correlation value of -1 indicates a reverse connection between the variables, indicating that if one variable rises, the other will fall; a correlation value of +1 indicates a direct relationship, indicating that if one variable rises, the other will rise as well. In contrast, a value of 0 indicates no linear relationship between the variables. If the Correlation coefficient's value lies between 0 to ± 0.3 , then there lies a weak relationship. If the value is greater than 0.3 and less than 0.7, then there exists a moderate direct relationship between the selected variables. When the value of Correlation coefficient is greater than 0.7 and less than 1, then there exists a strong relationship between the variables [40]. But according to Field [41], correlation value ranging between ± 0.6 and ± 0.75 indicates a direct or indirect strong relationship and in values that are greater than 0.75 or lesser than -0.75, there may exist a mediator or moderator between the variables.

Table 10: Correlations

	Mean	S.D (Standard Deviation)	Backend Efficiency	Market Expansion	Inventory Management	Cost Reduction	Customer Satisfaction	Success Of Novice Entrepreneur
Backend Efficiency	2.04	0.63	<i>0.879</i>					
Market Expansion	2.13	0.68	.790**	<i>0.893</i>				
Inventory Management	2.17	0.70	.598**	.646**	<i>0.841</i>			
Cost Reduction	2.17	0.70	.632**	.670**	.823**	<i>0.836</i>		
Customer Satisfaction	2.14	0.69	.832**	.858**	.601**	.642**	<i>0.849</i>	
Success Of Novice Entrepreneur	2.02	0.66	.681**	.724**	.613**	.617**	.670**	<i>0.816</i>

** . Correlation is significant at the 0.01 level (1-tailed). Cronbach's alpha is reported on diagonal in italic

In our study, connection between variables was observed through Pearson's correlation. Table 10 shows correlations between our variables. It was found out that correlation between Backend Efficiency and Market Expansion was statistically significant and has strong relationship ($\gamma = 0.790$; $\rho < 0.01$). Correlation between Backend Efficiency and Inventory Management has direct and moderate relation ($\gamma = 0.598$; $\rho < 0.01$). Market Expansion and Inventory Management has direct relation and are moderately correlated ($\gamma = 0.646$; $\rho < 0.01$).

The value of correlation between Backend Efficiency and Cost Reduction is statistically significant and has moderate relation ($\gamma = 0.632$; $\rho < 0.01$). Market Expansion and Cost Reduction are significantly correlated and has moderate correlation ($\gamma = 0.670$; $\rho < 0.01$). The value of correlation between Inventory Management and Cost Reduction is significant ($\gamma = 0.823$; $\rho < 0.01$). This indicates a strong correlation between variables. Correlation between Backend Efficiency and Customer satisfaction is statistically significant and has strongly correlated ($\gamma = 0.832$; $\rho < 0.01$). The value of Market

Expansion and Customer Satisfaction is statistically significant ($\gamma = 0.858$; $\rho < 0.01$). This indicates a strong correlation.

Customer Satisfaction and Inventory Management are statistically significant and moderately correlated ($\gamma = 0.601$; $\rho < 0.01$). The value of correlation between Cost Reduction and Customer Satisfaction is moderately correlated and statistically significant ($\gamma = 0.642$; $\rho < 0.01$). Success Of Novice Entrepreneurs and Backend Efficiency are statistically significant and moderately correlated ($\gamma = 0.681$; $\rho < 0.01$), which proves the Hypothesis H1; Backend Efficiency has positive impact and direct relation with Success of Novice Entrepreneurs.

The value of correlation between Market Expansion and Success of Novice Entrepreneur is significant ($\gamma = 0.724$; $\rho < 0.01$). This indicates strong correlation between variables, so hypothesis H2 is proved that is; Expanded Market will lead novice entrepreneurs succeed and has direct and positive relation.

Value of correlation between Success of Novice Entrepreneur and Inventory Management is significant ($\gamma = 0.613$; $\rho < 0.01$). This indicates moderate correlation between variables, so hypothesis H3 is proved that is; Inventory Management has positive impact and direct relation with Success of Novice Entrepreneurs.

Value of correlation between Success of Novice Entrepreneur and Cost Reduction are statistically significant ($\gamma = 0.617$; $\rho < 0.01$). This indicates moderate relation between both variables, ho hypothesis H4 is proved which is; Cost Reduction has positive impact and direct relation with Success of Novice Entrepreneurs.

Value of correlation between Success of Novice Entrepreneur and Customer Satisfaction are statistically significant ($\gamma = 0.670$; $\rho < 0.01$). This indicates moderate relation between both variables, ho hypothesis H5 is proved which is; Customer Satisfaction has positive impact and direct relation with Success of Novice Entrepreneurs.

4.6 Regression Analysis

After correlation test, Regression analysis was done when we must predict value of one variable (Dependent variable) based on other variables (Independent variables) [41]. It is also used to prove the connection between dependent and independent variables. Both regression tests; Simple linear regression and multiple regression analysis were done for

our model. Table 11 shows a summary of the model. R Square value, also known as model fit value, was calculated for our model which came out to be 0.583 which shows that 58.3% of variation in dependent variable; Success of Novice Entrepreneur is because of independent variables; Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction and Customer Satisfaction. This also shows that Success of Novice Entrepreneurs is only 58.3% dependent on selected strategies and there must be other strategies too on which success of entrepreneurs will depend.

Table 11: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.764 ^a	.583	.577	.43240

a. Predictors: (Constant), Customer Satisfaction, Inventory Management, Backend Efficiency, Cost Reduction, Market Expansion

Table 13 in the appendices shows Analysis of variance (ANOVA) of this model. ANOVA table shows the degree of freedom and significant value. Significance value of this model was determined to be less than 0.001 which is less than 0.5 ($\rho < 0.001$), which shows that it is highly significant. This means that there is a 0.001% chance that F-ratio would occur if there were any null hypothesis present in study. Most important is F-ratio which shows the inaccuracy level in the model and its value should be greater than 1 [41]. The greater the value of F-ratio, the greater will be the accuracy of model.

Simple Linear Regression for each variable was carried out and determined values are shown in table 12. All five variables were positively related and were significant predictors of Success of Novice Entrepreneurs; Backend Efficiency ($\beta = 0.716$, $\rho < 0.001$), Market Expansion ($\beta = 0.712$, $\rho < 0.001$), Inventory Management ($\beta = 0.586$, $\rho < 0.001$), Cost Reduction ($\beta = 0.582$, $\rho < 0.001$), Customer Satisfaction ($\beta = 0.649$, $\rho < 0.001$). Unstandardized β coefficient value was observed.

Table 12: Linear Regression Analysis

Variable	Constant	B	R Square	Sig
Backend Efficiency	0.557	0.716	0.464	0.000
Market Expansion	0.500	0.712	0.524	0.000
Inventory Management	0.746	0.586	0.376	0.000
Cost Reduction	0.754	0.582	0.381	0.000
Customer Satisfaction	0.630	0.649	0.449	0.000

From Regression analysis it is proved that Market Expansion will have greater impact on Success of Novice Entrepreneur as it has the highest R square value among other variables.

CHAPTER 5

5 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

The main objective of conducting this study was to check the impact of most effective strategies of ecommerce on the success of novice entrepreneurs. The results of this research have shown that there is a positive and moderate effect of these most effective strategies on the success of novice entrepreneurs who are new in this field and trying to emerge. By following these most effective strategies, novice entrepreneurs, being new entrant in the market, can become successful. These most effective strategies include Backend Efficiency, Market Expansion, Inventory Management, Cost Reduction, Customer Satisfaction. Among these most effective strategies selected, Market expansion has the most impact on success of novice entrepreneurs with the highest correlation value ($\gamma = 0.724$; $\rho < 0.01$). If novice entrepreneurs include expanded market in their ecommerce sites, they can succeed early.

After Market Expansion, Backend Efficiency has the most impact on success of novice entrepreneurs with second highest correlation value ($\gamma = 0.681$; $\rho < 0.01$). Inventory Management has the least impact on success of novice entrepreneur with minimum correlation value ($\gamma = 0.613$; $\rho < 0.01$). Therefore, it can be determined that by following these most effective strategies, novice entrepreneurs can emerge and succeed in the ecommerce field.

From regression analysis, it can be analyzed and proved that Market Expansion has the highest impact on success of novice entrepreneurs as it has the highest R square value among other strategies. All the hypotheses have been proved to be correct. Hypothesis assumed were; Efficient Backend will have positive impact on success of novice entrepreneurs, Expanded Market will have positive impact on success of novice entrepreneurs, Efficient Inventory Management will have positive impact on success of novice entrepreneurs, Reduced Cost will have positive impact on success of novice entrepreneurs, and Satisfied Customers will have positive impact on success of novice entrepreneurs.

The findings and results of this research can help Novice entrepreneurs (new entrants in the market), who are new and are trying to emerge in the ecommerce field, succeed by following and applying these strategies to their ecommerce businesses. Moreover, this will also help novice entrepreneurs understand these strategies and their impact effectively.

5.2 Recommendations

Following are the recommendations from this study:

- Novice entrepreneurs are still unaware of the most effective strategies to succeed in this time when every other business is successful and there is increased market competition. Entrepreneurs do have enough resources but still lack the knowledge of the strategies so they should implement these strategies and make more profit within less time.
- While starting a new business plan in ecommerce, entrepreneurs should implement efficient backend for better order processing and great customer experience. It will also help in automating order processing, keeping track of inventory, streamline your shipping and fulfillments and analyze your data through analytics or statistics.
- Entrepreneurs should gain knowledge and use of inventory management tools and should implement them in their ecommerce business beforehand so that you can analyze your sales data, optimize your order quantity, set safety stock levels, set reorder points, and manage your supply chain.
- Market Expansion was found to have the most impact on success of novice entrepreneurs therefore, expanding into new markets can be a fantastic way for ecommerce businesses to increase their customer base and sales, so it highly recommended to research your target markets, localize your website, consider cross-border selling and leverage international marketplaces.
- If customers are satisfied, happy and find your product/service distinguished from your competitors then you have a high chance of succeeding early being new market entrants. It is recommended that you take useful measures to make it a real-time experience for your customers and users. It can be done by offering excellent customer service, ensuring a seamless checkout process, offering free shipping, discount, and returns, responding to their feedback.

- To increase profitability and ensure long-term sustainability, novice entrepreneurs should consider cost reduction an important aspect of running a successful ecommerce business. They should optimize their supply chain, streamline their operations, negotiate with vendors and suppliers, reduce shipping costs, minimize product returns, and utilize cost-effective marketing channels. They should also continually monitor and optimize costs to ensure that their business remains competitive and profitable overall.

5.3 Limitation and future research

The main limitation of this research is that only five strategies are considered the most effective ones, there might be some other strategies too that will have more impact on success of novice entrepreneurs. Therefore, other strategies can be considered in future as they can have more impact so future research can be done on that.

Other main limitation is that targeted population was managers and employees working in ecommerce sites only, this research can be further continued if targeted population is changed to customers, buyers, and sellers. Including other people in this research can also change impact on success of novice entrepreneurs.

Designation level of managers and employees were ignored in this research. This research can be continued if targeted population will be on some designation and their designation level is included in research. In future, study can be observed while including the designation, as it can have different impact on success of novice entrepreneurs.

International ecommerce is not included in this research. Targeted population was only from Pakistan's ecommerce market. Including people from international ecommerce in this research will have different impact and it can highlight some other strategies too which can be considered more impactful than five strategies highlighted in this research.

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Appendices

Table 13: ANOVA

Model		Sum Squares	of Df	Mean Square	F	Sig.
1	Regression	82.191	5	16.438	87.919	.000 ^b
	Residual	58.708	314	.187		
	Total	140.900	319			

a. Dependent Variable: Success of Novice Entrepreneur

b. Predictors: (Constant), Customer Satisfaction, Inventory Management, Backend Efficiency, Cost Reduction, Market Expansion

Table 14: Factors Loadings of Items

Variable	Item	Description	Loading
Backend Efficiency	BE1	Your Ecommerce site facilitates electronic auditing.	.611
	BE2	Ecommerce site facilitates you with order entry processing.	.801
	BE3	Ecommerce site has facility of shipment tracking.	.817
	BE4	Your Ecommerce site has improved control of data	.828
	BE5	Ecommerce site has improved operational effectiveness.	.830
	BE6	Your Ecommerce site has improved operational efficiency	.764
	BE7	Ecommerce site has improved your overall performance.	.672
Market Expansion	ME1	Ecommerce site has provided access to new markets.	.795

	ME2	E-commerce sites provide better information for decision making.	.754
	ME3	Ecommerce sites permit differentiating products from competitors through services.	.784
	ME4	Ecommerce sites have increased customer awareness of our products/services.	.804
	ME5	Ecommerce sites have increased sales.	.787
	ME6	Ecommerce sites provide better information about products and services.	.802
	ME7	Ecommerce sites have provided opportunities for niche marketing.	.735
Inventory Management	IM1	Ecommerce sites have reduced distribution costs.	.810
	IM2	Ecommerce sites have reduced inventory costs.	.852
	IM3	Ecommerce site has reduced the time required to repackage products.	.838
	IM4	Ecommerce sites have streamlined inventory replenishment.	.790
Cost Reduction	CR1	Ecommerce sites have reduced administrative costs.	.829
	CR2	Ecommerce sites have reduced customer support costs.	.848
	CR3	Ecommerce site has reduced information processing costs.	.847
	CR4	Ecommerce site has reduced marketing costs.	.749

Customer Satisfaction	CS1	Ecommerce site has permitted better interaction with customers.	.787
	CS2	Ecommerce site has permitted better understanding of customers.	.831
	CS3	Ecommerce site helps maintain current customers.	.774
	CS4	Ecommerce site has provided customer's intimacy for products and services	.731
	CS5	Ecommerce site has improved customer service.	.820
Success Of Novice Entrepreneurs	S1	More the powerful/effective strategies, more chances of early success for novice entrepreneurs.	.843
	S2	The right decision making in the right situation can impact success of novice entrepreneurs.	.840
	S3	Quality product, competitive advantages, and excellent services to your customers can help novice entrepreneurs succeed early in their field.	.883

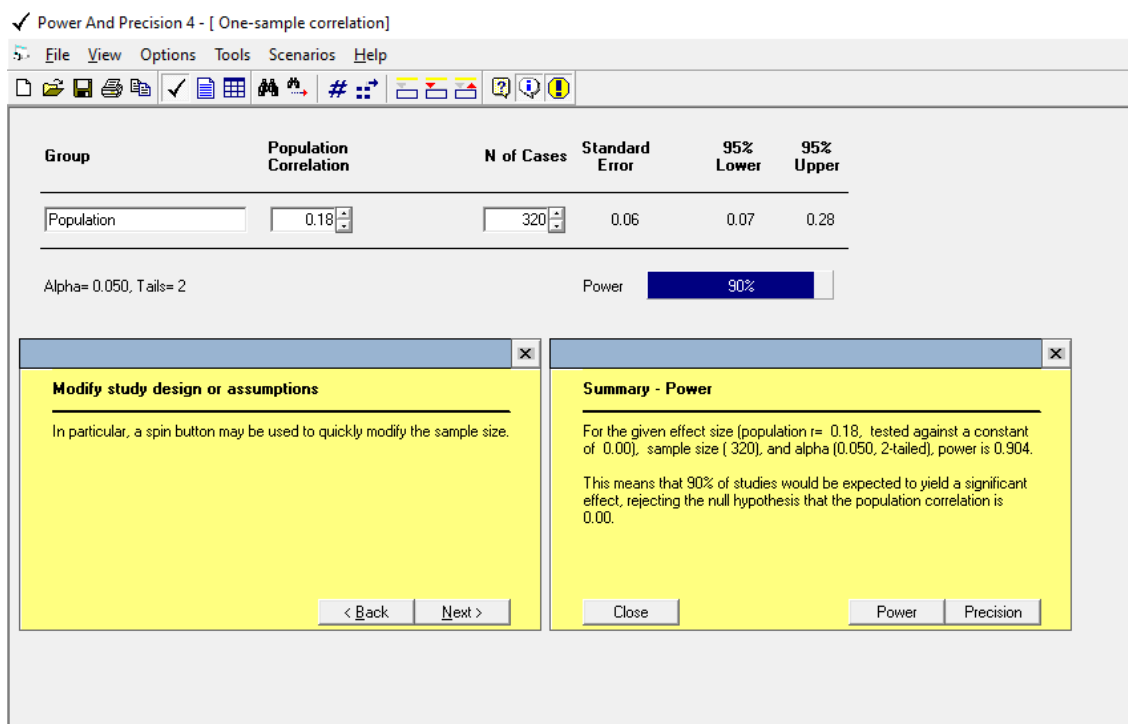


Figure 6: Sample Size through Power and Precision Tool

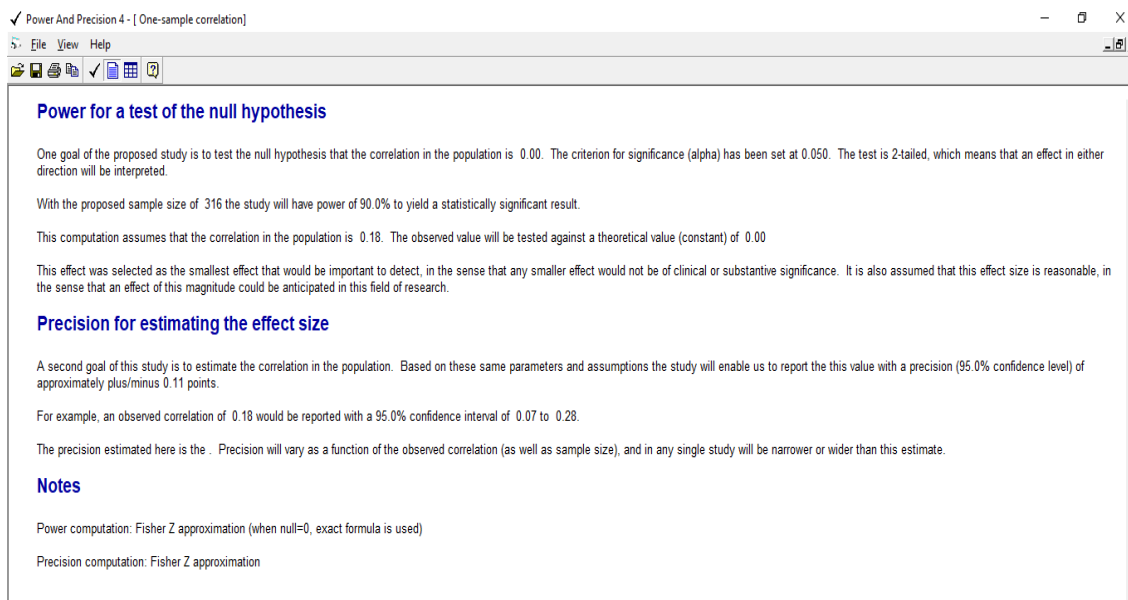


Figure 7: Sample Size Summary