

## Influence of E-Commerce on The Performance of Small and Medium Enterprises in Abia And Imo States

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### *ABSTRACT*

*This study focused on influence of e-commerce on the performance of small and medium enterprises (SMEs) in Abia and Imo States. Three research objectives, three research questions and three research hypotheses guided the study. The study used descriptive survey research design, and questionnaire served as the instrument of data collection. The data collected in this study were analyzed using simple percentage, mean statistic and Pearson Product Moment Correlation Coefficient (PPMCC) at 0.05 level of significance through Statistical Package for Social Sciences (SPSS version 21.0). It was discovered that there is significant effect of e-management on customer patronage in small and medium scale business firms, there is significant effect of e-promotion on customer acquisition in small and medium scale business firms and there is significant relationship between e-payments and retention in small and medium scale business firms. It was recommended that managers of SMEs should continuously research and invest in emerging e-commerce (management, payments, and promotion) and its components because they have been proven to significantly promote SMEs sustainability and performance (as it concerns patronage, customer retention and acquisition). More so, managers and operators of SMEs should also ensure that all online transactions are done with trusted persons whose identities are not anonymous and should use secured websites as well as document receipts of every online commercial activity.*

**Key Words:** E-Commerce, Performance, Small and Medium Enterprises, E-Management, Customer Patronage Business Firms, E-Promotion, Customer Acquisition, E-Payments and Customer Retention.

## INTRODUCTION

Business organizations try as much as possible to achieve improved performance, sustainability and stability. One of the strategies for achieving the above is through implementation of e-commerce strategy. Through e-commerce, information and communication technologies are effectively used to reach customer, sale products and services and achieve business goals. According to Al-Madi & Al-Sarayrah (2013), e-commerce is a cost effective avenue to reach customers all over the world, by gaining market shares which is achieved by organizing a wide range of business processes and technology for competitive advantage utilizing telecommunication and relationship improvement networks. In this direction, small and medium scale businesses can achieve high performance when they adopt e-commerce strategy.

Akpanabia (2014) asserted that through the use of e-commerce, small and medium business establishments can reposition and encourage the Nigeria economic prospects. To him, small and medium businesses are the major aspects of entrepreneurship that can enhance economic growth in any system. Onugu (2015) suggested that small and medium enterprises are a significant part of the nation's economy because they are vital to creating employment opportunities in the country thereby creating wealth for middle class and reducing the economic burden on the country at large. According to Okeke et al (2019), they account for 60 percent to 70 percent of jobs created in developing countries. This has ensured that several countries in Africa prioritize their investment in small scale firms.

For Anekwe and Nwokediba (2019), Nigeria has been experiencing growth in the use of e-commerce by small and medium businesses as various online businesses are growing. The rapid growth of information technology in Nigeria has boosted the activities of e-commerce for small and medium business. E-commerce has made it possible for people around the country to shop at the comfort of their homes through emailing, online order, texting and calling. In Nigeria today, the main medium business companies that have thrived on the use of e-commerce include Jumia and Konga who have been the forerunners of e-commerce in Nigeria (Okeke et al, 2019). Furthermore, Okeke et al (2019) noted that e-commerce has also afforded

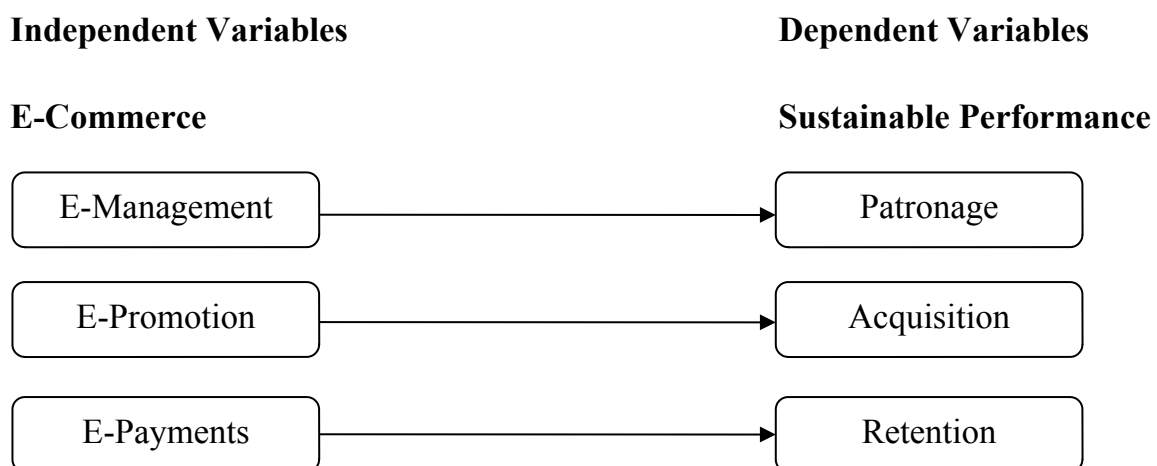
opportunities to Small and Medium Scale enterprises to improve their business functions and experience rapid growth and performance. This study therefore focused on e-commerce and sustainable performance of small and medium scale business in Imo State.

### STATEMENT OF THE PROBLEM

Despite the evidences that e-commerce will add value to small and medium firms, its adoption among SMEs remains low. Put differently, despite the fact that the adoption of E-commerce presents many chances for SMEs to grow in Nigeria, most SMEs seem reluctant to effectively implement e-commerce in Nigeria. This is because a lot of SMEs in Nigeria cannot afford to integrate e-commerce into their operations due to the high cost of adoption and their lack of accessibility to needed funds.

This is one of the major reasons for the lack of adoption of e-commerce in Nigeria. Not only that, many SMEs are not willing to spend a huge amount of money investing in e-commerce as they cannot assure that it enhances their performance. Another problem is poor infrastructural challenges in Nigeria, which have affected the smooth implementation of e-commerce by small and medium business firms in Nigeria. Based on that, this study focused on e-commerce and sustainable performance of small and medium scale business in Imo State.

**Fig. 1.1: Conceptual Framework**



**Source: The Researcher, 2023**

## **OBJECTIVES OF THE STUDY**

The general objective of this study focused on influence of e-commerce on the performance of SMEs. The study specifically seeks to:

1. ascertain the effect of e-management on customer patronage in small and medium scale business firms.
2. examine the effect of e-promotion on customer acquisition in small and medium scale business firms.
3. identify the relationship between e-payments and retention in small and medium scale business firms.

## **RESEARCH QUESTIONS**

Based on the objectives of the study, the following research questions were posed for the study.

1. What are the effects of e-management on customer patronage in small and medium scale business firms?
2. What are the effects of e-promotion on customer acquisition in small and medium scale business firms?
3. What is the relationship between e-payments and retention in small and medium scale business firms?

## **RESEARCH HYPOTHESES**

Based on the research objectives and research questions, the following hypotheses are formulated.

**H<sub>01</sub>**: There is no significant effect of e-management on customer patronage in small and medium scale business firms.

**H<sub>02</sub>**: There is no significant effect of e-promotion on customer acquisition in small and medium scale business firms.

**H<sub>03</sub>**: There is no significant relationship between e-payments and retention in small and medium scale business firms.

## **CONCEPTUAL REVIEW**

### **E-Commerce**

To start with, the word 'e-commerce' is a combination of two words electronic and commerce. According Anekwe and Nwokediba (2019), e-commerce also known as electronic commerce or internet commerce refers to the buying and selling of goods and or services using the internet and the transfer of money and data to execute these transactions to achieve business goals. To them, e-commerce is also used to refer to the sale of physical product online, but it can also describe any kind of commercial transaction that is facilitated through the internet. Cudjoe (2014) defines e-commerce as business, technology, society, and skills of buying and selling of products and services with the aid of ICT and internet handheld devices which involves the process of ordering products or services to the time of delivery to the consumer or customer.

E-commerce also refers to business transactions conducted via the internet (Anekwe and Nwokediba, 2019). Every time individuals and companies are buying or selling goods or services online they are engaging in ecommerce. For many businesses, electronic commerce means using the Internet as a distribution channel to market and sell goods and services to the consumer. In view of Okeke, Oboreh and Ezeaghaego (2019), the cost of setting up an e-commerce covers the budget of procuring hardware, software tools installation, telecommunication charges, preliminary planning, training, continuous maintenance and servicing costs (Organization for Economic Cooperation Development, 2004). Sometimes, the monthly cost of Internet connectivity surpasses returns of certain percentage of the population. The price of internet accessibility determines the decisions to use internet and e-commerce.

### **Small and Medium Scale Enterprises**

Small and Medium Scale Enterprises (SMEs) does not have a single definition or uniform parameters because their activities depend on the industry in which they operate and the personalities and aspirations of those in charge of the businesses. Central Bank of Nigeria (1998) cited in Scanzoni (2019) defines small business firms as firms (excluding general commerce) whose total investment (including land and

working capital) does not exceed N500,000 .00 and whose annual turnover does not exceed 1 million naira. Ajose (2020) has defined SME as an enterprise that has an asset base (excluding land) of between 5 million naira and 500 million naira and labour force of between 11 and 300 in its employ. The National Directorate of Employment (NDE) 1986 cited in Kabuba (2014) defines a small scale industry as an establishment with capital investment of N5,000.00 and employing as few as three people.

Rita and John (2015) define SMEs as businesses employing less than fifty (50) people and with an annual turnover of one hundred million naira. The association further defines a medium scale enterprise as a business with less than 100 employees and with an annual turnover of five hundred million. There are many definitions of SMEs and there is no uniformity among them. However, in Nigeria, it is based mainly on capital which should be revised from time to time due to the devaluation of the Naira and the high inflationary trend in the economy (Osotimehin, Jegede, Akinlabi and Olajide, 2022).

## **Performance**

The goal of business organizations, including small and medium business firms is to achieve sustainable performance. For Akanbi and Akintunde (2018), sustainable performance is the ability of a business firm to achieve its goals. In view of Taofeeq, Bello, Umar & Ali (2020), sustainable performance covers improved profitability, patronage, and increase customer base. According to Oluwafemi et al (2016), sustainable performance is the ability of a small and medium business firms to attract new customers, retain their customers, achieve improved customer patronage, achieve profitability and overall business growth. For that, an organization is achieving sustainability when there is high level of customer preference for its products and services, improved income and profit based, market share increase and positive relationship between the organization and the host community (Anekwe and Nwokediba, 2019).

For Ubah (2015), sustainable performance is linked to relationship between the organization and its environment (partners, shareholders, debtors, creditors, host communities, customers and governments). When there is positivity between the firm and the above stakeholders, it means that sustainable performance will be achieved. To improve performance has been the goal of many businesses and small scale and medium scale businesses are doing everything possible to improved performance and achieve sustainable growth

### **Impact of E-Commerce on Sustainable Performance of Small and Medium Business Firms**

There are many impacts of e-commerce on performance of all categories of business, especially small scale businesses. They are discussed thus:

- 1. E-management and customer patronage:** Management scholars and practitioners in different part of the world have defined management in line with their environment, schools of thought and understanding of the subject matter (Chukwu, 2018). The term management and managing are used interchangeably but they are in no means the same even were they are similar. In view of Nwachukwu (2010) management as defined by the American Institute of Management “it is used to denoted either a group of functions or the personnel who carry them out; to describe either an organization’s official hierarchy or the activities of men who compose it; to provide antonym to either labour or ownership
- 2. E-promotion and customer acquisition:** E-promotion is one of the basic ways of increasing the customer base for small scale business. For Rita and John (2015), e-promotion is the use of internet, social media and other ICT facilities in doing business promotion including advertising. Kabuba (2014) were of the view that e-promotion enables business firms to utilize all online promotional facilities to reach customers and acquire customers for the benefit of the business. In this direction, e-promotion such as online advertising through social media etc, online personal selling and other promotional strategies will make firms to acquire more customers. Customer acquisition is possible when

firms have positive image within public and use new business promotion strategies which will be attractive to new customers (Valdivia, 2020). Customer acquisition entails the extent a business or product attract new customers regularly, retain them and utilize them for business promotion and business performance (Emery, Ault and Agee, 2014). It's always said that information is power.

- 3. E-payments and customer retention:** According to Ukwueze (2017), e-payments enable business firms to reach different categories of customers and enable the customers to pay for products and services from their destinations. For that, e-payments add value to customer retention. In view of Cooper (2016), e-payments is all about the electronic payment system which enables more business organizations to send and receive money through online-banking, POS, ATM and many others. E-payment system most times leads to customer retention. For Emery et al (2014), this is the application of computer technology to banking especially the payment (deposit transfer) aspects of banking. Degenova (2019) defined e-payment as a system of banking with an electronic communication network which permits on-line processing of the same day credit and debit transfers of funds between member institutions of a clearing system. The customer can access funds and transfer funds between accounts, pay bills and make purchases 24 hours a day as well as 7 days a week (Zakaria, 2016). Omotayo (2017) defines electronic payment as a system in which funds are moved between different accounts using computerized online or real time systems without the use of written cheques.

## **THEORETICAL FRAMEWORK**

### **Technology Acceptance Model**

The study is anchored on Technology Acceptance Model (TAM) propounded by Fred Davis in 1985. TAM is an information systems theory that models how users come to accept and use a technology. Fred Davis proposed the Technology Acceptance Model (TAM) in his doctoral thesis at the MIT Sloan School of Management (Davis, 1989). It is one of the most widely used models to explain user acceptance behavior. This



model is grounded in social psychology theory in general and the Theory of Reasoned Action (TRA) in particular (Fishbein & Ajzen, 1975). TRA asserts that beliefs influence attitudes, which lead to intentions and therefore generate behavior (Ma & Liu, 2017). In summary, the Technology acceptance model explains how a computer improves performance of a job when completing a task. It tells us how a business owner's perception of the simplicity of using a computer system (PEOU) will determine the perceived usefulness of the computer in his business, therefore having subsidiary effect on technology acceptance by the business owner.

## **EMPIRICAL REVIEW**

Some related empirical studies were summarized thus:

Okeke, Oboreh & Ezeaghaego (2019) examined the effects of e-commerce on the growth of small scale enterprises in Anambra State. The study adopted judgmental sampling technique. The sample size of 282 respondents was chosen through purposive sampling. Data used were generated from the selected small scale enterprises in Nnewi, Onitsha and Awka. The data generated were analyzed using percentage analysis while the hypotheses formulated were tested using Z-test statistics. The study found that business-to-customer (B2C) exerts significant effect on the performance of small scale enterprises. It also revealed that e-commerce adoption has significant effect on growth of small scale enterprises. It was recommended that small scale enterprises yet to adopt ecommerce technology should do so to remain competitive in their industries.

Taofeeq, Bello, Umar & Ali (2020) focused on the relationship between electronic commerce dimensions on performance of small and medium enterprises. Three hypotheses were formulated in a null form. Data were collected from owner/managers of SMEs in Kaduna State, Nigeria. A total of 208 returned questionnaires were analyzed. Structural equation modelling was used to analyze the data processed on Smartpls2. Findings reveal that business to consumer, consumer to consumer and government to consumer have a positive significant relationship with SMEs performance. The study recommends that small and medium scale enterprises (SMEs)

in Nigeria should encourage more of electronic commerce (business to consumer, consumer to consumer and government to consumer). SMEs should effectively and efficiently adopt and implement electronic commerce very well. This is one of the highly commendable ways to boost business performance that will guarantee sustainable competitive advantage. The study therefore concludes that that business to consumer, consumer to consumer and government to consumer have significant effect on SMEs performance in Kaduna state.

Anekwe and Nwokediba (2019) explore e-commerce and performance of small and medium scale enterprises in Awka, Anambra State, Nigeria. It specifically seeks to ascertain the effect of e-commerce investment costs on SMEs growth, and also examine the effect of e-commerce security on customer retention. Descriptive survey research design was adopted for the study. The population was the 548 registered SMEs in Awka, Anambra State. The sample size of 85 was obtained using Taro Yamani's formula. The main instrument for data collection was questionnaire. Data collected were analyzed using descriptive statistics. Regression statistical tool was further used to test the hypotheses of the study. The study found that e-commerce investment costs are not significantly related to SMEs growth in Anambra State. There is a significant relationship between e-commerce security and customer retention in Anambra State. Therefore, the study recommends that managers of SMEs should continuously research and invest in emerging e-commerce technologies and its components because they have been proven to significantly promote SMEs growth and performance. Furthermore, SMEs should also ensure that all online transactions are done with trusted persons whose identities are not anonymous and should use secured websites as well as document receipts of every online commercial activity.

Mutia, Ahmad, Aziz & Mohamad (2014) examined the relationship between e-commerce adoption and organization performance of hotel industry in Malaysia. This study uses a cross-sectional research design. Data was analyzed using a statistical Package for Social Science (SPSS) Version 11. The study also found that there is a correlation between organization performance with e-commerce business network,

and e-commerce competency. The research also employed stepwise regression analysis to look at dominant factor in predicting organizational performance.

## RESEARCH GAP

There exist research gap between this study and past researches. The research gap covers subject gap, gap on geographical location of the study, gap on the variables and contents of the study, gap on literature and gap on methodology.

- ❖ **Subject gap:** The subject matter of this work and some reviewed empirical studies has some differences. The differences with past studies covers both dependent variable (sustainable performance) and independent variable (e-commerce), while some studies used e-commerce, they did not focus on performance of small and medium scale business and vice versa.
- ❖ **Gap on geographical location of the study:** This work covers small and medium scale businesses in Imo State, and specifically used U-Zone Business Center IMSU Junction, Captain Amadi Supermarket Orji, Unique Computer Center Orji and Orange Groove Entertainment Center Okigwe Road in all Owerri Imo State. None of the past studies used the firms mentioned above and most of the past studies were done outside Imo State.
- ❖ **Gap on the variables and contents of the study:** The variables used in this work e-management, e-payments and e-promotion (for independent variable) and customer patronage, customer retention and customer acquisition (for dependent variable) were not used by past researches.
- ❖ **Gap on literature:** For the fact that the dependent and independent variables in this work differs with what were covered in past studies, the literature reviewed were never the same; hence there are differences on the conceptual and theoretical reviews.
- ❖ **Gap on methodology:** The research methods used in this work in some ways differ from what was employed from past researches.

## METHODOLOGY

In this study, survey research design was used.

The population of this study is made up of the entire 250 staff in selected small and medium enterprises in Imo and Abia States. The entire 250 were used as sample since the population is not too large and could be managed.

The researcher used questionnaire as the major instrument for data collection. This is to enable the researcher to collect the right information from the respondents. The questionnaire were framed in close ended format (Strongly agree – 5 points, Agree – 4 points, Undecided – 3 points, Disagree – 2 points, and Strong Disagree – 1 point).

The data collected in this study were analyzed using simple percentage, mean statistics and Pearson Product Moment Correlation Coefficient (PPMCC) at 0.05 level of significance through Statistical Package for Social Sciences (SPSS version 21.0).

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

It should be noted here that out of 250 questionnaires distributed to the sampled respondents, only 240 were properly filled and returned.

**Item 1:** Effective e-management increase customer patronage.

**Table 1:** Responses on if effective e-management increase customer patronage.

| Options            | F          | Percentage (%) | X          | Percentage (%) |
|--------------------|------------|----------------|------------|----------------|
| Strongly agreed    | 86         | 35             | 430        | 45.94          |
| Agreed             | 70         | 29.3           | 280        | 29.91          |
| Undecided          | 65         | 27             | 195        | 20.83          |
| Disagreed          | 12         | 5              | 24         | 2.56           |
| Strongly disagreed | 7          | 2.9            | 7          | 0.75           |
| <b>Total</b>       | <b>240</b> | <b>100</b>     | <b>936</b> | <b>100</b>     |

Source: field work, 2023

$$\frac{\sum X}{\sum F} = \frac{936}{240} = 3.9$$

Since our result in the above table is above 3.0, we therefore reject null hypothesis and conclude that effective e-management increase customer patronage. This is because table 4.6 indicates that 45.94% of the respondents strongly agreed that effective e-management increase customer patronage, whereas 29.91% of the respondents agreed.

Also, 20.83% of the respondents were undecided, while 2.56% of the respondents disagreed. However, 0.75% of the respondents strongly disagreed.

**Item 2:** E-promotion leads to customer acquisition.

**Table 2:** Responses on if e-promotion leads to customer acquisition.

| Options            | F  | Percentage (%) | X   | Percentage (%) |
|--------------------|----|----------------|-----|----------------|
| Strongly agreed    | 88 | 36.7           | 440 | 46.27          |
| Agreed             | 72 | 30             | 288 | 30.28          |
| Undecided          | 67 | 27.9           | 201 | 21.14          |
| Disagreed          | 9  | 3.8            | 18  | 1.89           |
| Strongly disagreed | 4  | 1.7            | 4   | 0.42           |

**Source: field work, 2023**

$$\frac{\sum X}{\sum F} = \frac{951}{240} = 3.0$$

Since our result in the above table is below 3.0, we therefore reject null hypothesis and conclude that e-promotion leads to customer acquisition. This is because table 4.11 shows that 46.27% of the respondents strongly agreed that e-promotion leads to customer acquisition, whereas 30.28% of the respondents agreed, but 21.14% of the respondents were undecided while 1.89% of the respondents disagreed. However, 3.8% of the respondents strongly disagreed.

**Item 3:** E-payments lead to customer retention.

**Table 3:** Responses of if e-payments leads to customer retention.

| Options            | F          | Percentage (%) | X          | Percentage (%) |
|--------------------|------------|----------------|------------|----------------|
| Strongly agreed    | 84         | 35             | 420        | 45.60          |
| Agreed             | 68         | 28.3           | 272        | 29.53          |
| Undecided          | 63         | 26.3           | 189        | 20.52          |
| Disagreed          | 15         | 6.3            | 30         | 3.26           |
| Strongly disagreed | 10         | 4.2            | 10         | 1.09           |
| <b>Total</b>       | <b>240</b> | <b>100</b>     | <b>921</b> | <b>100</b>     |

**Source: field work, 2023**

$$\frac{\sum X}{\sum F} = \frac{921}{240} = 3.8$$

Since our result in the above table is above 3.0, we therefore reject null hypothesis and conclude that e-payments leads to customer retention. This is because table 4.16 indicates that 45.60% of the respondents strongly agreed that e-payments lead to customer retention, whereas 29.53% of the respondents agreed. 20.52% of the respondents were undecided, 3.26% of the respondents disagreed and 1.09% of the respondents strongly disagreed.

## TEST OF HYPOTHESES

The hypotheses as stated in chapter one were tested in this work

### Re-statement of Hypothesis One

**Ho1:** There is no significant effect of e-management on customer patronage in small and medium scale business firms.

**Fig. 1:** To test the hypothesis one, data in table 1 was used.

|                  |                                                                                                            |                                                     |              |
|------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------|
| H <sub>1</sub> 1 | There is significant effect of e-management on customer patronage in small and medium scale business firms | Pearson Correlation = 0.89<br>Sig = 0.05<br>N = 240 | <b>VALID</b> |
|------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------|

The table above shows that the Pearson product moment correlation is 0.89 which indicates that there is significant effect of e-management on customer patronage in small and medium scale business firms. Hence, the null hypothesis is hereby rejected.

**Ho2:** There is no significant effect of e-promotion on customer acquisition in small and medium scale business firms.

**Fig. 2:** To test the hypothesis one, data in table 2 was used.

|                  |                                   |                            |              |
|------------------|-----------------------------------|----------------------------|--------------|
| H <sub>1</sub> 2 | There is significant effect of e- | Pearson Correlation = 0.89 | <b>VALID</b> |
|------------------|-----------------------------------|----------------------------|--------------|

|  |                                                                            |                       |          |
|--|----------------------------------------------------------------------------|-----------------------|----------|
|  | promotion on customer acquisition in small and medium scale business firms | Sig = 0.05<br>N = 240 | <b>D</b> |
|--|----------------------------------------------------------------------------|-----------------------|----------|

The above table indicates that the Pearson product moment correlation is also 0.89 which reveals that there is significant effect of e-promotion on customer acquisition in small and medium scale business firms. Hence, the null hypothesis is rejected.

**H03:** There is no significant relationship between e-payments and retention in small and medium scale business firms.

**Fig. 4.3:** To test the hypothesis one, data in table 3 was used.

|                |                                                                                                             |                                                     |              |
|----------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------|
| H <sub>3</sub> | There is significant relationship between e-payments and retention in small and medium scale business firms | Pearson Correlation = 0.87<br>Sig = 0.05<br>N = 240 | <b>VALID</b> |
|----------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------|

The table above showcases that the Pearson product moment correlation is 0.87 indicating that there is significant relationship between e-payments and retention in small and medium scale business firms. Thus, the null hypothesis is hereby rejected.

## **DISCUSSION OF FINDINGS**

Based on the hypothesis one, this study discovered that there is significant effect of e-management on customer patronage in small and medium scale business firms in Imo State. Al-Madi & Al-Sarayrah (2013) stated that effective management of business and utilization of e-facilitates leads to business success. In view of Taofeeq, Bello, Umar & Ali (2020), small business could achieve their goals when they adopt management strategies through the utilization of ICT and internet facilities.

In line with the hypothesis two, this study discovered that there is significant effect of e-promotion on customer acquisition in small and medium scale business firms in Imo State. Okeke, Oboreh & Ezeaghaego (2019) opined that many customers could be

reached through social media advertising within the global community. Anil (2022) said that the use of e-marketing has made it possible for businesses to achieve their goals and increase customer based.

From the hypothesis three, this study discovered that there is significant relationship between e-payments and retention in small and medium scale business firms in Imo State. Cudjoe (2014) was of the view that electronic payment system makes customers to make payment at ease and therefore increase the level of customer preference for the products. Anekwe and Nwokediba (2019) noted that most customers could be retained when a business utilizes and adopt e-payment platforms.

## **CONCLUSION**

This study has examined e-commerce and sustainable performance of small and medium scale business. Based on the findings obtained, there is empirical evidence that e-commerce has a great impact on the performance of SMEs in terms of patronage, customer retention and acquisition. The advent of e-commerce offers considerable opportunities for SMEs to expand their customer base, enter new product markets, and rationalize their businesses and as such, the benefits of e-commerce outweigh the costs of investment. Therefore, SMEs that invest in e-commerce (e-management, e-payment and e-promotion) may continue to grow and achieve sustainable performance. This study concludes that e-commerce plays a vital role in the business economy especially in small and medium scale business enterprises. SMEs have started using assortment of ecommerce technologies which has improved their performance through the expansion of their customer base and product market, as well as increased levels of customer satisfaction and retention.

## **RECOMMENDATIONS**

This study therefore recommends that:



1. Managers of SMEs should continuously research and invest in emerging e-commerce (management, payments, and promotion) and its components because they have been proven to significantly promote SMEs sustainability and performance (as it concerns patronage, customer retention and acquisition).
2. Managers and operators of SMEs should also ensure that all online transactions are done with trusted persons whose identities are not anonymous and should use secured websites as well as document receipts of every online commercial activity.
3. There should be customers' privacy in order to safeguard the banking credentials and information of their customers so as to continue to achieve business sustainability and performance.

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