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The Impact of E-Business on Activity Extension and Business Performance

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Abstract

Purpose: Business has been completely revolutionized by the Internet. This study seeks to determine the impact of e-business on activity extension and business performance. It aims to examine the actual stage of e-business, help others to apply the knowledge gained, and help in expanding new researches in this field. **Research design, data and methodology:** The data utilized in this study was obtained from survey. In total of 60 questionnaires accepted as valid out of 80 distributed, data was analyzed using the SPSS, and methods used were correlation and reliability analyses. **Results:** The study result shows that e-business has a significant positive impact on activity extension and the performance of business in Kosovo. The findings also revealed that there is a correlation between the various online marketing strategies and consumer satisfaction. The development of e-business for Kosovo is an important factor in participation in the world market, where there is a growing need for innovation and modernization of business. **Conclusions:** The study recommends that there should be raised awareness among business owners and managers as well as the general public. Moreover, there should be a proper application of marketing strategies to e-business.

Keywords : E-business, Strategy, Competition, Consumer, Online, Information Technology (IT)

JEL Classification Code: M20, M30, O32.

1. Introduction

Electronic business is a relatively new and unique challenge. We refer to it as e-business, that is, the system of conducting business processes over the internet. The Internet has completely refashioned the way we do business. Today's business world enjoys great opportunities like modern information and digital technology. Also, the Internet has been changing all elements of the business world as well as the overall way of doing business.

Negroponte (1995) addresses the issue of digitalization and describes the interconnection of information technology (IT), information, and the offer content that will be the most important factor in the success of a company's future. Increasingly intense competition, changes in the business environment, customer demands and desires have encouraged companies to increasingly apply the online business standard, focusing on the B2C (business-to-consumer) model or the business of companies and individuals who may be customers or end users. For instance, online business development has had significant effects on the marketing engagements of export firms. By doing their sales and promotions online, their usual activities get upgraded from their classic form by acknowledging their execution in many forms that are distinguished by "who initiates" the activities and "who is the target" (Ukaj, 2015).

Empirical evidence confirms that internal e-business factors such as online product portability and e-business assets directly enhance firm promotion, communication and distribution efficiency, plus, they increase price competitiveness. The use of e-business, also called online business in this paper, facilitates the combination of classic

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and interactive ways of reaching out to customers and making sales. The main factors that led to the development of the online business are: dynamic development of information technology, improvement of telecommunications, integration of information technologies and telecommunications, global processes of globalization and integration, practice of international business, online business of SMEs, and trade service increase.

The application of information technology is of strategic importance for every business. It reduces costs, speeds up administrative work, encourages decision-making in modern business, strengthens competitiveness in the market, increases productivity, and makes work more comfortable, successful, and effective. Chaffey (2009) stated that “with the continual introduction of new technologies, new business models and new communication approaches, e-business offers the potential for organizations in all industry sectors to improve their competitive advantage.”

Marketing activities in online business have a positive impact on the business success of the company; adoption of marketing strategies for online business is significantly related to business results; and the relationship marketing-consumers in online business is positively correlated with the business success of the company. The paper also gives importance to acquiring the knowledge and skills needed to buy online, i.e., easier access to desired products. Finally, recommendations have been made for successful, transparent, and modern e-business focusing on online sales and purchases in contemporary businesses in Kosovo. For the realization of this paper, primary and secondary data are used. Primary data were collected through research, and a survey was conducted. After collecting secondary data, we reviewed materials containing foreign and domestic professional literature, journals, publications, research by professional research centers, databases, and other sources from internet data. The methodology used was primarily related to the application of qualitative methods. The survey method was applied because, given the purpose of the survey, it was considered the most acceptable, simple, and feasible (Kothari, 2004). The basic analytical and synthetic methods were also used.

Research Objective

This research was conducted to achieve the following objectives:

To examine the impact and level of modern e-business with a particular emphasis on the Kosovo market.

To assess the relationship between marketing strategies for online business and business success of companies in Kosovo.

To determine the correlation between online marketing strategy and consumer satisfaction, in online business in Kosovo.

2. Literature Review

2.1. E-business

E-business entails much more than simply possessing a website or portal. Also, it is not only about technology but rather of the combination of processes, organization, a different way of thinking alongside the technology (Begovic, 2016). Further, it includes the use of technology as a means to change as well as automate current business activities such as sales and marketing, manufacturing, new product development, and both inbound and outbound activities (Begovic, 2016). New methods of buying online are being adopted by most consumers. As Ukaj (2015b) stated, for enterprises, doing business online apart is of significant importance and not a desire. E-business helps the company to improve its services and gain access to customers outside the local market, increase visibility for customers and partners, reduce marketing costs, compare products and prices, reduce business transaction costs, and communicate or conduct business without being in the same location (Begovic, 2016). Additionally, E-business serves as a support for collaboration with different partners starting from suppliers, government, banks as well as ordering materials and goods (Begovic, 2016).

By nature of the Internet and its dynamism, there are distinguished businesses which develop their online activities so-called “click” or “.com” enterprise, which operate as classic companies, but also develop parallel activities “click and physical” (Kotler & Armstrong, 2013). In their study, Shenkar and Luo (2004) defined “e-business as performing transactions for the purpose of selling, buying, distributing, or delivering goods and services via the Internet.” Akamai (2019) indicated that e-business via the internet is growing rapidly. Like any other business model, this type of business requires a balanced approach. The term “online business” can also be defined as the process of managing online financial transactions as a result of buying and selling by individuals or companies. This process involves both retail and wholesale transactions.

The focus of e-business is on systems and procedures through which various financial documents and information are exchanged. Its structure consists of e-business, which is also its most significant activity, according to numerous studies conducted worldwide: “1. business intelligence; 2. supply chain management; 3. CRM (customer relationship management); 4. ERP (enterprise resource planning)” (Milosavljević & Mišković, 2011). The commercialization of the Internet has finally provided the ideal solution, for all types of business, starting from information (newspapers, magazines, etc.), services, banks, education, and other branches. This is slowly spreading to Kosovo, where more and more forms of supply and trade are being incorporated into internet-based technology. “Moreover, technologies

alone are not sufficient to assure the success of e-business implementation. E-business solutions must be accompanied with business processes reengineering, change management, and interaction with business partners” (Chaffey, 2009; Laudon & Laudon, 2006).

One of the basic goals of modern business is to form an organization of business processes to meet the needs and requirements of clients, which would be effective in the growth of their market and profit. Therefore, it is necessary to have a good knowledge of the e-business model to put its features and benefits into action. In this context, the e-business wheel is defined, and it consists of two main parts: strategies and operational processes (Varagić & Tošić, 2003).

E-business strategies (including e-philosophy, strategy and policy, e-marketing, PR and information-communication infrastructure) define all business processes that have the ultimate goal of customer satisfaction and profit. E-business operational processes, including e-production, e-technology, e-distribution, e-protection and law, etc. essentially make up e-business. This is precisely the importance of knowing and using the e-business wheel.

E-business is a client-driven business philosophy based on a "look globally, act locally" strategy in a virtual Internet environment where the goal is to achieve the chosen level of interactivity with the client. It has particular importance for foreign trade companies and participants in international trade flows. Using the Internet in business reduces operating costs, the length of distribution channels, eliminates the role of intermediaries, and the length of delivery times. In addition, low entry costs and low entry barriers allows both small and large companies to participate in this mode of doing business. The geographical location becomes a significant factor only when distributing the goods to the customer. If it is respected, the relationship between the seller and the buyer strengthens and translates into long-term cooperation. Mechanical means in trade are replaced by electronics, and its technical and technological basis is the new communication systems, based on Electronic Data Interchange (EDI) (Lazibat & Kolaković, 2004). It can be concluded that the necessary elements for implementing the EDI system are: a) *standard* that will be used to transport the message from the sender to the recipient, since different companies have different computer systems and programs so that direct exchange is impossible; b) *software* that will convert messages; and c) *communication medium* by which the message will be transported (public or private network). Clarke (1998) stated that, "originally, EDI referred to the computer-to-computer transfers of business information between organizations in a standardized electronic format."

2.1. E-business models

E-business is any business that relies on an information system. The new concept that e-business brings is not a

guaranteed success either (Chaffey, 2009; Laudon & Laudon, 2006). Its success is based on consistent application of procedures. The rules that are applied in classic business apply here as well. Basically, there must be a good strategy, consistent procedures, and a logical and functional structure. E-business is a business process, or multiple processes that are most commonly used over the Internet, i.e., through applications, emails, messages, and more (McPheat, 2011; Kotler & Armstrong, 2013). These business processes include buying and selling, inventory review, customer services, payment processing, production management and control, collaboration with business partners, information sharing, managing automated employee services, finding and recruiting new employees, and much more (Weill & Vitale, 2001). The e-business theory identifies several basic business models. These models "are defined based on the parties involved in the business process and the nature of their business relationship" (Blanchard & Johnson, 1993; Schneider, 2007; Kotler & Armstrong, 2013; Gunther, 2010). Some of e-business models are: 1. B2B (Business to Business), 2. B2C (Business to Client), 3. G2C (Government to Citizen), 4. G2B (Government to Business), 5. G2G (Government to Government), 6. G2E (Government to Employees) and others. In the recent period, the following B2B2C model includes a combination of the B2B model that supports enterprise at the B2C business. C2B2C involves the execution of transactions between consumers using an online business as an intermediary, as well as other models that represent innovation, which is one important feature of the people involved in this kind of business.

2.2.1. Model of e-business in Kosovo

From the inception its transition to a market economy, Kosovo constantly encounters barriers of different forms that, in one way or another, are reflected in the business environment and this has in some way hindered the growth of the private sector in the country. Irrespective of some recent reforms, Kosovo still ranked 86th out of 189 countries in the "Doing Business Report" of the World Bank in 2014. Moreover, Kosovo's businesses operate in an environment of uneven competition, corruption, non-functional legal system, and other inhibiting factors, make up "the dominant rules of the game". This unfavorable business atmosphere has been a burden for existing businesses. E-business presents an opportunity suitable for business growth on a global scale. Although e-business is not yet widely applicable in Kosovo and the country still lacks adequate infrastructure necessary for the growth of complete e-business, there are some initiatives for the development of e-business in the country. Such initiatives include increase in the use of computer and internet for businesses in Kosovo. This shows that the business community has realized that in modern conditions for

business development, creation of a company's trade image, identity creation and promotion of business, the use of the Internet has a special significance. Moreover, some companies have developed their online services, which make their business more quickly accessible to consumers (Jackson, Aparna, & Erhardt, 2003). Using the Internet and other electronic services by Kosovo businesses it can be considered that is at the stage of education of the population. A slightly larger growth of electronic business in Kosovo is moving from banking institutions, which have developed their services and e-banking. Other companies that are not financial institutions in Kosovo are gradually developing e-business models like of e-shop, with their websites where their customers can make purchase of goods.

2.3. E-business models

E-commerce (Electronic trade) is defined from the perspective of: a) communication as the delivery of services, information, or payments via a computer network, and b) commerce being the facilitating of the purchase and sale of goods, services, and information over the Internet (Unković & Milosavljević, 1999). In this type of business, the interactive links are enabled, between manufacturers, i.e., suppliers and customers, while increasing productivity and reducing costs. The benefits of this type of business come from a combination of economic and technological factors. There are also certain barriers that will require a lot of effort and longer period of time where the biggest problem is the issue of safety, i.e., protection of data against unauthorized access and changes.

E-commerce models are: E-shops, brokerage model, infomediary models, dynamic pricing models, online trading and landing models, content providers model, e-procurement, etc. In this type of online business, the abovementioned business models are being implemented, such as B2B and B2C (Yang & Ding, 2009). In 2004, the B2B sector accounted for 88% of the total volume of all e-commerce transactions. However, in the recent period, it has decreased in favor of other online business forms (Stallings, 2005).

M-commerce (Mobile commerce) indicates the extension of the field of e-commerce from computers to wireless devices and telecommunications using mobile phones. (Strauss & Frost, 2014). In the US, "the mobile commerce sales account for 34.5% of total e-commerce sales in 2017, and that number is growing rapidly. By 2021, mobile ecommerce sales are expected to account for 54% of total ecommerce sales in the US" (Clement, 2019). This technology is the basis for new major development opportunities. M-commerce includes all types of commercial transactions that are realized by using electronic mobile devices. M-

commerce helps a business to improve its competitive position towards the customer based on its specific attributes such as: presence at any place and at all times, convenience of application, interactivity, personalization, and localization. This type of business provides a comparative advantage reflected in the mobility of workers and consumers and is an important component of e-business based on the application of specific electronic technologies - mobile technologies.

Online Mobile Business can be divided into: Mobile Business Communication, Mobile Commerce, and Mobile Payment (Krkić, Čehajić, Memić, & Memić, 2005). Only a few years ago, Kosovo began using the third generation of mobile telecommunications (3G), which will create the conditions for the full expansion of mobile online business. Providers must take advantage of the features that differentiate m-commerce from e-commerce to develop a truly unique and compelling service, rather than replicating existing e-commerce models.

Mobile Marketing (m-marketing): Taking into consideration, the latest technology development and the connection of users and mobile phones, the advertisers consider it as a crucial opportunity to impose the brand. The Mobile Marketing Association (MMA) defined mobile marketing as "a set of practices that enable organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network" (2009). Further, Strauss and Frost (2014) stated that M-marketing serves as a new channel which enables a fast and much simpler two-way communication between consumers and business, despite the location and time. Marketing Mix elements should aim to improve the services for the consumers or users of services. In this case, the only aim is to offer a new quality based on new technologies (Ukaj, 2015a). Also, a proper database consisting of customer's interests and demographics makes it easier to target and reach them with advertising.

Mobile marketing is cheaper and easier to be prepared and monitored for efficiency throughout different stages. It also entails different ways of its implementation based on the wanted end results, which includes the usage of applied technologies. Mobile marketing can be conducted by using SMS and MMS marketing, the creation of mobile applications and websites, mobile coupons delivery for special purchases, maps as well as different payment methods for purchasing goods and services using it as a advertising tool (Naylor, 2017).

Advertising through social media using mobile devices is trending currently worldwide.. Considering everything, the market has a great potential and businesses and advertisement agencies in Kosovo are starting to be aware of its benefits.

Electronic marketing (e-marketing) is all online or electronically based activity that enables the manufacturers of goods and services to meet the needs and desires of their customers in a fast and efficient manner (Hasan, 2011; Chaffey & Smith, 2008). An electronic marketing need has to be creative, engaging, and subject to constant change due to the abundance of information served to users. It also contributed to the change in the form of marketing, from traditional (mass) with the "average consumer" and its customized marketing instruments to the marketing mix, towards individualized, customized, one-to-one marketing. Marketing through internet develops the activities as in its classic form by acknowledging what is accepted in many forms as follows and that are distinguished by "who initiates" the activities and "who is the target" (Ukaj, 2015a).

Further, conducting marketing via internet consists of different activities starting from advertising, promotion and sales (McPheat, 2011; Kotler & Armstrong, 2013). The new form of marketing is aimed at individualized internet consumers through direct interaction. Instead of mass marketing on the internet, a marketing mix is created for the individual, and advertising is transformed into a choice of information. In practice, as in theory and in business, we come across terms and synonyms such as e-marketing, internet marketing, etc. They are just word games (Jones, Malczyk, & Beneke, 2011; Omar, Ramayah, Lin, Mohamad, & Marimuthu, 2011; Järvinen, Tollinen, Karjaluo, & Jayawardhena, 2012). When it comes to specific marketing, there are different tools and forms used such as e-mail marketing, search engine marketing, map applications marketing, content marketing, etc. (AG, 2015). All these internet marketing forms differ from one another due to different allocated resources used and planned engagement. The advancement of the Internet and the development of information and digital market have created the adequate conditions for the formation of comprehensive marketing concepts and strategies. Hence, this can be found in the terms of holistic and integrated marketing in modern professional literature.

3. Methodology

The research methodology for the case is the design of logical procedure proposed by Yin: plan, design, prepare, collect, analyze, and share (Yin, 2009).

Research Method: Survey method was used as it is the most appropriate for this research (Kothari, 2004). The main reason for choosing this method of collection was to ensure speed and minimize cost, visual appeal, interactivity and respondent participation (Zikmund & Babin, 2007). The primary data was collected using questionnaires. Secondary data were sourced from foreign and domestic professional literature, journals and publications, research by professional

research centers, databases and Internet (web portals and corporate sites). With these, we have been able to set the frameworks and models of e-business that helped us with the second part of the primary data research.

Sample Size: A survey questionnaire was prepared, with different types of questions (Zikmund & Babin, 2007). We assigned 80 managers to a representative sample in companies all over Kosovo.

Method of Data Collection: the method of data collection used was in persona (visit to the company). Of the questionnaires administered, 60 of them were filled correctly, 20 of them were incompletely filled or no answers at all. Thus, 60 of them were accepted as valid for access to the processing of the survey forms. The main reason for choosing this method of collection was to ensure speed and minimize cost, visual appeal, interactivity and respondent participation (Zikmund & Babin 2007).

Research Questions: The questionnaire for this research was designed to contain a total of 28 questions under these two broad research questions:

Does modern e-business have a positive impact on the business success of the company?

Is there a correlation between marketing strategy and customer satisfaction in online business?

Study Area: The survey was conducted in the cities of Prishtinë, Pejë, Ferizaj, and Gjiilan, as a representative sample distributed on the territory of Kosovo. The surveyed companies are from the manufacturing, commerce, and services sectors and mainly belong to the structure of micro, small, and medium-sized enterprises.

Data Analysis: Data processing with the help of SPSS program was done and we received data in the form of tables, charts, and tables with statistical analysis of materials.

Research Hypothesis:

Hypothesis 1: Modern e-business has a positive impact on the Kosovo market.

Hypothesis 2: Adoption of marketing strategies for online business is significant significantly related to business result.

Hypothesis 3: There is a correlation between marketing strategy and customer satisfaction in online business.

4. Results and Discussion

Almost all companies surveyed in Kosovo generally use the Internet in some way for business purposes (90%) on a daily basis. Only 10% of the surveyed companies do not use the Internet for business purposes and do not plan to start

using it in the future.

Internet usage is similar across companies regardless of size. It is also similar in all cities surveyed in Kosovo and in the industrial sectors.

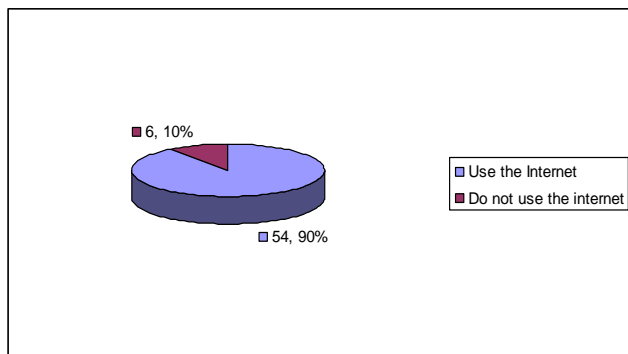


Figure 1: Companies that Uses Internet for Business

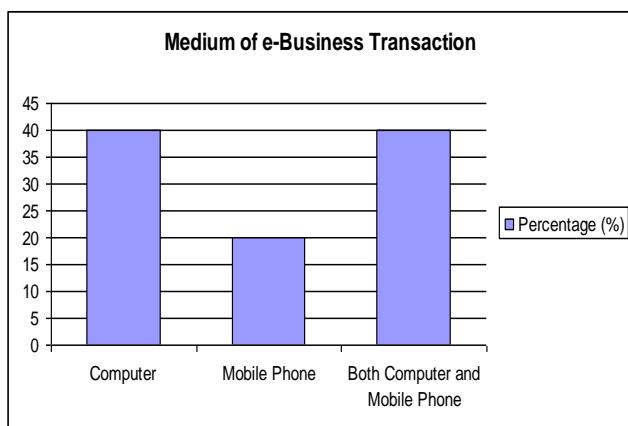


Figure 2: Medium of Electronic Business Transaction

24 (40%) of respondents use only computer, 12 (20%) use only phone and 24 (40%) use either phones or computer in conducting their business.

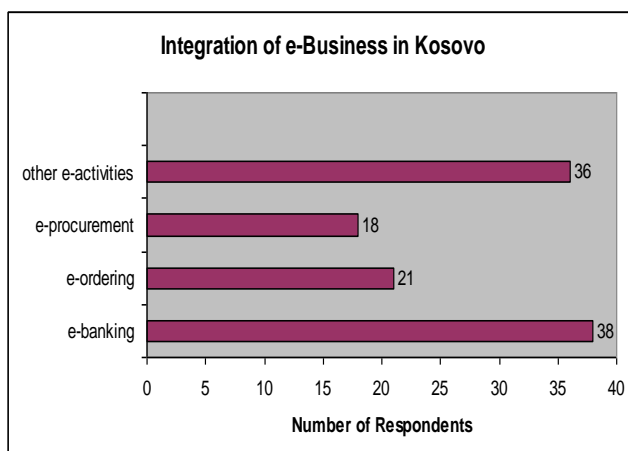


Figure 3: Integration of Electronic Business in Kosovo

As shown in Figure 3. above, many companies use e-banking services (38, 70.4%); and e-ordering by 38.9% (21). About one-third of companies use online system for their supply (18, 34%). While 66.7% (36) use it for other online activities, where the profile is similar - email, online banking and searching for products and services on the internet.

As part of the daily business routine for all companies, using the Internet is for various purposes, such as e-mail on mobile phones, online telephony (Skype), Viber, Facebook, e-government services, and online recruitment. This confirms our 1st hypothesis: Marketing activities in online business have a positive impact on the business success of the company.

What is being bought online, according to our research, is as follows: machines and equipment for business activities are purchased by 41% of the companies; Office supplies are purchased by 34% of companies; while 23% of the companies supplied raw materials. The level of satisfaction with online shopping among businesses is high. Almost 90% are satisfied with their online shopping experience or e-shopping.

Table 1: Companies in Kosovo that Utilizes Websites

Surveyed Companies in Kosovo with Website	70%			
Companies are in the process of building a website	3%			
Companies without Website	27%			
Cities in Kosovo	Prishtina	Peje	Gjilan	Ferizaj
Percentage of Companies with Websites	90%	80%	65%	70%

About 70% of surveyed companies in Kosovo have a company website, and about 3% of companies are in the process of building a website; while the remaining do not have a website. The main reason for this is lack of desire to invest and lack of knowledge as well as information. Also these companies have estimated that it is not an effective strategy for their business.

Almost all Prishtina companies have a company website (90%), which is significantly more than companies in other Kosovo cities we surveyed (Pejë 80%, Gjilan 65%, Ferizaj 70%). Medium-sized businesses typically have a website (95%), compared with 84% among small and 70% among micro companies. Notwithstanding, most companies in Kosovo are still not expanding their business to the online

market.

Small and medium-sized enterprises offer their products and services online more than micro-enterprises. Only about one-third of businesses offer their products and services online. Most (88%) of them generally use a company website alongside with social networks and advertising sites.

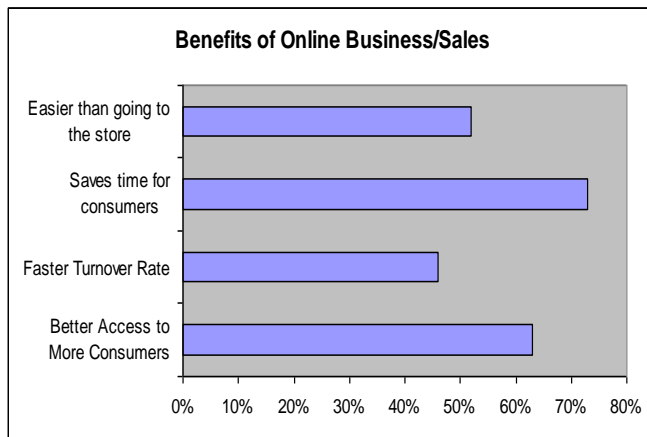


Figure 4: Benefits of Online Business

Businesses in Kosovo believe that the main benefit of online business is better access to more consumers (63%) and faster turnover rate (46%). Respondents believed that e-shopping is attractive to consumers because of its convenience: it saves time and is easier than going to the store (73% and 52%, respectively). E-commerce with an online ordering option was mainly introduced to increase sales. Some businesses are motivated by comparing them to competitors or by asking consumers for that option. Most businesses are satisfied with the online aspect of their business.

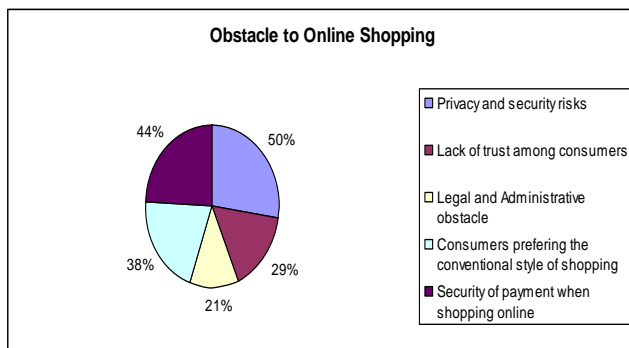


Figure 5: Obstacles to Online Shopping

Privacy and security risks (50%) are seen as the main obstacle among companies considering online shopping. 29% of the respondents regard a lack of trust among consumers an obstacle to online business. Only a few are concerned about legal and administrative obstacles

(21%). Consumers, on the other hand, are believed to be concerned about the security of payments when shopping online (44%). Also, consumers prefer the conventional style of shopping as they are used to seeing, touching, and trying a product to make sure it fits their needs (38%), which discourages them from buying online.

Delivery is another issue that businesses believe is a problem for consumers, mainly related to getting the wrong product. This is in addition to possible damages that could occur to the product coupled with long delivery time. Respondents in Pejë (23%) and Ferizaj (11%) more often believe that consumers are concerned about the delivery of the product.

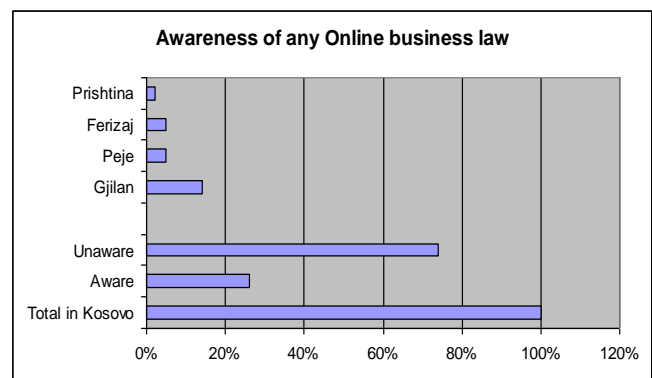


Figure 6: Awareness of Online Business Law

Only about 26% of the companies seem to be aware of the online business law while about 74% claimed to be unaware. Companies in Gjilan (14%) seem more informed about online business laws than companies in Pejë (5%) and Ferizaj (5%) and 2% in Prishtinë. Only 9% can associate it with some laws, mainly the Consumer Protection Act. Businesses in Kosovo are more aware of e-consumer rights than they were before.

4.1. Econometric Model Analysis of Research Findings

The analysis below in table 2 examines the correlation between various marketing strategies in Kosovo Email Marketing; Affiliate and Associate Program; Web Design; Search Engine Marketing Optimization (SEO); Online Press Release; Use of Social Media (like Facebook), Maintain a Blog and their role in consumer satisfaction.

($\sigma = 0.01$). The Pearson's coefficient (p-value) of a particular variable (say use of social media) is 1 and therefore perfectly correlated against itself. In Affiliate and Associate Program, the p-value is less than 0.01 against all other variables and thus we reject the null hypothesis and conclude that there is a significant correlation between affiliate and associate program and other online business

marketing strategies listed. This significant correlation is observed in the other marketing strategies against each other.

Online business has received considerable attention in Kosovo. The attitude of consumers is more positive as it is reported that majority of them were very satisfied with the

online business marketing approach used by businesses in Kosovo. There is no difference by city, company size, or industry sector in the perception of changing public attention with respect to e-business development and online shopping.

Table 2: Statistical Analyses of findings

		Affiliate and Associat _Program	Web Design	Search Engine Marketing Optimizatio	Online Press Release	Use_of Social Media like Facebok	Maintai a_Blog	Email marketing
Affiliate_and_Associa te_Program	Pearson Correlation Sig. (2-tailed) N	1 60	.946** .000 60	.961** .000 60	.897** .000 60	.945** .000 60	.941** .000 60	.787** .000 60
Web Design	Pearson Correlation Sig. (2-tailed) N	.946** .000 60	1 60	.938** .000 60	.912** .000 60	.959** .000 60	.980** .000 60	.761** .000 60
Search_Engine_Mark eting_ Optimization_SEO	Pearson Correlation Sig. (2-tailed) N	.961** .000 60	.938** .000 60	1 60	.925** .000 60	.931** .000 60	.929** .000 60	.814** .000 60
Online_Press_Releas e	Pearson Correlation Sig. (2-tailed) N	.897** .00 60	.912** .000 60	.925** .000 60	1 60	.893** .000 60	.895** .000 60	.887** .000 60
Use_of_Social_Media _like_ Facebook	Pearson Correlation Sig. (2-tailed) N	.945** .000 60	.959** .000 60	.931** .000 60	.893** .000 60	1 60	.978** .000 60	.783** .000 60
Maintain_a_Blog	Pearson Correlation Sig. (2-tailed) N	.941** .000 60	.980** .000 60	.929** .000 60	.895** .000 60	.978** .000 60	1 60	.766** .000 60
Email_Marketing	Pearson Correlation Sig. (2-tailed) N	.787** .000 60	.761** .000 60	.814** .000 60	.887* .000 60	.783** .000 60	.766** .000 60	1 60

**Correlation is significant at the 0.01 level (2-tailed)

From our result, correlation is significant at level 0.01

5. Conclusions

Every business should be obliged to plan, organize, execute, and control marketing activities while doing trade on the Internet, as other departments may not function well if they are not affiliated with the marketing department. It is not enough to just define the marketing strategy of the company, but it is important to apply it in the best possible way and to analyze by management the difference between the set and expected goals.

Taking into consideration that E-business is a new model of business activities in Kosovo, we based our research in previous studies in the world (Hasan, 2019; Järvinen et al., 2012). However, it should be noted that the business environment differs a lot in Kosovo from other countries

where this model of doing business, E-business, has been applied earlier. We took several control variables to investigate how and how much they are used by businesses. The difference with previous studies is in the number of respondents involved and this enabled gathering information which cannot be compared with any other research done in Kosovo.

Given the turbulence of today's environment affecting ever-changing business conditions, competition and the position of businesses in the environment in which they operate must be controlled over time. Also, the success factor is joint planning and goal setting, which leads to quality communication between employees. Taken together, all the information has a positive impact on future strategic decision-making processes.

Only 16% of businesses in Kosovo offer their customers the option to order products/services online (this percentage is higher in the retail sector). Online ordering is mainly introduced to increase sales. However, for most businesses, the internet is still not a significant source of business; it only contributes up to 10% of total turnover. Online payment options are on offer as well as offline (cash on delivery) payment (almost all businesses have an e-payment option, either directly to the company or through an online payment system). It is optimistic that most of them are satisfied with the aspect of online business in their business. About 18% of SMEs present their products and services online, but do not offer their customers the ability to order and pay online. This is mainly due to the belief that the introduction of the ordering system is too complicated. From a consumer perspective, businesses believe that e-shopping is attractive mainly for convenience it is faster and easier than regular shopping. Businesses, on the other hand, find that consumers are generally discouraged by payment security issues, delivery problems, and inability to try a product like in a real store.

Most of them claim that online business development has received more attention, which businesses are more open by introducing online business into their activities, that consumer awareness is increasing and that it is more acceptable for consumers to shop online. The promotion of online business seems to have influenced this change in attitude of the businesses toward it. About half of the companies heard about some of the promotional activities during the previous year, mostly through the Internet.

Online business brings a new concept to Kosovo. However, it does not guarantee business success either. The rules that apply to classic business apply to electronic commerce. Business strategies, management, marketing

principles, and all other methods that led to successful traditional businesses are also used in e-business.

The most common obstacles are lack of e-business infrastructure, lack of understanding of the benefits of online business (especially in terms of return on investment and speed of work), legal issues, the refusal of the majority of the older population to be "e-literate", and lack of security in online business, especially transaction.

The development of e-business for Kosovo is an important segment of connecting with the world and an important factor in participation in the world market, where there is a growing need for innovation and modernization of business due to the rapid growth of competition. Managers need to be aware of the "opportunities" and "risks" of a company in the market on time, and they should constantly evaluate the level and impact of competition activities. Marketing strategies should be the basis for determining the market position and positioning of the company. E-business has a future in the market, both domestic and primarily regional, and not world-wide, and therefore businesses in

Kosovo need to be oriented in that direction.

Due to what has been said above, as well as the data and analysis we have shown above, there is a space for researchers who wish to continue in this direction. For further research, more extended research with broader samples is essential. We hope that this research has scratched the surface to this field of study and made an addition to existing theory.

6. Recommendation

Recommendations for managing business processes in e-business for various stakeholders in Kosovo

The following recommendations were made based on the result obtained.

1. Effort should be channeled at promoting awareness among the public, since the result suggests that a lot of people are not aware of e-business in Kosovo.

2. Proper marketing strategies should be applied to e-business in the best possible way. E-business owners should plan, organize, execute, and control marketing activities while doing trade on the Internet.

3. Effort should be geared at providing more excellent customer satisfaction in terms of accurate delivery of order, security of customers, funds as well as the products they order, lower cost of shipping etc.

Recommendations for Further Research

Due to what has been said above, as well as the data and analysis we have shown above, there is a space for researchers who wish to continue in this direction. Considering the fact that the economy of the twenty first century is a digital economy, inadequate use of technological advancement to fully exploit the opportunities inherent in e-business present a great restraint to the growth of such economy, therefore, for further research, we recommend that more extended research with broader samples is essential. Also, it is important to carry out research that further probe into the level of accessibility of technological infrastructure and internet facilities that drive the e-business in Kosovo. We hope that this research has scratched the surface to this field of study and made an addition to existing theory.

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