OPEN ACCESS JOURNALS
Indiana Journal of Humanities and Social Sciences
Abbriviate Tittle- Ind J Human Soc Sci
ISSN *(Online)*- 2582-8630
Journal Homepage Link- https://indianapublications.com/journal/IJHSS
INDIANA PUBLICATIONS
PRODUCTIVE AND QUALITY RESEARCH

Research Article

Volume-03|Issue-04|2022

Electronic Business in the Service Sector in Zimbabwe: The Power of Technology

Dzindikwa Eliot*1, Prof. Kabanda Gabrie[1]

[1]Faculty of Commerce, Zimbabwe Open University, Zimbabwe

Article History
Received: 02.04.2022
Accepted: 14.04.2022
Published: 30.04.2022

Citation
Eliot, D., & Gabrie, K. (2022). Electronic Business in the Service Sector in Zimbabwe: The Power of Technology. *Indiana Journal of Humanities and Social Sciences*, *3*(4), 49-52.

Abstract: The impact of electronic adoption on Zimbabwe's service sector was investigated using technology as a primary accelerator. The study used a descriptive research design and a qualitative technique. All Zimbabwean enterprises listed on the Zimbabwe Stock Exchange were the target population (ZSE). A total of 100 people were included in the study. The approach of purposive sampling was used. According to the findings, technology has a favourable impact on the adoption of electronic commerce in Zimbabwe's service industry. It was suggested that Zimbabwean organisations and the government invest in the development of a stable and effective electronic business infrastructure.

Keywords: Electronic business, iGDP, Adoption, Technology, ZSE.

INTRODUCTION

The Internet has virtually provided access to different electronic services since its inception in the 1990s. Since then, a slew of scholars have delved into the topic of virtual services, such as internet commerce, in industrialized countries. In contrast, there is a research void in this field, with only a few scholars evaluating electronic business adoption in underdeveloped nations. African countries, particularly Zimbabwe, are included in this. As a result, this research fills the void by assessing technology as a driver of electronic commerce in Zimbabwe's service sector.

Objective

The research paper's goal was to evaluate the impact of technology on electronic business in Zimbabwe's service sector.

LITERATURE REVIEW

Electronic business, according to Saimunur (2014), refers to information communication technology (ICT) systems and applications that are used to support and drive company operations and procedures via the internet. Electronic business enables businesses to easily and effectively integrate their internal and external procedures and operations (Pratt and Cole, 2019). It also makes it easier for businesses to collaborate closely with other business partners in order to better meet the needs and expectations of customers (Khan, 2016). Electronic business is the phrase used to define the information systems and applications that support and drive business activities, most typically employing web technologies, according to Bairagi (2011). As a result, corporate performance is catalysed to improve dramatically.

Many researchers have provided different definitions to the term technology. According to Saimunur (2014) technology is the application of scientific knowledge to everyday life or industry for practical purposes or applications. In line with this Bocij (2015) defined technology as the collection of techniques, skills, procedures, and processes employed in the creation of goods or services in order to achieve organisational objectives. According to Miva & Miva (2011) technology is defined as the process of developing strategies to improve the efficiency and effectiveness of knowledge information systems. According to the definitions above, technology refers to strategies, processes, and procedures that make transactions more efficient and cost-effective.

The United Nations Conference on Trade and Development (UNCTD) emphasizes that technology is at the heart of electronic business operations (2020). While a website is one of the most typical electronic business implementations, it is much more than that (EOCD 2019). There are a plethora of internet technologies available, many of which are geared to assist organizations in working smarter, not harder. According to Rahman (2014), collaboration tools such as mobile and wireless technologies, customer relationship management, and social media let people use electronic business more effectively.

***Corresponding Author:** Dzindikwa Eliot

A multitude of internet technologies are supporting the global adoption of electronic business, all of which are designed to help organizations work smarter, not harder (Shehata & Montash, 2020). Electronic business includes all internet-based interactions with company partners, suppliers, and customers, such as selling direct to consumers, manufacturers, and suppliers; monitoring and swapping; auctioning surplus inventory; and collaborative product design (EOCD, 2019). The goal of these online interactions is to improve or revolutionize corporate processes and efficiency (Bocij, 2015).

Khan (2016) emphasizes the importance of mobile technology in promoting global adoption of electronic commerce. According to UNCTD (2020), mobile technology contributes to the growth of online Gross Domestic Product (iGDP). Increased mobile penetration technology has aided in the adoption of e-business. In Zimbabwe, the mobile penetration rate climbed by 3.5 percent to 91.3 percent in the first quarter of 2021, up from 87.8 percent in the previous quarter (POTRAZ Report, 2021). According to the same research, by 2021, the number of people using the internet will have climbed from 9 million to 9.2 million. Another important aspect of internet technology is internet penetration, which increased by 1.2 percent to 62.35 percent from 61.2 percent (POTRAZ Report, 2021). These are the ingredients that make technology easier to employ in the adoption of electronic commerce by Zimbabwean businesses. The use of mobile and internet penetration in electronic commerce is a cog in the wheel (Miva & Miva, 2011). In addition, mobile and data traffic climbed by 7.2 percent in Zimbabwe. Due to increased demand for electronic business services such as e-learning, telecommuting, and e-conferencing, the trend from 22000 terabytes to 240000 terabytes shifted (POTRAZ, 2021).

Mufuka (2006) contends if electronic business technology is secure, trustworthy and standardised it improves global reach and brand visibility. Technology can offer secure services in the form of electronic signatures or encryptions. When trading on the web, online customers must have faith in and ownership of the systems. This is possible with the use of secure electronic business technologies.

Electronic signatures are a type of electronic business facility or service offered by technology. There are 60 nations in the world that have passed laws making electronic signatures entirely lawful and admissible in court. Only two African countries, South Africa and Nigeria, have legalized the use of electronic signatures under the Electronic Communications Act and the Evidence Act, respectively (PDF.CO, 2022). When it comes to electronic signatures, Zimbabwe is still working on enacting the Electronic Commerce Bill (MICTCS, 2019). In conclusion, electronic signatures are not recognized in Zimbabwe. The high levels of technological security act as a barrier to electronic business deployment. This can make hacking more difficult.

Technology, according to Kabanda (2014), facilitates the integration of internet and electronic business software with some existing applications and database systems. Some organizations, such as Amazon and Alibaba, use strong and secure technologies to execute their electronic commercial transactions on a global scale. Zimbabwean businesses, on the other hand, continue to use out-of-date software that does not interact with international platforms (Mafuka, 2006). As a result, it is apparent that cutting-edge technology is a force to be reckoned with in ensuring the success of electronic business adoption.

Kabanda (2014) claims that technological advancements have made business communication faster, easier, more cost-effective, and more efficient. The business has been able to transition from a local to a worldwide market thanks to technological advancements (Bocij, 2015). Furthermore, these technological advancements in electronic business have provided consumers trust in making electronic payments to meet financial obligations.

According to Bairagi (2011), the growing popularity of cyber cafés has played a significant influence in recruiting internet users to electronic commerce.

In recent decades, the advent of electronic commerce has spawned new business requirements such as self-service, speed, and secure engagement. Organisations in Europe have embraced severe security policies and tools, such as encryption and digital certificates, to safeguard against hackers, fraud, and theft as electronic industry has grown. POTRAZ (2020) asserts that stable security cannot be separated from technological growth. According to the Techzim 2021 research, 34 percent of Zimbabweans are uninterested in internet commerce. Expensive data and shoddy logistics repel the public (ZIMstats, 2021).

According to the International Trade Centre's (ITC) studies, technology is the primary driver of internet commerce. Governments and organizations must invest in digital infrastructure and technology (Mafuka, 2006). Zimbabwe, according to Zimtrade (2021), lacks technology that can accelerate the adoption of electronic commerce. Zimbabwean companies utilize technology that is available but inaccessible owing to either pricey data or a lack of integration with other systems. Zimbabwe, on the other hand, cannot disregard technology because it is a critical cog in the success of electronic commerce (Zimtrade, 2020).

***Corresponding Author:** Dzindikwa Eliot

According to Neusser (2020), every organisation must adopt technology such as integrated business software, artificial intelligence, and big data in order to remain profitable and retain consumer happiness. To improve performance, these electronic business technologies automate and transfer data management operations. Similarly, according to Patt & Cole (2019), electronic business technologies such as AI, big data, and machine learning provide analytics and foresight into customer behaviour patterns that can be used to drive advertising campaigns, provide assistance, and deliver services (Khan, 2016; & Kabanda 2014). Furthermore, technological advancements facilitate communication.

Technology improves the speed with which businesses offer their products and services, as well as promoting stability and growth (Lin *et al.* 2016). Chatbots, for example, are available 24 hours a day, 7 days a week to assist clients with answers and solutions. Furthermore, Kabanda (2014) emphasizes that technology is beneficial to businesses since it helps employees to focus on their operations and communicates with clients efficiently. Businesses must adapt to e-business technologies in order to keep up with the times (EOCD 2019).

Telecommunication companies in Zimbabwe have begun implementing fibre optic networks in order to increase technological utilization in electronic business.

According to UNCTD projections issued in 2021, worldwide e-commerce sales will reach 78 trillion USD as a result of the usage of seamless technology and enhanced internet connectivity.

In essence, the importance of technology in internet commerce cannot be overstated. Technology is the engine that propels all operations and procedures in electronic business (Saimunur, 2014). More crucially, in the Fourth Industrial Revolution (4IR), technology is the link that connects the transportation hurdles and physical location of doing business (UNCTAD, 2020). Considering time and space as resources for conducting business.

Technology, according to Mafuka (2006), has become the pivot on which the operation of electronic commerce is based. Electronic commerce is rapidly expanding over the world as a result of its efficiency and effectiveness.

Electronic business, on the other hand, is defined as the use of current and new information and communication technologies (ICTs) in the conduct of business (Bocij 2015). Existing technology such as web servers and payment tools fall into this category. Payments for electronic commerce can be made from anywhere. The convenience of customers is improved, and trade costs are decreased (Khan, 2016). According to Kabanda (2014), technology's positive effects include worldwide reach, convenience, faster delivery, information density, and supply chain efficiencies. In Zimbabwe, technology has various drawbacks in terms of commerce, such as privacy, security, payment delays, physical goods delivery delays, and product delivery uncertainty (Bairagi, 2011).

The Zimbabwean government does not have policies that have a significant impact on infrastructure development. Positive ICT infrastructure development in Zimbabwe encourages enough network capacity, high internet consumption, and widespread network coverage (Mafuka, 2006).

Internet usage, penetration, and infrastructure all promote technology as an electronic business catalyst. According to the World Economic Forum (2013), the internet is driving the e-business ecosystem, but it is not being utilized in e-business due to a perceived lack of demand, lack of skills, and affordability. Too many communities in Zimbabwe, like any other developing country, lack internet infrastructure, and access is extremely expensive. The security and lack of electricity also affect connectivity and consumption (ITU, 2019).

Technology aids the stability of electronic commerce; many states, such as the United States and Japan, have higher infrastructure scores, with 91.5 percent and 97.7 percent, respectively. This is extremely efficient, outperforming the global average of 20%. (UNCTD, 2018). With a score of 0.2 percent, Zimbabwe's infrastructure indicator in technology is inadequate. Zimbabwe's low infrastructure score is due to outdated technologies, weak regulations, and ineffective regulatory measures.

METHODOLOGY

The study was conducted in a qualitative manner. As a research design, a descriptive survey was used. The participants' attitudes, beliefs, and behaviour were crucial to this study. Purposive sampling was also used in the study to collect data from specialists in the field of electronic commerce. The study's sample included all service sector companies in Zimbabwe that were listed on the Zimbabwe Stock Exchange (ZSE). The information for this study was gathered through standardized questionnaires. The structured questions were distributed via Google Docs. The questions were completed online by the participants.

RESULTS AND DISCUSSION

According to the experts, technology is the driving force for Zimbabwean businesses' use of internet commerce. "Technology makes transactions easier, faster, and more efficient to complete," remarked another attendee. This has the potential to lower

***Corresponding Author:** Dzindikwa Eliot

company costs." Khan (2016) echoed these comments, claiming that technology serves as a conduit for making digital business more affordable and simple. In a similar vein, Kabanda (2014) discovers that technology facilitates business convenience.

A participant from an Internet Service Provider, on the other hand, stated that technology without sufficient government backing in the form of enabling legislation and infrastructure development support is a non-starter for electronic business adoption. The Zimbabwe Ministry of ICT and POTRAZ policies are incompatible, making it difficult to attract private sector investment in electronic commerce. They are seen as punitive by the company, particularly when it comes to the high pricing of internet data bundles.

FINDINGS

The researchers discovered the following after analyzing the data:

- Technology plays a critical role in the adoption of electronic business in Zimbabwe's service sector;
- Zimbabwe's service sector is still using outdated technology to promote the digital economy; and
- Service sector practitioners lack digital training to facilitate electronic business.

According to the findings of the study, technology is one of the pillars of internet commerce. If service providers in Zimbabwe want to fully embrace internet commerce, they must invest in cutting-edge technology.

It was also discovered that electronic business technology lowers the cost of doing company. Business can now be done more easily and quickly thanks to technological advancements.

The study's findings suggest that technical drivers are important.

The electronic business in Zimbabwe is not performing well due to poor ICT infrastructure and absence of online policies that protect consumers.

CONCLUSION

Based on the findings, it was concluded that the use of digital technologies in the field of electronic business provides organizations with undeniable benefits: it allows them to optimize business processes and receive more necessary information, allowing them to make more rational and informed decisions; it improves client communication; and it allows them to compete successfully on the global market.

Technology is a precondition for electronic commerce, according to the studies, and this may be accomplished through exposure and application of Information Communication Technology (ICT).

The researchers came at the following conclusions based on their findings:

- In Zimbabwe's service industry, technology is an electronic business catalyst.
- In Zimbabwe, the infrastructure that supports electronic commerce is outdated.
- In order to embrace electronic business practices, practitioners must be trained.

Recommendations

Zimbabwe's industries should encourage and equip their managers with knowledge of electronic business.

To manage performance and interconnectivity, the government must develop and revise policies relating to digital technology.

The government must actively encourage and enable ICT investments in electronic commerce.

The rapid formulation of strategic regulation is a necessary condition for optimizing digital electronic enterprises at all levels, including person, organization, and government, at the electronic stage.

REFERENCES

1. Bocij, P. (2015). *E-Business: Technology, Strategy and Management*. Routledge.
2. Mafuka, A. (2006). An evaluation of constraints in the adoption of e-commerce model.
3. Kabanda, G. (2014). The Centrality of ICTs as A Catalyst for Economic Transformation and Growth in Zimbabwe. *International Journal of Emerging Technology and Advanced Engineering*, *4*(11), 474-483.
4. Lin, Y., Luo, J., Cai, S., Ma, S., & Rong, K. (2016). Exploring the service quality in the e-commerce context: a triadic view. *Industrial Management & Data Systems*.
5. Khan, A. G. (2016). Electronic commerce: A study on benefits and challenges in an emerging economy. *Global Journal of Management and Business Research*.
6. UNCTAD. (2015). *Information Economy Report 2005: Unlocking the Potentials of e-Commerce in Developing countries*. United Nation Publication.
7. World Trade Organisation. (n.d.). *E-commerce in developing Countries: Opportunities and the Challenges of small and medium sized enterprises*.
8. Miva, M., &Miva, B. (2011). *The History of e-Commerce: How did it all begin?*
9. Bairagi, A. K. (2011). Utilization of E-Commerce can change the auction culture of Bangladesh specially in public sector. *International Journal of Computer and Information Technology*, *2*(1), 55-61.
10. Laudon, K.C., & Laudon, J.P. (2013). Management Information Systems: Managing the Digital Firm (12th Ed.). Pearson. Delhi.

***Corresponding Author:** Dzindikwa Eliot

11. Saimunur, R. (2014). *Introduction to E-commerce Technology in Business*. Munich. GRIN Verlag.

***Corresponding Author:** Dzindikwa Eliot