

E-commerce: new forms of work for wealth creation in Zimbabwe

Walter. T. Mambodza¹, David. I. Fadaraliki², Shepard Chifamba³, Tendai Marengereke⁴, Robert Shoniwa⁵

^{1,2,3,4,5}SRM University, Department of Information Technology

Kattankulathur, Kanchipuram, National Highway 45, Potheri, Tamil Nadu 603203, India

wales4000@gmail.com¹

innodee@gmail.com²

shepydc@gmail.com³

tmmarengereke@gmail.com⁴

rosenthalshoniwa@gmail.com⁵

Abstract: In the present scenario of the technological world, business is being conducted locally and internationally using electronic means with ease. E-commerce has provided new forms of work in various sectors such as transport, warehousing, insurance, banking, mining, agriculture and communication. However, it is difficult to purchase a product or service online. E-commerce compromises privacy and consumers tend to lose confidence. This paper will highlight the new forms of work in Ecommerce in Zimbabwe.

Keywords: Ecommerce, privacy, security, spam

1. Introduction

The World Wide Web has enabled the buying and selling of goods and services to be conducted using electronic means such as Computers, laptops, PDAs, computer networks, tablets and mobile or smartphones. Ecommerce has embraced the technology and made life easier for the customer, retailer and supplier. New forms of work have been devised that are efficient and that enable trade to occur while at ease. However there is need to instill customer confidence and build mutual trust between the customers and suppliers. Ecommerce has led to compromise in information security. In order to safeguard the information, confidentiality, integrity and availability are to be taken care off.

2. Review of Literature

In the recent times, there is an increase in the amount of talk on the readiness of Zimbabwe to adopt e-commerce. Several articles published either imply or affirm that Zimbabwe is now a ripe market for e-commerce. E-commerce is a tool for business which requires some objectivity to assess whether

or not it is worth to invest in. The adoption of e-commerce in Zimbabwe is dependent on multiple factors that all need to be considered but the advancement in technology [1] will definitely make it possible.

This article shows how to find best daily deals on online shopping. Shoppers look for ways to save on their purchases. A method that they find effective is the use of daily deal coupon codes and promotional codes. Customers have experienced that they can really save a lot so they look for discount coupons every time they want to shop online. These codes are not just for grocery items, toys, or clothes but there are all sorts of deals for almost everything especially the essentials. Definitely, coupons make shopping more affordable and they give the opportunity to buy more instead of less. This makes customers to buy what they need while also meeting the budget. [2]

There has been a growth of E-commerce in Africa in the year 2012-2013, and is poised to support the massive consumer boom on the continent, according to Payment Services Provider PayGate. Online shopping is a global

consumer trend and it is anticipated that affordable tablets and smartphones will accelerate the use of services in markets where the group had a presence. The media and internet group Naspers have identified the e-commerce sector as one of its growth areas and would focus on growing its existing e-commerce business through bolt-on acquisitions and organic growth. South Africa is ahead of some of other countries on the continent, the e-commerce market is still far from mature but growing rapidly, said Brendan Peo, chief operating officer at Vaimo. But the growth in Internet connectivity among users will also boost e-commerce growth.[3]

Online marketplace is a type of e-commerce site where product and inventory information is provided by multiple third parties, whereas transactions are processed by the marketplace operator. They are the primary type of multichannel ecommerce. In an online marketplace, consumer transactions are processed by the marketplace operator and then delivered and fulfilled by the participating retailers or wholesalers. Marketplaces aggregate products from a wide range of providers, wide selection, availability is higher, and prices are more competitive than in vendor-specific online retail stores. Examples of online marketplaces are etsy, UniSquare, eBay, Flipkart, and Rakuten. [4]

Ecommerce that is conducted between businesses is referred to as business-to-business and is open to all interested parties. Online shopping is a form of electronic commerce where the buyer is connected directly online to the seller's computer usually through Internet and eliminates specific intermediary service. The sale and purchase transaction is completed electronically and interactively in real-time, such as when buying a new book on Amazon.com. The elimination of intermediary services makes the product cheaper and transactions faster. This payment system has been widely accepted by consumers and merchants throughout the world, and is by far the most popular method of payments especially in the retail markets. Some of the most important advantages over the traditional modes of payment are: privacy, integrity, compatibility, good transaction efficiency, acceptability, convenience, mobility, low financial risk and anonymity.[5]

Mobile commerce means the delivery of electronic commerce capabilities directly into the consumer's hand, anywhere, via wireless technology. "Many choose to think of Mobile Commerce as meaning "a retail outlet in your customer's pocket." According to BI Intelligence in January 2013, 29% of mobile users have now made a purchase with their phones. Walmart estimated that 40% of all visits to their internet shopping site in December 2012 were from a mobile device. Bank of America predicts \$67.1 billion in purchases will be made from mobile devices by European and U.S. shoppers in 2015. Mobile retailers in UK alone are expected to increase revenues up to 31% in FY 2013-14.[6]

Payments as a Service (PaaS) is a phrase used to describe a SaaS based methodology used to connect a disparate group of international payment systems. The architecture is represented by a layer that resides on top of these disparate systems and provides for two-way communication between the payment system and the PaaS. Communication is governed by standard APIs created by the PaaS provider. PaaS is designed to allow merchants and other market participants to utilize local, regional and global payment options through a single interface. The complexity of moving funds between providers is handled by the PaaS layer and is hidden from the user. Generally speaking, there is only one interface between a merchant and PaaS. Because only one interface is required, merchants or users are only required to maintain one financial repository.[7]

Online banking, Internet banking or E-banking allows customers of a financial institution to conduct financial transactions on a secured website operated by the institution, which can be a retail bank, virtual bank, credit union or building society. To access a financial institution's online banking facility, a customer having personal Internet access must register with the institution for the service, and set up some password used for customer verification. Customer's numbers are normally not the same as account numbers and will also not be the same as any debit or credit card issued by the financial institution to the customer, it is unique. To access online banking, the customer would have to register with the financial institution's website, and enter the online banking facility using the customer number and password. Some financial institutions have set up additional security

steps for access, but there is no consistency to the approach adopted. [8]

Online auction is held over the internet. The online auctions break down and remove the physical limitations of traditional auctions such as geography, presence, time, space, and a small target audience. This influx in reachability has also made it easier to commit unlawful actions within an auction. In 2002, online auctions were projected to account for 30% of all online e-commerce due to the rapid expansion of the popularity of the form of electronic commerce.[9]

A program or web service that allows users to store and control their online shopping information, like logins, passwords, shipping address and credit card details in one central place is called an online wallet. It provides a convenient and technologically quick method for consumers to purchase products from any person or store across the globe. Requesting a PIN is known to lower the success rate (conversion) for payments. These systems can be integrated with directly or can be combined with operator and credit card payments through a unified mobile web payment platform web services such as YahooWallet, MSN Wallet, AOL Wallet, CyberCashInc, Google Checkout, Google Wallet, Wallet365, PayPal.[10]

3. Research Gap The reviews of the literature on ecommerce have brought about several advantages and that trade can now be conducted from various places or destinations without having to worry about the distance. Mechanisms have also been installed in place that will enable the payment of transactions to be conducted electronically. However, there is need to identify and enhance the new forms of work that can enhance and create wealth in Zimbabwe.

4. Objectives of the Study

- To review literature in ecommerce related articles
- To identify the new forms of work in ecommerce

5. Scope of the study

Ecommerce can create jobs in Zimbabwe that is the need for skilled manpower and new processes. IT provides secure ways of trading electronically. Transactions can be

performed online thereby reducing the need to walk around with large sums of money. Ecommerce embrace or make use of the advancement in technology to increase production. It provides wealth creation in Zimbabwe.

6. Methodology

The researchers performed a desk research by collecting data from various sources as well as reading newspaper articles, magazines and extracting information from various websites and journals. An analysis and observations were also conducted. It is evident that ecommerce has been on the increase in terms of implementation and growth. A literature review was also carried out that clearly indicated beyond reasonable doubt that due to the advancement in technologies customers are now using the internet through the use of smart phones, laptops and computers to trade in Zimbabwe as well as other developing countries. The study enabled the researchers to identify the new forms of work that are creating wealth in Zimbabwe.

7. SWOT Analysis

The researchers performed a SWOT analysis on ecommerce in Zimbabwe and the following were obtained;

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Direct communication with customers • Easier to compare prices and provides a wide range of choices • International trade is possible • Creates employment and wealth • Low operational costs • Convenient to customer 	<ul style="list-style-type: none"> • Lack of personal touch • Inability to experience before purchasing • Delay in receiving goods • There is no guarantee in quality • High customer expectations • Search engines not predictable

<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> • It is easy to establish global markets • Always available provides 24 hour service 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> • Credit card fraud • Identity theft • Privacy and security concern • Lots of competitors

- Demonstrations and instructions can now be posted and performed online through the use of video clips which can be attached on applications like YouTube for consumers to download or view products.
- It is easy and relatively cheap to market products and services online.

Business meetings can now be convened from different places at the same time through the use of video conferencing. This technology has been implemented by large companies as a cost effective way and as a new form of work because instead of incurring huge expenses of travel and accommodation, business is conducted on real time.

The need for social networks has led to a growth in the number of consumers who have and who use emails. Retailers such as OK, Spar, Edgars and Jet perform sales promotions to consumers electronically. The consumer provides personal information which is used to do research on consumer behavior and buying patterns. It is easier to target a particular market as well as a segment. Details of the consumers are kept for future use such that if there is a new product the customer is notified on email or on mobile applications.

E-commerce has relatively reduced transport costs and has bridged the gap of having to conduct trade between countries. Japan is said to be one of the biggest car manufacturing plants in the world. Due to the new forms of work in e-commerce, a car can be viewed, bought and shipped to the nearest port of entry over the internet and the seller will provide a platform, where the buyer can subscribe in order to receive free information about latest developments.

Providing insurance for goods or services has led to the introduction of online tracking systems which has become a new development in E-commerce. Courier companies such as FEDEX, SWIFT and DHL now have a facility whereby a consumer can track a parcel of the whereabouts or location from its source to destination. Internet Service providers have also come up with online tracking systems whereby if a customer experiences a fault or query and reports it, he or

8. Findings

E-commerce has brought about several distinct advantages in both developing and developed countries. With the introduction of databases, information can now be accessed, stored or shared from a central location. With the advent of smart phones, business is now being performed on various mobile applications since most consumers spend most of their time on social networks.

Marketing has been made easier using electronic means. Web developers have developed websites whereby a buyer and seller can meet and convey business. An example is a site called classifieds in Zimbabwe which gives a seller a platform to post a product or service which he or she provides under different categories and also afford the chance for a picture, contact details, email and specifications of the service or product being offered. Developed countries use facilities such as E-Bay and Amazon where you can search and pay for various products and services online.

It is evident that e-commerce has brought about new forms of work because

- Goods and services from different organizations can now be searched and obtained on one central location and it is easy to store.
- Goods and services can now be sold or purchased online using payment systems such as VISA, MasterCard, and Maestro.

she can trace the complaint to see if it has been responded to and the office which the query is.

In some developing countries it is difficult to establish banks in each and every area within the country because of various constraints. Sending money as well as keeping it has become a challenge. E-wallets have become very crucial in that a SIM card has become a bank. Since almost every individual has a mobile phone, it is easier to perform monetary transactions since these wallets can also be linked to a Bank account. An example of companies that have implemented E-wallet is Netone, Telecel (Telecash) and Econet(EcoCash).

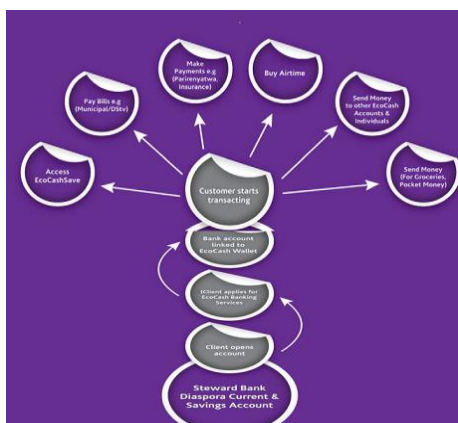


Figure 1Eco cash linking with Bank Account

SPAM emails cause many organizations to lose over a billion US dollars every year. Email service providers have come up with filters that enable E-commerce to become a success. This has created employment to some because there is need for skilled programmers who need to be employed to develop filters, anti-virus software and spy ware.

In order to facilitate fair trade and conduct ethical and legal business, e-contracts have been drafted that aid and provide guidelines on how business should be conducted legally. These electronic contracts safeguard against risk from

threats such as theft, fraud and crime. The contracts bind the buyer and seller.

Decision making especially by top management can now be facilitated online through the use of electronic voting. Management can now vote within a certain time limit which is set. Electronic voting has encouraged quick decision making since votes are casted and counted automatically. The introduction of electronic voting claims that the convenience, mobility, processing speed, less cost and flexibility are the main advantages associated with E-commerce.

Commodity broking and the need to sale second hand goods have led to the creation of electronic auctions. These auctions are performed in electronic auction floors and are online real time systems which provide rapid response such that a product is obtained by the highest bidder which is free from bias. This however builds confidence to buyers and seller by the impression that a system is impartial.

For e-commerce to be successful there is need for implementation of digital signatures. These provide authentic ways by which a buyer and seller can transact using secure ways of transmission. Before initiating handshaking, the buyer first checks and assesses if the seller is legitimate or not.

Data collection is performed on free labor with E-commerce because statistics can be retrieved on the internet, instead of having to employ enumerators and market researchers who will perform or conduct surveys.

Publishing houses have resorted to eBooks whereby the seller now sells soft copy of books to the consumers. E-books can be classified as a new form of work because they are convenient to carry and they can be accessed from various electronic resources such as computers, mobile phones and laptops. The introduction of eBooks has led to the creation of electronic learning resources.

The buying and selling of goods and services using electronic means has several disadvantages associated with it. Performing a task is dependent on the availability of technology, the skill on how to use it, availability of the network and also capital.

9. Scope for further Research

Ecommerce has led to the rise of cybercrime and such individual, companies and the nation should be aware of the need for information security in ecommerce and the government should draft cyber laws in Zimbabwe that will help to protect the information assets.

10. Conclusion

E-commerce has provided new forms of work in every ministry in the country, the Transport, Warehousing, Insurance, Banking, Assurance, Mining, Agriculture and Communication that has led to wealth creation in Zimbabwe. There has been an improvement on how businesses are to be conducted online.

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Author Profiles

Walter.T. Mambodza is a student studying towards an MTech in Information Security and Cyber Forensics at SRM University. He holds a BTech (Hons) degree in Computer Science from Harare Institute of Technology (2011).

David.I.Fadaraliki is a student studying towards an MTech in Cloud Computing at SRM University. He holds a BTech (Hons) degree in Computer Science from Harare Institute of Technology (2011).

Shepard Chifambais a student studying towards an MTech in Cloud Computing at SRM University. He holds a Bsc (Hons) degree in Computer Science from Harare Institute of Technology (2010).

Tendai Marengereke is a student studying towards an MTech in Information Security and Cyber Forensics at SRM University. He holds a BTech (Hons) degree in Computer Science from Harare Institute of Technology (2012).

Robert Shoniwa is a student studying towards an MTech in Information Security and Cyber Forensics at SRM University. He holds a BTech (Hons) degree in Computer Science from Harare Institute of Technology (2012).