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**ONLINE SHOPPING CUSTOMER SATISFACTION: BASIS FOR
DEVELOPING AN ENHANCED STRATEGY FOR
MARKETABILITY**

A Dissertation
Presented to the Faculty of the School of Graduate Studies,
AMA University
Villa Arca Subdivision, Project 8, Quezon City

In Partial Fulfillment of the Requirements for the Degree
Doctor in Business Administration

by:

SHIELA MAE S. ORTIZ

December 2021



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CERTIFICATION AND APPROVAL SHEET

This dissertation titled, "**ONLINE SHOPPING CUSTOMER SATISFACTION: BASIS FOR DEVELOPING AN ENHANCED STRATEGY FOR MARKETABILITY**" prepared and submitted by Shiela Mae S. Ortiz in partial fulfillment of the requirements for the degree of Doctor in Business Administration has been examined and recommended for acceptance and approval for Final Oral Examination.

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CERTIFICATION OF ORIGINALITY

I hereby certify that this dissertation entitled, **“ONLINE SHOPPING CUSTOMER SATISFACTION: BASIS FOR DEVELOPING AN ENHANCED STRATEGY FOR MARKETABILITY”**, is my own effort completed to the best of my willpower; hence it does not comprise materials published or written by another person and due respect was given to the author’s concerns by proper acknowledgment.

I also confirm that the rational content of this paper is the product of my ability with the guidance and assistance of other references in terms of style, presentation, and language expressions.

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DEDICATION

To my parents, who have been my source of inspiration and strength when I thought of giving up, who continually provided me their moral, spiritual, and emotional support. Thank you, Mommy and Daddy.

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ABSTRACT

Electronic commerce signifies a major role in information technology and in communication advancement as proof in the field of the economy along with the globalization and marketability of the products and services for commercialism. Even if there is a covid-19 pandemic, it still leads industries for more local production though global trade was still barred. That is how and why e-commerce took part in the local scale of the economy. Furthermore, enhancement in internet helps business owners to buy, sell and contact on global scale in terms of logistics and deliveries. This has resulted in the unanticipated attention to electronic commerce in civilization.

Affluent commercial establishments are watchful of the pros and cons upon capitalizing into any business. Despite the disadvantages of e-commerce, numerous businessmen managed to win the interest of both the customers and companies and. Innovative technology is growing enormously, so it is likely to experience the inhibition of the flaws of technology (Yadiati et al., 2019).

Online shopping is currently one of the most prevalent system that emerged and flourished in trading, for it is more convenient, inexpensive and minimizing from public exposure. These have benefits for both online customers and sellers.

However, as electronic transactions intensify related issues like dissatisfaction, privacy, incompetent deliveries surfaced.

Some findings showed that the method of trading depends on the complications and shopping experiences in electronic marketing. Besides, other studies specified that product quality, personal information, security, and business status are the features which the customers assess to consider the trusted online business (Horch et al., 2019).

Businesses using e-commerce today is a relevant experience that changed traditional shopping that we know today. Online shopping currently attracted many e-shoppers making it an advantage over other related businesses. People seems to purchase items anytime and anywhere at their convenient time utilizing available gadgets that are personally owned by anybody. This proved that technology is evolving at its giant steps constantly. Since, we just have to place an order, choose the method of shipment, and just wait for the delivery right to your doorstep (Ecommerce-Land, 2021).



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The researcher used the descriptive method of research. The instruments ~~were questionnaires, documents, and other printed materials.~~ Unstructured interview was conducted to verify the answers in the questionnaires and to supplement the finding which were not revealed in the questionnaires. The succeeding statistical tools such as frequency distribution, ranking, weighted mean, t-test, and Likert scales were used to interpret and evaluate the data gathered. The most significant conclusions are summarized as follows: Majority of the consumer respondents are business owners and consumers of the middle-aged group. They are ranging from young adults to adults or who are starting out their careers. Majority of the business owner or seller respondents belong to the middle generation same as with the consumer respondents. These are the people who started their careers already and observing he business world. There are more female consumers compared to male. Female are more inclined to online shopping. Female business owners or sellers are more open to grab opportunities of the e-commerce industry that can bring to their businesses compared to male. Single consumers have more time on looking for their preferred products or goods in e-commerce to shop online compared to married couples who have already families to prioritize. Business consumers which are already married have so much resources to use when owning and operating businesses here in the Philippines; since they have established enough incomes. Consumer respondents who are college graduates do really find online shopping more convenient for them as they have their phones being checked regularly.

The following objectives summarize the field of study: 1. To know the most popular e-commerce methods here in the Philippines. 2. To determine the different types of businesses existing in Philippine e-commerce industry. 3. To gather the online shopping factors recommended by the respondents that affect customer satisfaction. 4. To describe the limitations of online shopping for consumers and sellers. 5. To distinguish the gravity of effects of these online factors on customer satisfaction. 6. To determine whether there is difference between the answers of consumers and business owners in electronic shopping 7. To develop an enhanced guideline for marketability.



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Chapter 1

THE PROBLEM AND ITS BACKGROUND

Introduction

Electronic commerce serves a significant part in information technology and in communication advancement in relation to globalization and the marketability of products and services.

Even in affected areas, industries were still leading in acquiring local products while being internationally competitive with the aid of technology. That is how and when e-commerce took part in the local scale of economy.

Enhancement in internet connectivity aids business owners to buy, sell and connect on global scale in terms of logistics and deliveries. That resulted in worldwide unanticipated interest in electronic commerce. Successful industries are mindful of the profits and downsides before venturing into any business. Despite the disadvantages of e-commerce, several businessmen managed to significantly get the attention of both customers and businesses.

Innovative technology is currently booming and in the near future, we may experience technical errors in the future. But e-commerce still doing its best to encourage the public to patronize its business. (Yadiati et al., 2019).



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Online shopping is one of the evidences e-commerce that became widespread during this pandemic. This is currently one of the most popular system that emerged and flourished in trading, for it is more convenient,

inexpensive and minimizing public exposure. Everybody is being benefitted from electronic commerce.

Yet, as electronic commerce reinforces, uncontrollable issues and concerns like privacy, dissatisfaction, incompetent deliveries, and the like transpired.

Thus, several studies indicated that transactions in e-commerce depend on the professed perils and shopping experiences. Then there are studies related that, product quality, personal information, security, and reputation are the common indicators which the customers use to choose a trustworthy business (Horch et al., 2019).

E-Commerce today is a transformation of traditional shopping into e-commerce is notable because it fascinated many e-shoppers. People seems to purchase items anytime and anywhere at their own convenient time utilizing affordable gadgets. This proved that technology is evolving at its giant steps. For online orders made, items were just delivered to your doorsteps for a reasonable price. (Ecommerce-Land, 2021)

Electronic shopping has become an influential method of purchasing commodities for shoppers. This not only brings many merchandise to potential



customers, but also offers different opportunities in the market. The social media is not only popular as a medium that gives its users with support of the of internet connectivity but also as a channel to sell products to prospective shoppers. Online shopping is now the preference over conventional one, for its advantages and benefits gained. (Singh et al., 2017).

Computer-aided marketing is a better strategy in selling products. With the use of Instagram and Facebook, its function now develops in adjusting to the increase demand of the people. All business firms and companies are being competitive to offer and provide products and services according to the taste of the public . Those E-Commerce platforms serve a lot in order to reach potential buyers .

For the past several years, e-commerce has been established due to its several advantages that almost everybody enjoying the quick transactions at its lowest cost compared to face to face shopping. In an affordable amount, online shoppers can avail of any products or services in many options (Koyuncu et al.,2017).

The perceptions of the customers towards electronic commerce focused mainly on the competence dimension of the online business among the other two factors which are the integrity dimension and benevolence dimension. The study focuses on the insights of the customers about electronic commerce and its services to its customers. During interviews, it showed that the customers



were satisfied in the payment and delivery systems of the marketers, as well as to their responses to the feedbacks of the customers. Despite few problems regarding the abrupt and uncalled change of products delivery, the overall results pointed out that electronic commerce was satisfactory for online customers. Another study conducted by Zhang and Tang enumerated the five dimensions that would affect the perceptions of the customers towards e-commerce and its quality as a business. The five dimensions were stated as all influencing and vital factors towards the customers, and they were website design, reliability, responsiveness, trust, and personalization (Shoup, 2018).

Online shopping has grown drastically because e-commerce websites have become famous. Most of the customers select online shopping than purchasing in physical stores. The popularity of e-commerce attracted shoppers. In a recent estimate, around 1 billion customers bought products through online in 2019. Although anytime that in-persons stores will vanish, online stores would be the next option that gives lot of advantages for both consumers and entrepreneurs.

For the most part, online shopping is more comfortable because all can buy any products anytime and anywhere based on their choice and you do not have to waste time in queue for paying or carrying heavy loads of acquired products. By the use of electronic devices you can shop right away while at home to be delivered at your doorsteps. It is time-saving because you can buy any preferred items by clicking online. By shopping online, you can cut out on



the hassles and buy only what you planned to buy, without being tempted by offers like those displayed in the physical store.

This helps break the discontinuity of physical stores which are facing problems in improving their services and sales and finding difficulty in reaching global audience because they have only their regular local clients. This affects the development of the company and controls its income.

The importance of online shopping was heightened during the lockdown due to Corona virus pandemic. Everybody turned to buying basic needs through online. This alternative gave rise to the considerable savings and discount for the shoppers. Middleman was avoided too, but buyers must be beware of extra charges on postage and packaging delivered. This system both have benefits and drawbacks to e-commerce and online shoppers.

Background of the Study

There were several studies about electronic commerce, understanding its advantages and impact to the improving community. As for this study, the researcher wanted to dig specifically on the online customers' and business owners' perceptions about e-commerce. The proponent desired to distinguish if the findings of this study are parallel to the results of other researchers concerning the reliability of online business. In this way, it could either contribute to a higher level of knowledge or reveal a new one. About the customers'



perception, the researcher wanted to focus on the credibility trait that every online business should possess. This study could benefit the online customers and the online sellers as it could provide information and initial idea to those who want to try online shopping. On the other hand, this study could help the latter in improving their businesses from the common problems they face through the results presented in this study. The findings could also be a guide for aspiring online entrepreneurs in making their own business in the future. Additionally, this study could help the general public and future researchers in providing knowledge and information about this developing e-commerce.

The onset of the world wide web its worldwide effect were the reasons to draw entrepreneurship in relation to online commerce. It permitted industries to sell without physical stores. Businesses utilizing the Internet develop better communication compared to other firms (Tekin, 2018).

Electronic commerce is the consistent means of bringing businesses with the growth of social trust that affects economic growth. Electronic commerce and electronic businesses have been the popular topic of research. In fact, as of year 2013, around 600 studies were made on this matter (Chen, 2017).

In the common competition that happened in online selling, it is common to monitor those factors that influence customers in their trading practices. If



they will not do this, companies faced the danger of losing their customers to their competitors .

This paper discusses the point of view of customers about the features of online shopping. The factors lies in the use of the gathered information by businessmen, as well as the companies that concentrates on creating websites. While entrepreneurs took advantage of enhancing their leading stores, web agencies also took advantage of finding means of developing their new e-shops; together with the marketing strategy for their clients..

Online Shopping has been in existence for almost 40 years now. It started with CompuServe founded in 1969. When Michael Aldrich invented online shopping. He combined television, computers and the telephone line to create the introduced the modern version of shopping. All the way to the launching of Boston Computer Exchange in 1982, the first eCommerce business.

In 1995, both eBay and Amazon launched their marketplaces in eCommerce world. The time when PayPal entered the market in 1998.

During the year 2005, Amazon Prime launched services that include music, TV, book rental, and same-day delivery scheme. Same year saw the rise of community with Etsy which gave smaller sellers a platform from which to display their products. These things started community eCommerce.



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It was 2011 when Facebook launched their sponsored stories, the earliest form of social media advertising followed its version of. During the years 2016 and 2017 , Facebook and Instagram were utilized in the queries and paying

processes of Marriott and Starwood hotels along with the product advertisements and the links for direct purchasing of items needed

Last June 2020, Mr. Jeff Bezos, an Amazon gained \$31 billion in addition to his fortune due to the high demand for online shopping brought by COVID 2019. The time of personalization, human-like chat boxes, and artificial intelligence along with the enhancement of e-commerce will not easily disrupt the trending online marketing for it does yet realize its full potential.

Theoretical Framework

This study was anchored to the Theory of Technology, which stated that scientists have developed various theoretical methods to explore technology adoption and determine factors in dealing with new technologies and applications. The popular model has been widely used in the last decade, one example is the theory of reasoned action (TRA), another one is the model of technology acceptance (TAM) , another is the theory of planned behavior (TPB) , and lastly, the theory of integrated technology acceptance and use (UTAUT).



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In general, these models have in common usage that can be predicted with the intention to use. The theory of technology adoption has evolved as an adjustment to emerging problems. The TRA was formulated by Ajzen. It has been proven to be adequate in predicting behavior, but along with the change and dynamics of the problem, it was found out that TRA only applies to behavior that is under the full control of the individual because there are factors that can hinder or symbolize the realization of intention into behavior (Subriadi, 2020).

In this study, there are variables that are proposed to complement the perspective of the intensity of the use of technology, in this case, on line shopping. These variables are constantly used by researchers for the success of ecommerce, namely from the technology domain in relation to e-shopping.

Conceptual Framework

It is not a surprise that e-commerce continues to grow and prosper because it gives too much benefits and advantages to both online consumers and business owners. Many businessmen shifted their products and services to online. The lifestyles sector became busy due to technology enhancement. Consumers are now wiser in looking for new and more affordable way of meeting their needs. However, it is not always the technology that boost electronic commerce. Another reason is that being user-friendly in every day transactions, because websites and applications make shopping easies, coupled



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with it being more accessible. Sales of brands that sell online can be done anytime of the day.

This accessibility opens businesses up to more new customers because it serves those customers who do not have the time go out. People can shop whenever they are free anytime of the day.

Those companies that do not offer shopping online can still offer help to their customers through the use of social media contact, a staff member without going to the store save customers' time and effort.

Therefore, all business owners and their enterprises, whether they are already in the E-commerce industry or just starting up and thinking to shift to online should be knowledgeable to the benefits, challenges and opportunities that are necessary in business operations and its marketability. They must know the trends and the preferred mode of transactions of the online shoppers. All challenges, issues and concerns must be taken into consideration for the effectiveness of the services offered.

A research paradigm is a graphical representation of the conceptual framework. It shows what the conceptual frameworks wants to communicate. The researcher applied the Input-Process-Output model in the study that evolves in Online Shopping and enhanced guidelines for marketability. (See on the next page.)

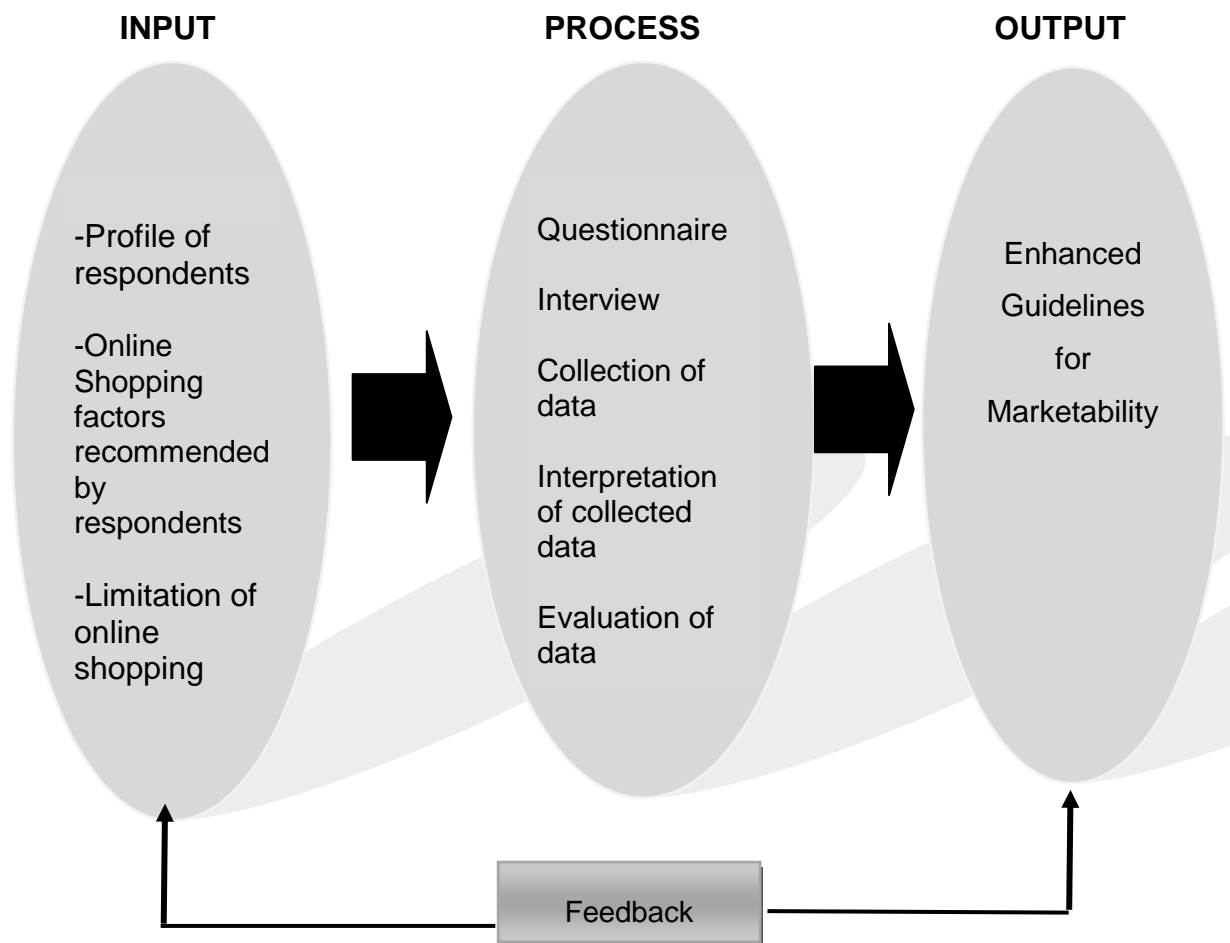


Figure 1.1
Paradigm of the Study

The Figure 1.1 illustrates the paradigm of the study using the **INPUT-**

PROCESS-OUTPUT model.



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The first box is labeled **INPUT**, consisted of profile of the respondents, online shopping factors recommended by respondents, and limitations of online shopping.

The second box is labeled **PROCESS**, consisted of the Evaluation of the online shopping factors through the utilization of the following Data gathering Instruments: 1.) Questionnaire, and 2.) Interview. Also included here is the application of statistical tools.

The third box is the **OUTPUT** or the outcome which develops an enhanced guideline for marketability for both consumers or online shoppers and business owners on how E-commerce helps them in many ways.

The small box at the bottom is the **FEEDBACK** or information about reactions to be the guide that was developed to be used as a basis for improvement.

Based on the feedback of the respondents, the guidelines serve as supplemental to those that are inclined with E-Commerce in the emerging global economy, and a good motivator for economic progress. The continuous growth of E-Commerce will lead to inflation through cost savings, increased competition, changes in pricing. Likewise, the steady flow of technology have driven consumers to expect modern convenience.



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Today, using Internet is better than going to traditional stores to purchase products. It keeps the data encrypted, resulting in safer storage of keys and passwords. This will not only be needed for the customer's business, but will also be useful in saving sensitive data such as data in a credit card. For the

record, 33% of eCommerce consultants identified mobile payments, security, and mobile apps as the most important investments scheme in 2019. Security will likely continue as the prime foundation of eCommerce.

With changes in disruptive technology, behavior of the, and the way customers are shopping, online sellers will have to produce solutions to ensure trust and confidence in shopping experience.

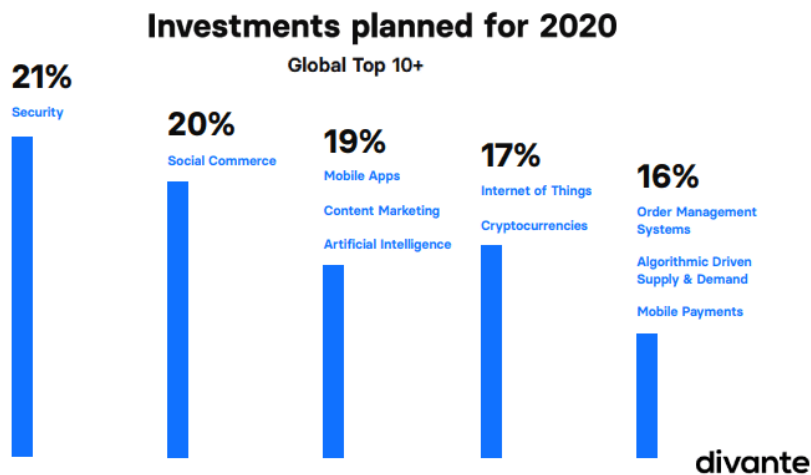


Figure 1.2

E-Commerce Trends 2020: The 7th Edition | Divante

(Source: <https://www.digitalmarketingcommunity.com/researches/e-commerce-trends-2020/>)

Based on Figure 1.2, the graph shows that E-Commerce is growing for the past years and it still emerging as time goes by. According to data on search



patterns, consumer spending, latest technology, plus the latest data, it is estimated that by the year 2040, 95% of purchases will be made online. We are not only talking about present trends but also the trends of the future.

All facts mentioned are based on being able to increase sales of the businessmen, their business is based on being able to increase their sales which they are aiming for.

Previous data also points out the increase in the consumer spending for businesses' products. If they can reach more customers, improve their products, they will surely get this more sales. Generally, it is easier, cheaper, and less riskier to start a business that will give more benefits to business owners and consumers.

Objectives of the Study

The study sought to know the online shopping factors that affect customer satisfaction. Specifically, it aimed to attain the following objectives:

1. To know the most preferred e-commerce platforms here in the Philippines.
2. To determine the different types of businesses existing in Philippine e-commerce industry.
3. To gather the online shopping factors recommended by the respondents that affect customers' satisfaction.
4. To describe the limitations of online shopping for consumers and sellers.



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5. To know the degree of effects of these online factors to customer satisfaction.
6. To determine if there is a significant difference between the response of consumers and business owners/sellers on the online shopping factors affecting customer satisfaction.

7. To develop an enhanced guidelines for marketability.

Hypothesis

H_0 : There is no significant difference between the response of consumers and business owners on the benefits and influencing factors of E-commerce to both of them.

Scope and Limitations of the Study

The study aimed to assess the E-commerce benefits both to buyers and to sellers generally and the influencing factors that made buyers prefer to purchase through online rather than on traditional set-up.

This study is descriptive and is limited to the benefits and influencing factors observed nowadays in the online shopping field. Data gathering used a questionnaire and it was supplemented by observation, interviews, and analysis of books and dissertations.

The study focused only on the general benefits of electronic commerce to both sellers and buyers and its influencing factors that drive buyers to purchase



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through online rather than on physical stores. The study is also confined to the period August 2021 - November 2021.

There was a total of 100 respondents who are made up of 50 business owners, and 50 consumers or online shoppers in Metro Manila. Only startups, and

small-size businesses were covered. Startups are businesses with assets valued at 100,000 or less or with less than 5 employees. Small size businesses were those with assets valued at P 300,000 or less and with 10-15 employees. The respondents of the study were chosen randomly from around Metro Manila and only for the current trimester, that is from August to November of school year 2021-2022. They were asked for the online shopping factors that affect customers' satisfaction that are preferable for them, the limitations of online shopping for both consumers and business owners or sellers, and on their recommendations for improvements.

Significance of the Study

This study was deemed important and provided valuable contributions to the following stakeholders:

Small and Mid-Size Enterprises. This study may be of great help even to Small and Mid-Size Enterprises. These businesses make up around 12% of the trade globally. SME's are on a more equal footing with larger companies



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than ever before. All benefits that E-commerce bring to SME's are of big help to where they could let their businesses grow over a short period of time.

Startup Businesses. This study will help them reach a broader coverage of people. If a startup business wish to go global, it can serve people with the help of an e-commerce website. This trend about websites is becoming

common for every business than ever before. This initial e-commerce startups may just be a good starting point to becoming a big successful business.

Consumers. This study helps the consumers to be more aware about the advantages of online shopping as well as the risks associated with it.

The Researcher. This may help to fulfill her desire of knowing why businesses have turned their enterprises to E-commerce when it comes to the success using a limited time. It will contribute in knowing the success stories behind marketing strategies, shipping couriers, good choice of products, warehousing, the challenges behind it and how to solve those problems. The researcher should also know the reasons why people prefer purchasing through online, what influences her, and what are the challenges that might encounter through shopping online. She should also study why not all companies have not yet turned their companies to E-commerce business.



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Future Researchers. Since E-commerce field is still growing, and constantly changing, this may help future researchers have a stepping stone if they want to have an updated version of the study in the future. For example, they would want to know the impact of shopping online to the needs and wants of people. They should also discover why buying and selling products and services online both locally and globally, needs to still know their target markets. And maybe, they would want to know if it is possible to have additional offers with businesses' products and services.

Students of Business. This will help them to have an idea on how to start a successful E-commerce business several years into the future. This may also serve as a field of research if they want to cover a wider scope of respondents. These future business owners should know that the focus of most enterprises is to know what their consumers' wants and needs in order for them to keep on track with the E-commerce field.

Definitions of Terms

To understand the study better and for a clearer perspective, the researcher defined the following terms according to its conceptual and operational meaning:



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Average Daily Order (ADO). This figure is obtained by dividing your revenue or sales by the total number of orders placed by customers.

Business to Business (B2B). Those businesses that sells products or services to another business, then later sells these items to the ultimate consumer.

Business to Consumer (B2C). Those businesses that sells products or services directly from the business itself to its customers.

Consumer. Those person who purchases goods and services from a traditional or online businesses to be used personally.

Customer Satisfaction. The pmeasurement process of measuring thr happiness of customers with regards to a company's products, services, and capabilities. This can be done using surveys and ratings, and helps a company in improving or changing its products and services.

E-Commerce. Transactions like buying and selling are being done online using electronic gadgets and equipment. This also refers to online retail transactions.

E-Commerce Courier. Those parties who are responsible for receiving online orders, then arranging these ordered items, do the proper packaging, invoicing, and delivery to the customers.

E-Commerce Fulfillment. The procedure of getting products delivered to a customer after ordering it online. This part includes receiving and storing



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inventory, picking items, processing orders, packaging, and transporting them to the customer's address.

Gateway. Commonly referred to as the “payment gateway.” This platform processes payments for online purchases. It also refers to regular physical store that process payments using credit cards. This also includes the process of transferring data from the customers bank accounts to the website.

Guideline. This is an information intended to advise people on how something should be done or what something should be.

Individual Owner. A business is owned and operated by a single person.

Inventory. The products, products lines, quantity, and the types of brands maintained by retailers in their stockrooms.

Marketability. Knowing whether a certain product or service will be patronized by customers and sell at a certain price for them to earn a profit.

Metrics. This is a measurement of SEO and analytics to evaluate items such as keyword rankings, revenue, referrals, or website traffics.

Middle Generation. This time span refers to the ages between 30 and 50 years old.

Online Shopping. This electronic commerce allows customers to directly buy goods or services from a seller using a web browser or a mobile app.



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Small and Mid-size Enterprise (SME). These are the businesses that are classified based on revenue level, number of assets, or number of employees.

Start Up Company. A company that is in the first stages of operations.

Stock Keeping Unit (SKU). This bar code in products allows sellers for easier inventory of items. The barcode is composed of an alphanumeric combination characters used to track price, expiration date, and manufacturer. It can also be applied to products that are intangible and billable, such as repair time in an auto body shop.

Survicate. This tool helps businessmen and marketers to identify the trends, behavior of customers, using website widgets. It acts as survey tools to help users conduct surveys and gather feedback about a certain website, and products and services being sold.

Traffic. It indicates the visitors of websites, and how many website pages they visit and transact with.

Transaction. An online way of purchasing products

Upselling. The act of dealing on same products or displaying related products to encourage buyers in purchasing additional items which they ordered.

Wholesale. They are the distributors or manufacturers who sells directly to retailers.



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Chapter 2

REVIEW OF RELATED LITERATURE AND STUDIES

This chapter shows an overview of previous studies on online shopping customer satisfactions. It introduces the literature and related studies that contains the main focus of the research described in this dissertation

Foreign Literature

In the study of Rouse (2019), he mentioned that electronic commerce is the process of selling, procuring, purchasing products, or transfer of money using various electronic platforms mainly using the internet and mobile applications. Although becoming more popular among the masses, this



electronic commerce still faced a number of difficulties that affect both the sellers and customers.

In a research conducted by Tamturk (2017), those netizens who can use the internet had uncertainties in dealing with an online business. The reasons are privacy and security concerns, which hindered the development of progress of the digital market.

Customers in the United States tend to purchase products which they can test first physically by holding into it and examining to personally check its quality and durability (Shoup, 2018). This inclination by American customers gives way to the need for the online sellers to develop good and unforgettable experience for the online consumers. This also promotes cost savings, and gives complete information about the product to initiate trust in the online transaction and show the quality of the product.

As stated by Sivanesan (2017), Indian online customers often faced problems in this phase of shopping as they usually had to wait for their ordered product with a week of delay or more. Briefly, trust was a critical component in the world of international electronic commerce. Online sellers must, then, improve the product information they presented and consider the profiles of their customers.

In the national context, e-commerce in the Philippines was considered as a rising model in business due to the use of digital technologies particularly by



the younger customers. Despite this increasing popularity and reception in the country, there are still common problems about this trend. Apprehending the customers' perception could aggravate the problems which most of the online customers and online sellers face for it could determine the root cause of the common difficulties, and it could provide solutions to these problems. He said that online shoppers always suffer from the purchase and delivery of the products ordered. Sivanesan further explained that the delivery place did not reach the area of the customers which resulted in the delay. The customers had to wait for a several days. Product information and quality are also not enough for the customers as they would sometimes receive defective goods. .

In addition, Horch et al. (2017) detailed that E-commerce is a kind of business that is managed though online. While the Internet acts as a merged that connects both buyers and sellers in a single transaction. Ullman said that e-commerce is a range of possible online commercial transactions controlled online. This group includes website that creates income, or intend to create income.

While examining the current situation of discussed issue, the published study in the topic is crucial. Pilík in 2016 conducted a survey among 706 randomly chosen respondents. The questionnaires were answered between June and September 2016. The objective of the survey was to know the factors affecting online purchase intentions of consumers. The findings reveal that



87.5% of respondents used the Internet for product purchasing, and 32.7% of them use it to purchase products on a regular basis. In this study, age and the Internet literacy have effects on purchase behavior in the most important. There is a negative dependence between internet literacy and online purchase intentions.

According to the study of Bucko (2019), the majority of respondents have apprehensions about the product testing, problems with defective product returns, and wrong delivery of products.

With the developing sector of shopping, many researchers want to study the motivations behind shopping online. Consumers are aware about the need to buy products and services. They will resort to online stores to shop and start

searching for the information about the products that they prefer and look for all the options and make a final purchase which suits their needs (Rangampet, 2018). In purchasing, consumers are affected by some factors which hinder them in making the final decisions.

According to Holmes (2017), the meaning of advertising is attracting public attention to items using sponsored announcements using print, broadcast, or electronic media platforms. It is promoting the product, idea, or organization on the market with the intention to give data about a product and have the customers believe about its advantages and convince them to make a purchase. Language is also important which prevents consumers in making decision. For



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example, English language is the dominant language that is used by many people globally. Aside from becoming an international language, it also became prestigious language worldwide. People believe that the more they use English, it is translated to being educated and modern. Those customers who do not use English language as their first language are also willing to learn because of its advantages if they can use it. This is the reason it is used to sell in marketing and is used everywhere because it is prestigious to use (Fifiyanti, 2018)

In a research of Stockdale et al., (2017), he investigated the benefits that are associated with the use of e-commerce to both buyers and sellers. This study also assessed what influences the buyers to prefer buying from companies that have e-commerce systems and not from companies that have traditional systems. The reasons why small and huge companies have started

using e-commerce was described. It talks about the benefits and barriers related to this process. Electronic commerce is restructuring business in many aspects to adapt its strategies to the competitive marketplace. The term “eCommerce” is described as the electronic transactions between the company and third party. It does not only provide the companies with the basic information, improves the speed of the transactions, and decreases costs; but it also reshapes the marketing strategies and practices. Successful use of e-commerce is a slow process, and cannot be done at once, but rather in smaller steps which the company moves slowly from the simplest to the most complex stages. Any firm will face many problems and hindrances. Owners and managers need to get



over the barriers and know the benefits to stop the competitive disadvantages in their businesses. Instead, they will focus on the benefits and gaps related to this process.

There is a revolutionary movement the way we conduct business. This is the e-commerce, which is slowly becomes a necessity for many companies nowadays. Although customers prefer it because of its many benefits, it is also relevant to mention the negatives. Many businesses are leaving behind the traditional store to an electronic store. As time goes by, many shoppers consider it natural to do their transactions through electronic processing such as the Internet or other digital networks (Khurana ,2019).

On the review of Shafiyah et al., (2017), about electronic commerce, electronic commerce was defined as the upholding of business affiliations, disclosing business information, and making business negotiations using

telecommunication networks such as the internet. The emergence of this type of business made gradual yet drastic changes in the economies on most of the countries across the globe. It helped the people in purchasing products with fewer cost and effort. It also helped the business-minded people in reducing their work yet earning a profit by giving them a virtual space for their stores by setting an actual and physical one. Also, ecommerce aided the citizens in providing job opportunities from different fields like entrepreneurial studies, management, and marketing. Their review also enumerated the striking features of electronic commerce which includes ubiquity, richness, interactivity,



personalization and customization, global reach, universal standards and information density. These features showcased why electronic commerce is growing popular and widely accepted by the people. Although, the researchers still indicated some problems in this developing e-commerce namely cultural obstacles and legal challenges, despite those, they concluded electronic commerce as one who could deal an extraordinary change in the world.

Another study by Vaghela (2018), stated that online shopping is a method of shopping for goods and offerings from dealers who promote and sell their products and services in internet. Since the World Wide Web (WWW) emerged, retailers have found a way to sell their merchandise to people who are using the internet. They can visit internet shops from the convenience of their home and relax as they shop using their gadgets such as laptops and desktops. Today, online shopping has become so popular among people. They have been very

comfortable in using the internet and turned out to be technology experts. The increasing popularity of online shopping among the people prompted the researchers to study the utilization of electronic commerce and the perception of the people towards it. This study sought to discover the standpoint of online buyers towards online shopping and also distinguish this perception gender-wise. This study gathered data and analyzed that customers see purchasing online as way better than manual shopping and most of the online buyers are satisfied with their online buying transactions. Online buyers access their



internet on their home, office, and school. Most of the customers shop for accessories, clothes, and electronic appliances.

Customer loyalty very important, these customers should be treasured and hidden from the outside world. It is 6-7 times more pricy to get a new customer than to keep an existing one. These Loyal customers are 10 times as significant as much as their first purchase. Example, those banks or mobile providers do not have any problem with going the extra mile in helping a customer who is not quite satisfied, they will offer him more special treatment. It is not only more expensive but also more difficult to keep these loyal clients, plus keeping them fully satisfied. We should remember this rule when organizing our customers.

In dealing with E-Commerce, customer satisfaction is important to consider. Customer satisfaction measures how those products or services sold by a company meet the expectations of the customers. It is one of the most important indicators of consumer loyalty and purchase intentions. A top of the

line customer service can win the admiration of your client's heart and make you a priority within your target market. In the present situations, while social media plays a significant role in making purchase decisions, it is critical to monitor the customer service you provide. If you ignore this, then do not expect that the customers will care about the services or products you sell (Kierczak, 2020).



When your customers are telling their experience, they are not just telling bad experience, they are actually showing you how to make your merchandise and how to do your business better. Your customer service policy should be aligned to effectively solve those issues (Smaby, 2020).

You should be constantly revise your strategy to maintain the customers satisfaction all the time. Instead of just agreeing with them, we should try talking to them to get some ideas. For example, by asking questions, by offering constant support, by sending special messages or offering products to them, using genuine customer satisfaction survey instrument or any other ways that will the seller talk with his customers and get some ideas. It is easy that notice that good customer satisfaction will reap more revenues for the business (Smaby, 2020)

The opinion and feelings of the customers about a certain brand can affect your business positively and negatively. The important indicators such the number of mentions and repeated transactions are critical factors both for the business and customers. If your customer is happy, he will not entertain anymore the offers of your competitors. Instead, they will interact and inquire about your brand next time around. They will make a purchase and recommend the product to other prospective customers. If their requirements and needs are met, they will have full satisfaction (Kim, 2019).



According to Zabriskie (2019), the importance of customer satisfaction is that it is one of the factors that help you stand out from your competitors. Your customers will not like it if you give them bad service at first, your competitors will. Your competitors on the side are just waiting to see a wrong move from you, and will play the role of an investigator.

It is not enough that you are prepared for their provocations, you should know how to remedy negative backlash from the consumers. But if you give your customers with extraordinary customer relationship management, you will have a favor to convince people who are in doubt of your services.

As to Khan (2017), Information Technology is very important in the future development of financial sectors. The in-demand use of cellphones and the internet offers new mode of distribution for business transactions that are requiring diligent attention towards security and fraud.

In a study of Ohidujjaman et. al (2017), he supported that E-commerce is gaining popularity in an developing economy that requires digital products for carrying out business transactions. E-commerce is changing the way businesses transacting among each other as well as with their customers and the governments. The technologies being used to improve business transactions

through the Internet have grown during the past several years. Unfortunately, we have not yet reached an ideal world of safe and secured business transactions using the power of the Internet because unresolved privacy issues of the buyer



have prevented the growth of the technologies. Many consumers have considered E-commerce as an opportunity to have stronger grasp in the multilateral trade among countries. The increasing demand for the use of the Internet using gadgets will continue to grow and expand e-commerce business. Making it more engaging in varied transactions online. With this, online retailers will continue to have realistic shopping experiences. E-commerce can provide an important benefits to businessmen in third world countries by adding control over its place in the supply chain resulting to efficient market condition (Ohidujjaman, et al., 2017).

With the increasing popularity of ICTs, focusing on the Internet, the business community is quickly gearing towards Business-to-Business (B2B) e-Commerce model. The buyers get an advantage because the Internet gives them access to the international market. In here, they can compare prices, and be aware of alternative products. Because of market transparency, customers can compare the different alternatives. The different businesses are just a couple of click away from their customers. If the customers are not happy with the products, services of a particular website, or prices, they can shift to another option easily than when they are doing it in a physical store. Meanwhile, from the point of view of the sellers, they do not need to have the physical stores to do their transactions.



The electronic commerce are closely being used in first world countries, but they can also give big benefits to third world countries if it is applicable as an ideal business endeavour. Ecommerce gives radical changes the way we do business transactions (Ohidujjaman et al., 2017). By definition, the term is a transaction happening between business partners. This model is an emerging trend that focuses on the process of buy and sell of products, services and information via network of computer specifically though the internet. While, those commercial transactions are the exchange of valueable items across organizations in exchange for products and services (Ray, 2017).

The idea of exchanging values is important to understand the boundaries of e-commerce. If this exchange is not present, no commerce occurs (Laudon and Traver, 2017). E-business has transformed processes among business enterprises. The Electronic Data Interface (EDI) which was introduced many years ago on provides how useful information could be directly transferred from systems of one enterprise into the operation, logistic systems, and order processing of another company. This can result in the improvement of business process and make them more efficient. Using Ecommerce technologies in business should result in improvements to developing countries even if it has not produced yet the desired results (Ray, 2017).

The different experiences in the use of the internet and other online networks produced new business opportunities and set national trading



relationships for e-commerce that also led to digital banking and other financial services. Because of this, buyers and sellers to merge on a common platform in transacting without using requirements and relationships among them. It also provides new chances for the global economy, for example, in the tourism industry (Khan, 2017).

In some Asian countries, there is a great popularity in e-commerce, but because of some economic-related reasons, it did not grow. After the introduction of Third generation technology, e-commerce grew rapidly because it upgraded internet connections. (Khan, 2017)

From the customer's point of view, the main benefits are saving time and easy access anywhere and setting orders anytime comfortably that resulting to lessen the costs of the transaction without requiring physical interaction among business colleagues. It saves time in a way that customers can buy or sell items any time using the internet. Another benefit is the quick and continuous access to information easily by checking on different websites. Convenience is also one of the benefits from customers' point of view. All business transactions can be done from the comfort of our homes or working in any place. Customers can buy items which are not available in the local, regional. or national market, this gives them a bigger access to different products than before. A buyer can comment about a product and can see what other customers are buying before making his own purchase decision (Helversen , 2018)



The main advantage of e-commerce from a business perspective is increasing his sales and reducing operation and maintenance costs and therefore increasing profit. First, it increases revenue, and second, it reduces a lot like operation costs, production cost, purchase cost, and procurement costs, and transportation costs. It also increases customer loyalty and retention wherein it develops the relationship between the customer and supplier. Fourth, it speeds up the selling process, as well as communication. And lastly, it improves the image of the company and its brand (Helvesen, 2018).

Meanwhile, there are obstacles E-commerce industry. The hindrances encountered by the sellers and the buyer who are doing business through internet are: 1.) Big corporations are not coordinated to develop the business of e-commerce. This is needed for the growth of ecommerce business. This will bring credibility which is required for the developing online business. 2.) There is a lack of standards, system security, reliability, and some communication protocol. For example, some customers are losing money if the website they are using is hacked. There is not enough web security. 3.) Financial institutions and financial intermediaries such as banks in developing countries are not cooperating to initiate promoting e-commerce.

However, merchants should cooperate with banks to increase the reach and popularity of ecommerce and to stop fraud and potential financial losses due to card fraud. Aside from this credit card approach, banks and other



financial institutions needs to develop alternative methods to have secured and dependable online transactions in places where the use credit cards are unusual. In third world countries, there is a practice of buying products by talking with the seller. This is not easy in those cases of e-commerce in poor countries due to lack of modern infrastructure. Another challenging thing is the decrease in the price of internet. Government authorities are keeping low the cost of bandwidth. However, the high cost of network expenses prevents the lowering of prices for internet. Lastly, there should be trust as a reason for the use of the electronic settlements (Lim et al., 2017).

Traditional studies about rules create confusions on the legality and validity of e-commerce business transactions. Current laws adopted the bias of implementing electronic transactions from the basis of trust and confidence. If legal systems will not be improved, e-commerce-based transactions will be risk due to lack of safety. Today in many third world countries, cash on delivery is the common system, and cheques and credit cards are rarely used. Lastly, new methods for conducting transactions in many aspects require legal definitions permission, like the e-signature. Those definitions and permissions as being applied in banking need to be given consideration. (McKevitt, 2017).

The electronic commerce businesses in the future will lead due to its popularity globally. This commerce movement has basically changed the business of transaction practices by giving new opportunities and boundaries. In some countries, it has mainly affected the traditional business scenario and



improves the lives of people easier. While it gives advantages to the users, this e-commerce makes it more challenging to traditional business. Poor countries are facing many challenges that stop the smooth implementation of e-commerce compared to developed countries. If the cost of the internet cost becomes affordable, then the e-commerce will improve and becomes popular easily and will make traditional businesses to closes business. Convenience is one of the reasons why people patronize e-commerce and thus giving them satisfaction. This is due to reason that customers can place their orders from virtually anywhere as long as there is good internet connection. E-commerce businesses give importance to all customers by giving standard service and many alternatives for payment and have more functionalities available for them. Other types of benefits are the many product line offerings and increased geographic coverage. Although, e-commerce businesses still face a lot of problems in their business (Lopez, 2017).

The concept of last-mile delivery of goods has become a crucial source for product differentiation, motivating businessmen to invest in different delivery and logistics innovations. Examples of this are: the buy-online store, lockers, stand-alone autonomous delivery solutions, and free delivery of goods after buying a minimum purchase levels (Lim et al., 2017). Consumers prefer this last-mile delivery scheme because it gives them flexibility and convenience. Because of this, same-day and on-demand delivery services are gaining popularity



among groceries, retail purchases, and prepared meals (Lopez, 2017). To meet customer needs, operators of parcel carriers are investing on urban and distribution hubs around their areas of operations (McKevitt, 2017). Although there is a missing understanding as to how to create this last-mile delivery models. some retailers are turning to experimentations that, at times, get optimism and confusions from industry experts (Cassidy, 2017).

The idea about this last-mile logistics (LML)experiment created doubts within the vastly sophisticated and segmented supply chain. Without good delivery system, this last-mile service concept will find difficulty of survival with sellers increasingly challenged to balance pricing, consumer expectations for innovative new channels, and service levels (Lopez, 2017).

Even if several improvements have been made in the Last mile domain, the studies on LML models remains divided and not complete resulting to delays in the comprehension of the topic to direct research efforts. In the past, studies provide incomplete and unguided facts on how important variables influence the selection of LML configurations (Hoch et al., 2018). One study focuses on this problem of knowledge deficiency by reviewing the contrasting written literature to get key important variables characterizing the different modes of last-mile distribution. The paper then build the link between different that provides a model framework for LML. The collection is comprised of 47 studies published in 16 selected peer-reviewed journals from 2000 to 2017. The review is performed



from the viewpoint of retailers operating LML. Therefore, streams are deliberately not included such as urban sustainability, different issues connected to public policy, environment urban traffic ordinances, and logistics structures (Hoch et al., 2018).

Websites have become a platform for sellers to add value to their items. The extraordinary huge growth and the popularity of the internet became the key to lure consumers for businesses to use the benefits. This E-commerce model is cited as any type business transaction in which the parties interact thru online source rather than by in-persons exchanges (Aldin, 2017). This has really changed the traditional businesses and improved sales and exchanges of physical products and services. It is not just a single item of technology but a merger of technologies where ,modern applications, business strategies, processes and are needed to conduct business digitally. The presence of products and services at a click of a mouse is changing the global landscape (Aldin, 2017).

The issue of the design and business operations depends on the nature of business activities and market segments. It is a given, that websites must be user-friendly and serious to succeed. Those websites that are easy to use, maintain, affordable, can be trusted, and a powerful traffic-builder and can attract customers. Nevertheless, these right tools and being the right product alone does not ensure that the product will become successful. In fact,



successful websites must be designed with the target consumers in mind. Those designers must balance the design and its functionalities with client purpose and level of skills in the modern use of technology (Aldin, 2017).

It is crucial for businesses to know how do they encourage their buyers to visit their websites, and convert them into paying customers and also make them return to the website on a regular basis. The communications modality they employ to achieve their goals of familiarity, brand awareness, and favorable response and to attract purchase intentions by encouraging buyers to go to a site to engage with the brand or product and buy online or through media channels such as telephones or in-store shopping (Hoch et al., 2018).

E-Commerce usage and execution are crucial processes for organization to make them successful. As a result, extensive research studies in the area of e-Commerce implementation from a varied range of perspectives and findings have been taken by many researchers. But the aspect of Business-to-Customer (B2C) e-Commerce implementation has not yet been done in a high level manner using a full life cycle of information systems development. This study provides an organized literature review of current research studies on online businesses implementation to know the extent of work based on execution phases: pre-implementation, during implementation and post implementation. There are Sixty-five (65) primary research studies that were evaluated on the basis of implementation phase theme, research area and research approach. It



resulted to a showcase of that most of the papers discussed B2C e-Commerce in the pre-implementation phase and applied quantitative approach as the most popular studies. Although there was no proven literature discussing the factors related to e-Commerce in the phases of implementation. (Hoch et al., 2018).

These factors listed remain clear that the eCommerce implementation process is critical for organizations. Through an organized literature review, this paper suggests that there should be more studies to understand the complex method of e-Commerce model in a complete manner. There is a need for a study about these factors to a particular and more accurate roadmap in the process of e-Commerce business (Hoch et al., 2017).

As for this study, the researchers wanted to search specifically on the online customers' perceptions about e-commerce that both benefit the online customers and the online sellers as it could give knowledge and initial idea to the former one who would like to try online shopping.

The researchers also wanted to know if the findings of this study is parallel to the results of other researches concerning the trustworthiness of online business. In this way, it could either contribute to a bigger area of knowledge or reveal a new one. About the customers' perception, the researchers also wanted to focus on the trustworthiness trait that every online business should possess (Zhang et al., 2018).



On the other hand, this study could help the latter in improving their businesses from the common problems they face through the results presented in this study. The findings could also be a guide for aspiring online entrepreneurs in making their own business in the future. Additionally, this study could help the general people and future researchers in providing knowledge and information about this developing e-commerce.

Electronic shopping has become a major income-earner in the past several years. It is the process of doing buy and sell of goods and services in the Internet . Since this is basically buying products through the world wide web, what appeals to the customers usually is its convenience. It has many benefits to the customers and the sellers such as price and time advantage. It provides time-saving, more variety of product, privacy, and more income. Despite some disadvantages like lack of physical inspection of the products, fraud, and delay in delivery, it is still chosen by many consumers rather than the face-to-face shopping (Business Dictionary, 2018).

It has grown at a very fast pace over the last several years, the reason is owed to the fact that it is a more affordable and a good alternative to traditional shopping. Nevertheless, this modern buying method caused consumers to be concerned about the following reasons: personal information leakage, fraud, gap between the ordered product quality and the desired quality, and failed delivery. These issues are now much less common, as shoppers have learned to realize the benefits. People buy things online for a variety of reasons. They can buy



something at any time of the day without queuing in stores. Consumers find the same product at a cheaper price by browsing several websites or applications at the same time. The consumers want to avoid feeling pressured while speaking personally with a retailer. They want to avoid traffic jams on the way to the shop, and so on (Moon et al.,2017)

Another thing, consumers' benefit from more details and opportunities to compare goods and costs while shopping online, as well as greater product variety and ease of finding the right product for them. Some say that online shopping provides more satisfaction to millennials customers looking for convenience and speed. When customers see an advertisement in an online platform, it may get their attention and focus their mind in the advertised products. Customer can look for information before making a purchase. If there is not enough information, they look for it in online catalogs or through a search engine (Singh, 2017)

For some customers, electronic shopping provides a whole new world of alternatives and experiences. For some reasons, it is becoming vastly popular. It has become the standard for the past several years, and customers are interested and patronizing it because of its many benefits. From their point of view, online shopping gives them low and simple costs, many varieties of products and services, and convenient shopping that enables them to avoid crowds, and standing in long lines at cashier counters, and competing for parking spaces in crowded department stores (Nguyen, 2017)



With its convenience and time savings, the popularity of online stores multiplied. Ordering certain products from online marketing was not as popular as it is now. The rapid growth of digital marketing is gaining popularity from all age brackets. At the present, very few shops for foods in local stores. Through mobile shopping, it became possible to buy, for example, clothing for men, women, children and toddlers. They do not have to worry about the weather, or the time. It is now trendy to use gadgets for shopping because it offers a variety of benefits (The Classic, 2016)

Consumers like to buy online because they can get all of their necessities in one place with a click of a mouse without delays. They can choose from a variety of cheapest new arrivals at discounted rates as compared to showroom prices. They are free to pick out garments in the sizes, colors, layouts, and trends that they want. They just have to log into online shopping websites and right away add all the items in a cart. Moreover, it provides options at a set and discounted price, and can even deliver goods to the locations specified. (The Classic, 2016)

People have welcomed online shopping as the new method of shopping. This innovation provides a wide range of opportunities, large market share, and a large number and variety of goods to potential customers. We know that social media is now considered as a platform for users to view themselves on the internet. It has a platform for selling goods to customers, known as online store.



People are saying that they consider online shopping over old school because of the many features and benefits (Singh, 2017).

The use of computers for better marketing production is known as online shopping or internet marketing. Some examples are Lazada, Shopee, Facebook, Instagram, and some other online applications are now coming out to cater to the changing and growing needs of the consumers (Singh, 2017)

Credibility is also a factor. In order to launch a profitable online store, a businessman must be credible. If it is an online business that is a version of an established company or a completely new online store, it is important how customers view the owner is vital to success. Everybody from e-commerce owners to freelancers will benefit from solid brand credibility when it comes to profitability and maintaining the trust of their customers. Furthermore, selling online involves how a company can be dependable, credible, and authoritative. When one is aiming for a customers' money with hundreds of online competitors, it boils down to one's word against someone else. When a businessman has a product or service that is very similar to the one being sold by the competitors, it comes down to which company will get the full trust of the customers (Paghdal, 2016)

Last factor is customer satisfaction, which is determined by the buyers' experience at various levels of the purchasing decision process. Because there is no physical interaction with the product, the experience of the consumers relies on information given by online retailers. It is a given that the data provided



will affect customer satisfaction, both during the information-seeking stage and during the purchasing process itself (Paghdal, 2016)

For the online stores to be successful, it requires a strong brand awareness. The websites must be easy to use and browse, always updated and always engaging to meet the demand of the consumers. The merchandise being sold should stand out from those of the competitors and should add value to the lives of the consumers. Moreover, the pricing should also be competitive and comparable so that consumers will not shift to other businesses on a cost basis only (Hargrave, 2021)

To summarize, this research intended to solve the previously mentioned issues about electronic commerce which mainly dwelled on the trustworthiness, privacy, security, and inconvenience of the online shopping sites.

Local Literature

The Philippine economy is being driven by consumer actions and behavior. It is said that 72% of our national output comes from private consumption. For several decades, the Filipino businessmen have gained benefit from physical stores. Then, when the pandemic came, busy establishments, crowded malls and busy restaurants suddenly became empty. In the present situation, retailers realize that 15% of their sales before the Covid, on usual (Business World, 2020).



In the study of Fabian (2021), e-commerce is primarily being used by major sellers and multinational companies in their bank-to-bank transactions. A number of these came out along these years such as auction sales, online shopping, and digital banking. This only reveals that Filipino businessmen like this new opportunity of doing business since 16% of the country's population are always online. This new method of marketing is not only beneficial for those big companies but also for small and micro businesses as well, or those who cannot advertise their products using traditional methods. They will just create a website in a cheaper price, and it will make their business grow in terms of revenue and at the same time improves the image of the company as well. Moreover, he said that Philippine companies have not yet utilize the full potentials of the internet for them to compete in local and international markets. When they are preparing themselves to do e-commerce, they change the way they do business. These will affect the welfare of Philippine workers. These measures on the economic effects of e-commerce have concentrated on the U.S. and European market, who are the leaders in e-commerce.

Online sellers must, then, improve the product information they presented and consider the profiles of their customers. In the national context, e-commerce in the Philippines is considered a rising trend in business due to the popularity of mobile technologies used by the young generations. But despite this tremendous popularity and acceptability, it is not spared by common problems. This business model is falling behind even if its used is being



accelerated here. Maybe one of the reasons is the lack of concrete infrastructure which use the connectivity of the internet, electronic payments, laws and regulations, logistics, and supply chains. There are also some internet problems that present hindrances towards the advancement of e-commerce in the country.

Another problem faced by the Philippines' ecommerce sector was trustworthiness issues. Domingo (2017), reported that trust issues were holding back the development and growth of the country's electronic commerce as distrust was still in the minds of the people. Most of the Filipinos were afraid that they would get conned or scammed by online shopping sites which caused their doubt towards this electronic commerce.

Meanwhile, in the local aspect, small business owners' profits were raised due to the tapping of the advancement of technologies, most especially the internet (Cayon, 2018). Around two hundred and forty-eight (248) micro-small businesses boosted because of its affiliation to the social media and internet. Moreover, the use of Facebook had been tapped by the Davao City Agriculturist Office (DCAO) as the medium of negotiation which could be useful for the interested people in agriculture (Jara, 2018).

This practice of using social media channel was beneficial to the farmers and producers so that they could showcase and endorse their products and goods. In terms of e-commerce among the business owners, it was said that competitions among online businesses were rising in Davao City (Bagaforo, 2017). Some entrepreneurs tried to sell on different cities only to discover that



other cities do not embrace electronic commerce, in comparison to the Davao Region.

However, behind this expanding market, problems still arise. To sum it up, electronic commerce is a type of business which uses internet to make transactions and it is continuously expanding. Behind this widespread popularity, common and problematic issues slowly ascended, from the international aspect to the local context. These common problems such as trust issues, privacy concerns, delayed deliveries, slow internet connection, and lack of interaction towards the user and the product prompted the researchers to make a study about the customers' perception in terms of the trustworthiness of electronic commerce for it could alleviate the difficulties experienced by the customers and online retailers in online shopping (Marcelo, 2018). Another problem in the e-commerce sector is the trust, safety and security issues.

However, in a study of Domingo (2017), he reported that trust issues were holding back the development and growth of the country's electronic commerce as distrust was still in the minds of the people. Most of the Filipinos were afraid that they would get conned or scammed by online shopping sites which caused their doubt towards this electronic commerce.

Meanwhile, Cayon (2018) stressed that in the local aspect, small business owners' profits were raised due to the tapping of the advancement of technologies, most especially the internet.



Jara (2018) supported the findings that around two hundred and forty-eight (248) micro-small businesses boosted because of its affiliation to the social media and internet. Moreover, the use of Facebook had been tapped by the Davao City Agriculturist Office (DCAO) as the medium of negotiation which could be useful for the interested people in agriculture. Together with Horch et al., (2017) who discussed that some entrepreneurs tried to sell on different cities only to discover that other cities did not embrace electronic commerce, in comparison to the Davao Region .

Marcelo (2018) focused on the insights of the customers about electronic commerce and its services to its customers.

Generally speaking Fabian (2021) emphasized that the modification in the types of work from the front to technical support happens inside the areas performing services. The employment demand for these sectors may be focused away from blue collared workers, toward managerial positions. As the Philippines enters the new millennium, local transactions get Php 1 billion. It means that there is one billion business transaction in revenue growth annually. If this will continue, that revenue figure can reach up to Php 20 billion as more businesses are doing online transactions. If healthy economic growth takes place in the next ten years, it is possible that these estimates may even go higher.



According to Trun Trun (2019), he gave the idea that one sure importance of e-commerce is its ability to reduce transaction costs. For the customers or buyers of goods, it means reduced search costs and better information on products and prices. There could be big savings in production and holding costs of electronic or digital products as well. The sector of Information and Communication Technology will continue to be an important part of the daily lives of every Filipino citizen across all sector of our society. The introduction of communication technology around the world dictates that government get an intact and well-coordinated strategy in preparing the citizens to survive, live and prosper in this digital world. The primary reason for the study is to have a prosperous society where every person has an affordable and safe access to information.

In a study of Bagaforo (2017), he mentioned that the practice of using social media channel was beneficial to the farmers and producers so that they could showcase and endorse their products and goods. In terms of e-commerce among the business owners, it was said that competitions among online businesses were rising in Davao City. Some entrepreneurs tried to sell on different cities only to discover that other cities did not embrace electronic commerce, in comparison to Davao Region.

Moreover, the customers could also easily transfer from one online business site to another without anyone interrupting them if the business from other online business if they are not satisfied. Still, some goods which were not



yet provided in the actual market could be bought online; therefore, this gave them wider access to the products by comparison. Having a more informative product information helped them in their decision-making, taking into consideration other available products as alternatives if a specific product is insufficient for them. There are still negative effects of E-commerce despite these good things and benefits. The online customers also got some problems and inconvenience while shopping online which could also affect their intentions towards electronic commerce.

In the study of Panula (2017), websites and its product and business information must possess clarity and discoverability to boost the level of trust of the customers to the business.

Uy in 2019 also declared that personalization satisfies the distinct needs of the customer as an individual. People have own satisfaction in the products and services they asked.

Case in point, wearing clothes that a person is comfortable which allows him to have confidence and help in boosting self-esteem. Using new gadgets has become the latest trend in today's generation especially to the youths. These new trends come to various societies especially those in the urban areas which includes shopping malls. For example, it is evident in the campus on how students dress up in a trendy and nice way. With the upgrading technology, many applications and websites were created that includes online shops with the intention of buying products online (Rabo, 2018)



Online business is one that may never be out of fashion. In fact, it is one of the top 15 best-selling products on the Internet. Fashion changes very fast that is why there is an increased demand in clothing. Looking at popular shopping websites such as Lazada, and Shopee, different product lines are displayed every day. Different varieties are being offered to the consumers for them to choose whatever clothes they like (Santos, 2017).

Shopping online gives a lot of advantages for customers. Aside from the easy shopping it gives, it also saves their time and money. The downside is that, since no actual shopping is done, there are lots of complaints and bad reviews done by the customers. Examples of these are quality issues on clothes that do not fit, and those that does not look exactly as it appears on the online store. Besides, damaged products and hidden charges also happen. Additionally, there are delays in delivery in shipping, and other major complaints such as fraud and lack of safety and security (Santos, 2017)

On a report of Master Card Worldiwdе Insights, Electronic shopping is the practice in purchasing products and services from online sellers. It is also called internet purchasing, online purchasing, and electronic shopping. According to Kim (2014), internet shopping is described as looking for, reviewing, surfing, or searching for a product to obtain more data with the purpose of buying online (Chiu et al , 2019).



In online shopping, each buyer must have a variety of preferences before making a purchase. This is the reason why there are some factors that affects the perception of consumers (Chiu et al.,2019)

Firstly, is the product factor in which the consumers believe that product quality is important, it has an impact on companies' buying decisions, profitability, and stability. Improving quality is significant to the success of an online business (De la Vieja, 2021)

Secondly, is the price which is one of the crucial factors that affects purchase decision. Shoppers are always looking for the most attractive deal that meets all requirements at the most affordable price. The most common notion among sellers is that the actual value of the price is the only thing that matters to consumers. It means that the cheaper the product is, the better. There are also factors that affect how a person perceives a price before making a purchase online. The user's perception of an online store is based on the prices and those of competitors. The discounts and promotional offers, e-commerce openness, and value for money are three factors that affect these perceptions in the digital world (De la Vieja, 2021).

Credibility is also a factor. In order to launch a profitable online store, a businessman must be credible. If it is an online business that is a version of an established company or a completely new online store, it is important how customers view the owner is vital to success. Everybody from e-commerce owners to freelancers will benefit from solid brand credibility when it comes to



profitability and maintaining the trust of their customers. Furthermore, selling online involves how a company can be dependable, credible, and authoritative. When one is aiming for a customers' money with hundreds of online competitors, it boils down to one's word against someone else. When a businessman has a product or service that is very similar to the one being sold by the competitors, it comes down to which company will get the full trust of the customers (Paghdal, 2016)

Maintaining online customers has gotten a lot of focus recently because it is one way to achieve a competitive advantage. Customers who liked a specific online retail store will return to make additional purchases. This will result to both customer retention as well as satisfaction. It is important to know those factors that lure customer loyalty and choosing online store (Masigan, 2020)

Electronic shopping businesses are rapidly increasing these days. There are several types of online shopping shops where customers can get product information or buy products and services. These online stores have big impact on the relationship between the advertisers and customers. The number of online users worldwide has broadened to billions as the internet has become a universal phenomenon. Different users from different parts of the world are now using the internet to get information and to purchase goods and services. Today's generation of users in the Philippines are increasingly using the internet, which presents a unique opportunity for online business owners (Masigan, 2020)



People nowadays learned that working at home has its own set of advantages. As shown by some statistics, Filipinos are becoming more familiar to purchasing products and services online which likely will continue. E-commerce has become common with or without pandemic distractions. Their share of the cash will just grow in the coming years (Masigan, 2020).

Then lastly Meij (2020) shared the idea that a dialog of the implications of these outcomes and a motivation for future research are to be given importance.

Foreign Studies

In the study of Peng (2018), he affirmed that internet shopping has investigated essentially worldwide over the most recent couple of years. Taiwan is no exceptional case, despite the fact that it has encountered a development in internet shopping, it seems to linger behind whatever is left of the created nations in Asia. Concentrate on the variables which impact purchaser's web-based shopping trust, and fulfillment is in this way focal all together for Taiwan merchants to build up the proper techniques for online exchanges. This paper seeks to perceive what are the primary components of the purchaser's expectations to repurchase online in Taiwan; grounded chiefly on hypothetical models, for example, Technology Acceptance Model (TAM) this investigation extraordinarily points to perceive whether there are relations between buyer's repurchase aim and saw value, seen usability, saw security, buyers' trust, and shoppers' fulfillment. An overview was led with 225 legitimate buyers from



Taiwan utilizing an organized self-managed poll and information was broke down utilizing Partial Least Squares, and Structural Equation Modeling.

From the outcomes, we accomplished new experimental proof for applying trust and fulfillment for considering shopper repurchases goal. The results demonstrate that apparent value, and saw usability, utilize huge positive effect on customers' trust. Thus, fulfillment is affected by apparent handiness, perceived convenience, and perceived protection, which by implication impacts repurchase aim of the customers. Hence, the online retailer must focus on the mechanical qualities of their shopping site to decrease the protection worry of purchasers concerning unapproved access and auxiliary utilization of their own and money related information that can make strides buyer trust and fulfillment towards shopping site, and lead to repurchase expectation.

While Botwright (2017) found out that electronic commerce has become the yardstick of giving information to many different online platforms. It is used by a big number of businesses to compete well in business world. These companies have to make a step towards embracing new technologies. For them to transact successfully in the market, there is the e-commerce for them.

According to Efendioglu (2018), he mentioned that the website of the company seem to have impact on sales and image of the business, and are expected to give something overall customer satisfaction. To be reliable to the customer, the easiest way is to maintain a simple look in the website of the business. This creates positive online experience to the customer.



This can be done by having transparent content, valuable content, easily accessible data and having a design that provides multiple audiences. This is simply showing the importance of knowing the target visitors as they have different perceptions in terms of color and design. A good design is not enough to allow your customers stay in your website. The website itself must be informative on the product details. A company website may have great content, dynamic and attractive design, but the customers do not that website because of wrong or insufficient online marketing.

These methods can be tough to attack by incorporating authentic factors and established marketing channels. The disadvantages of the authentication method used must be shown clearly to ensure speedy and secure transaction between the client and the business. So E-commerce customers and owners prefer payment gateways such as Paypal, PayZa, Google Checkout among others.

Internet users will not be using the Internet on a routine basis for business unless they are confident that their communications with the sellers and data provided are safe from unauthorized access or fraud. Their confidence in the system will depend on the availability of effective control both for protecting information systems linked to telecommunications networks and for assuring the confidentiality of information to protect data from fraudulent use.



It is also required that well-educated users understand how to protect their data and processing. Sadly, as revealed by a US Framework document, there is no single shortcut technology that can guarantee security or reliability. In place of this, the use of a range of technologies including authentication, encryption, control of password and firewalls as well as a safety key and security management structures (Patterson, 2018).

Transactions that are automated transaction means those that are conducted or transacted by electronic means or electronic data, in which the acts of both parties are not reviewed by an individual in the ordinary course in entering into a contract or fulfilling an existing obligation required from them (Uniform Electronic Transactions Act, Section 2, 1999). This Act requires both parties that they have obligations when it comes to complying with the terms of the electronic transaction.

The contracts may be entered into by the electronic agent and persons acting on the individual's own behalf or for another person. This includes interaction in which the persons are free to refuse or against his will if it will cause the electronic agent to complete the transaction or perform. (Uniform Electronic Transactions Act, Section 14, 1999). When getting into electronic transaction, the parties should agree to the terms and conditions of the contract to be reliable.



However, there is limited attentions given to how the external factors, example how customers and competitors may influence the benefits obtained from small businesses to adopt E-Commerce.

The study by Voges et al., (2017) reveals that in New Zealand small businesses and retail enterprises came out with factors towards technological innovations in external pressure, types, size, level of internet, and legal structure. It also showed that due to lack of expertise coupled with less human, financial and technological resources, small businesses are avoiding risky software and applications.

The capable key influencing factors are information maturity, structure and HRM, management support, partnership quality, and competitive pressure. There are many advantages that SMEs may gain from adopting E-Commerce. These benefits can be physical or not physical in nature which recorded from the studies in third world countries showed little difference trend. Among the few notable studies that evaluated the benefits of electronic commerce adoption in these countries was the study of 102 small businesses across several cities in China. It found out that the important benefits of e-Commerce adoption reported by some firms were an expanded revenue area, improving competitive position, and improved customer service. While the effect on the internal process was effective and had decreased buying costs. It only implies that online business has affected sales n China.



Local Studies

The Philippines based its economy on the consumers where a good 72% of its economic output is cam from private consumption. For several decades, Filipino businessmen have benefitted from physical stores. Suddenly it changed when the Pandemic strucked, those bustling restaurants, big malls, and busy retail stores became empty. Retailers realized that 15% of their sales before the pandemic are lost (Business World, 2020)

For local businessmen, the common techniques for survival is to improve on commerce. But before venturing into the online system, it is needed to understand the status of the business and the dynamic forces at play. The Filipino people have the distinction of being the biggest internet user in the region and the most busy on social media. Around 73 million Filipinos are using th internet, and around 99% of them are active on many platforms. The average Filipino spends a surprising nine hours and 45 minutes on-line daily. Of this number, three hours and 53 minutes is spent in surfing social media sites. Even if they are highly connected to the worldwide web, they have not been quick adaptors of electronic commerce. Before the pandemic, data shows that only small percentage of Filipinos have purchased goods or services online. Meanwhile the Thais got 10%, 9% in Hong Kong and Taiwanese, 6% in Vietnamese, and 5% of Singaporeans. Perhaps, the reasons is the discomfort in giving financial information online or due to the unreliability of merchants, Filipinos have been choosy about using their money on the internet. However,



this changed during the pandemic. Being confined in their homes made the Filipinos no choice but to buy food and other essentials online. This triggered the growth of electronic commerce (Business World, 2020)

Filipino entrepreneurs were quick to learn the trades. All of a sudden, thousands of entrepreneurs established their own online store. They sell anything from face masks to adobo. While those big businesses have doubled their e-commerce efforts as well. Examples are SM, Rustan's, and Store Specialists have improved their systems to serve the growing online community. The confidence on the reliability and security of e-commerce has been increasing slowly since the quarantine began. Some researches show inverse correlation between electronic commerce and mobility. It shows that the lower the mobility, the higher online transactions are made. In the month of April, this mobility had decreased. In April 2021, mobility decreased by 90% , this resulted in a sharp increase in online transactions. In July 5, mobility decreased to 57% compared to pre-COVID statistics. Therefore, as long as the quarantine is present, e-commerce will increase steadily.

What exactly is the hypothesis for the e-commerce industry in the Philippines? According to Paulo Campos III of Zalora Philippines, as many as 91% of Filipino online users searched for items to purchase during the quarantine period. From those who were surveyed, 76% finished the transaction. This is an indication that Filipinos are finally learning to use e-commerce. From sales of \$500 million in 2015, e-commerce in the Philippines is seen to reach



\$12 billion in the same year. It already got \$3 billion in 2019 than in the first six months of 2020, growth has seen doubled in terms of the number of shoppers and the peso value of purchases compared to 2019 level (Business World, 2020)

A new category came out in the post-COVID era based on the study conducted by Global Web reveals that 48% of Filipinos plan to do more shopping online even if the pandemic is over. During the pre-COVID era, sporting goods, fashion apparel, and footwear were the best sellers. Now, essential needs that include protective equipment, sanitary goods, and groceries came out as best sellers. That is the reason why the country's biggest online merchant is adding more items to its product line. The time that people are at home has made the consumers not to buy nonessential purchases which lead to the decreased demand. A recent study shows that when the Filipino can afford, he will buy clothing at 19%, devices at 18%, home appliances, home furniture, and accessories at 15%, smartphones at 11%, and electronic gadgets at 15% (Business World, 2020)

When it comes to demographics, 72% of Philippine online shoppers are female, and 28% are male. When it comes to age, 45% are between 25 to 35 years old, 22% are between 18 to 24 years old, and 16% are between 35 to 44 years old. 38% of all e-commerce transactions happens in Metro Manila, 9% in Cavite and Laguna, 6% in Cebu, 6% in Pampanga and Bulacan, 3% in Davao, 3% in Rizal, and 2% in Iloilo (Business World, 2020)



Meanwhile, cash on delivery is still the preferred mode of payment comprising 67% of all transactions. Then followed by credit cards at 24%, Paypal users are 5%, and G-Cash has a 2% share. 79% of all eCommerce transactions are done using smartphones. There is no doubt that the retail business will change in the post-COVID world. We already know that that dining-in restaurants, shopping, and visiting crowded places are the activities we tried to avoid for fear of infection. Moreover, consumers discovered that working and doing something at home is valuable. As indicated in the statistics above, Filipinos are becoming more comfortable in availing products online. This trend will continue (Business World, 2020)

E-commerce is now gaining popularity in the mainstream. Its share of income will grow in the years to come, with or without the vaccine for the customers. That is the reason why every business should establish its own e-commerce platform. It is like a race now. Those who can adapt fastly and ensure the safety and reliability of business transactions will win. (Business World, 2020)

Those businesses who are using Electronic Commerce have gained a competitive edge in the field of Marketing in terms of availability, accessibility, and convenience. Since the internet can be reached globally, the shoppers are no longer limited within the localized store. Everybody can visit the store anytime and anywhere without problems. By just navigating the website of the store, the customer can purchase the product without visiting it physically. E-commerce



stores enhances the way business transactions are done helps reduce the time and effort consumed by both parties (Lockett, 2019)

The e-commerce gives a simple approach in business transactions and gives a new way for selling and buying the company's products and at the same also advertising the company website. Since the products are available online, the chances of exposure can lure them to buy an item. It is the cheapest way of advertising instead of paying commercials that even small businesses can do (Lockett, 2019).

Since most businesses use websites as one of their marketing strategies, competitors are also following this trend. The company must consider the different factors to become successful online, starting from the target audience, interface, web design, customer information, security in terms of payment content, and all details of a website (Lockett, 2019).

The development of technology for the productivity of companies and countries should be the main priority of the developer. As mentioned, the state shall prioritize research and development, innovation, invention, and their utilization. This should also be given to science and technology education, services, and training. Indigenous people should also be supported. Should be given appropriate, and self-reliant scientific and technological capabilities. Subsequently, this should be applied to the country's productive systems and national life.



The innovation of technologies to all possible sources must benefit both the country and the company. According to the constitution, the State shall regulate the transfer, promotion, adaptation of technology from all sources for the national benefit. The widest participation of private groups, local governments, and community-based organizations shall be encouraged in the generation and utilization of skill and expertise” (Mormina, 2019).

Just like another law, the online Law should also focus on those businesses on their right to choose the type and level of security methods that jive with their needs. To do local and international transactions, agreements, contracts and exchanges and storage of data through the use of electronic, optical and similar medium, mode instrumentality and science to know the authenticity and reliability of data messages or electronic documents related to such activities and to promote the wider use of electronic transactions in the government and society (Eztay, 2021).

The online Marketing can create much revenue both to the company and another country. The company wants its overall business in the region to fully grow without limit. In the Philippines has only 10 percent of its travel market online compared to its neighbors like Singapore, which has 35%, according to Dan Lynn. He describes how e-Commerce is used widely, the main sectors that sell through e-commerce. He compared how much product/service in each sector is sold through e-commerce versus in the physical retail store. It also mentioned what a company needs to have to take advantage of electronic



commerce in the local market and in popular Business to business websites (Trade.gov, 2020).

Because of the pandemic, the demand for e-commerce in the Philippines has. While the younger generation receptive of online shopping, there is still the need for the protocol of social distancing. It has pushed the cash-based and face to face shopping culture towards transactions that are more based online, which is expected to continue into the future. However, what is missing is proper digital and logistics infrastructure to truly promote a digital economy. Additionally, there should be a stronger bandwidth capacity to service the market (Trade.gov, 2020)

We, Filipinos are very productive users of social media. According to a recent estimate, it shows that there are 76 million active social media users from the Philippines. Out of this number, 75 million are using Facebook; 12 million are using Twitter, and 4 million are using. This shows that there is a good reason that eCommerce growth in the Philippines will grow. Unfortunately, the country is also facing the following challenges: 1) There is infrastructure gap. There is a need for further improvement in the speed of the internet. According to a research by OOKLA's Speed test Global Index, the country's internet speed is only 22.74 Mbps in July 2020. This is only rank 108th of 174th surveyed. On the other hand, the mobile broadband speed is a very slow 16.17 Mbps as of June 2020 which is ranked 121st out of 138th countries. Moreover, the country also ranked 63rd out of the 100 countries, as well as 26th in the 2020 internet



Index surveyed by the Economist intelligence unit. The area of logistics and distribution also gives important challenges in the delivery of product. Since there are no cold chain storage facilities, it limits the food products that can be carried for long distances. Another thing, the traffic situation and no efficient delivery network also make it difficult and unreliable in some areas. Many internet users are gaining access through their mobile phones. The usage of smartphone is now at 48.4% of households. 2) There is low broadband **penetration because** many Filipinos access the web from their smartphones, internet cafes, home, and from their place of work. 3) There is low digital payment penetration. According to the report of Bangko Sentral ng Pilipinas in 2018, an estimated 66% of Filipinos are not into banking, and only a minimal eight percent use credit cards (Trade.gov, 2020)

Therefore, many online stores in the Philippines give cash on delivery payment options or through the use of payment centers such as 7-11 stores. Additionally, there are companies such as banks, telcos, fintech start-ups that rolled out e-wallets options for those unbanked populations. Some popular players include PayMaya (PLDT), GCash (Globe). The Bangko Sentral also launched PESONet. This is an innovative electronic funds transfer that allows customers of member banks, electronic money issuers, and mobile companies to send funds in local currency to the client of other banks. It can be transferred also to e-money issuers or mobile money operators in the country. The Philippines is one of the fastest growing retail electronic commerce market.



Here, the most recognizable platforms are Shopee, Lazada, Zalora, and Ebay

4) There are security concerns because those who have credit cards have fear of transacting online, due to the many incidents of hacking of accounts coupled with weak security efforts that still affects the country. As a result, e-commerce platforms have introduced a cash payment mechanism with the partnership of large convenience store chains and local courier services. The Filipino customers have to get additional knowledge on safety and security that can protect their transactions. If this can be done, it will provide increased levels of trust in online banking, selling, and buying

5) The issue of intellectual Property Rights. Adequately, the Philippines has passed laws to promote eCommerce. Examples of these are, the cybercrime law, the eCommerce Law, and Data Privacy Laws. The law enforcement agencies like the Department of Justice and Philippine National Police and the local courts, however, are not yet familiar prosecuting cases involving electronic crimes (Trade.gov, 2020)

However, the system is not in place. The government assigned the National Privacy Commission to implement the Data Privacy Law. They got significant achievement through Philippine-based companies by designating Data Privacy Officers. The national privacy commission is also establishing the Philippines to comply with international privacy agreements such as the European General Data Protection Regulation and APEC Cross Border Privacy Rules (CBPR).

6) The Online Payment increases online shopping and those using online banking transactions are increasing. The online sellers are now



using online payment as a convenient platform. Although there are security concerns over platforms and there are still those who are using cash-based transactions that limits the use of online 7) The Mobile eCommerce data from Globe Telecom and the Philippine Long-Distance Telephone Company reveals that there are 163.7 million mobile users in the Philippines. Majority of Filipinos access the internet through their mobile phones, providing cost-effective and reliable accessibility. The Philippines and international businesses sell products using mobile that are connected to mobile consumers. Accordingly, the Philippines is the fastest growing user of applications in Southeast Asia. 8) The Digital Marketing helps in the popularity of social media and online platforms. It directly contributed to the growth of digital marketing in the Philippines (Trade.gov, 2020)

It is estimated that there are 76 million Filipino who are online users and this trend will surely continue. There are traditional marketing companies who are emerging with new marketing styles. This includes social media that helps businesses to transition to digital marketing and reach a wider market for potential, which is becoming a growing and reliable trend. 9) The Major Buying Holidays help consumers in the Philippines to make purchases during March, April, May, November, and December. These are the holiday months wherein employees receive bonuses and other benefits. During this time, businesses offer sales and discounts 10) The use of social media make the Filipinos got 76 million active social media users. Of this number, 75 million are using Facebook,



12 million are using Twitter, and 6.7 million are using LinkedIn users. That is why the the Philippines is considered as the top countries for internet users worldwide in terms of social media. They are using 4 hours on mobile and another 5.2 hours on other gadgets (Trade.gov, 2020)

The benefits of electronic commerce have obvious impact on the use of online shopping. The percentage has been growing due to the influx of customers. Commerce industries, as well as society, are benefitted from the sudden changes. During the traditional marketing systems, customers were used to do physical shopping. With the introduction e-marketing, customers started to shift from the usual traditional style that consumed more time and effort. Now with e-commerce using different gadgets such as computers, laptops, or other mobile devices, online shopping becomes more comfortable. This mode of shopping allows the buyer to do shopping everywhere and anytime of the day while inside in their house (Aonerank, 2019).

Now, the queries remain in why we noted such interests in online transactions that rise in online shopping has a package of reasons that the common one is the fact that shopping is enjoyable for both customers and merchants. It is called a win-win situation where both parties are getting benefits..



The classifications of eCommerce which are beneficial are an advantage to the customer, an advantage to the organization, and an advantage to the society that 24/7 transactions is consistent. Customers can do the shopping anytime and anywhere, particularly those who do not have enough time to do conventional shopping by only visiting the websites. These systems will facilitate shopping out of their convenient design. Like products that are classified into categories that help customers to avail products and services at once. Moreover, this kind of shopping is perfect for busy people and unable to find time to go retailshopping (Aonerank et al., 2019). The popular examples of these websites are AmazonFresh, Target, and Walmart.

Since it is a very convenient way of shopping, electronic commerce has been considered as the easiest and the most recognizable method for shopping. Through this system, products can be bought anywhere globally with just a simple tap of a mobile device though the Internet (Aonerank, 2019). Because of this convenience, buyers easily pick merchandise from different vendors with no physical meet up. Since there is now fast services, E-commerce has enabled the easier buying/selling procedures. This is the key advantage of cyber shops in saving time, and money. In other words, while shopping online, customers can do other business; since shopping will not consume more time. Then providers see to it that products are delivered to customers' doorsteps within a week. Comparison of prices in eCommerce platform is easy that consumers are



provided more options of prices offered to pick less expensive but with quality items. Comparing products and prices for the right choices in a conventional marketing system is difficult; since visiting all stores can be exhausting to the customers. The issue of asking prices can be embarrassing for some customers, and others do not even dare to ask.

However, with online shopping, everything is presented clearly to the users. E-commerce provides adequate information related to the products and services available. The customer does not only view the detailed information within seconds but also their previous purchases. Therefore, it allows clients to search for product and services information, compare the costs and benefits, then evaluate its value before purchasing. It is hard to conduct in a conventional shop; since various data is difficult to explore due to internet issues. With many options, consumers can get appropriate choices for quality products. Unlike the traditional marketing system, one can only view a limited stock McKinsey Company (2019). Accessible in a normal conventional store, customers might get misled while browsing for merchandise. With e-commerce services, clients can search the merchandise categories and the advantages of the desired product. (Searchcio, 2019).

When it comes to benefits for the companies, there is no limitations when it comes to Geographical considerations, there is no imposed hindrances on providers which are always costly and unreachable. Like for instance, if



customers need to get a product from Tripoli and they live in Beirut, they will spend much money in order to buy what they want. Additionally, if vendors want to sell their products in other places, they have to will open new branches with corresponding operational expenses and efforts. But now that we have eCommerce, this kind of issue had been solved already.

In other words, a company can effortlessly find additional clienteles, top dealers, and appropriate business associates worldwide. Money-Saving ECommerce businesses have lower operational costs and have the quality of services compared to actual stores. There is no staff to employ and compensate, no rental fees, and has a reduced fixed operating expenditure (Aonerank, 2019).

Increasing efficiency of companies. Increasing efficiency of companies. E-commerce benefits from the “pull” type supply administration. In this type of operation, the business begins at the demand originated from a client and utilizes an on time production. This makes the business conduct its transactions faster and at a lower operational costs.

Targeting the right clientele is a key factor in promoting e-commerce services. Online providers collect adequate consumers’ data to ensure that they are targeting the right audience for their products. For instance, they are promoting a male-oriented product, they will engage more on the target sex to



gain more purchases. Same approach when promoting other customized services for different age groups.

It is easy to initiate and manage a company, location is an issue but for an e-commerce business owner, they never worry about in running a business. Electronic devices such as laptops or mobile phones and internet connection are the needed gadgets. E-commerce simplifies business processes with speed and efficiency.

Higher Ad returns helps the organizations to gain in advertisements if managed properly, it will give advantages for the Society (Clarke, 1999). Customers need not move from one place to another to do their shopping. This process results in less transportation and reduced air pollution. The price of items was adjusted due to fewer expenditures, so consumers with low income afford to buy items. It has allowed remote areas in the countryside to contact items and facilities that were not accessible previously. It supports the government in the delivery of common services. For example, medical charges, school fees, and public services of industries that can be provided to the public in lesser cost but in advance method.

The disadvantages of E-commerce. Compared to other businesses where there are ups and downs, e-commerce has benefits and drawbacks, too. Running this kind of business has its own challenges. Being aware of the



challenges will help businessmen to avoid common consequences. The e-commerce weaknesses can be classified into two main categories: technical and non-technical. Non-technical disadvantage means the inability to test products first before buying. It is one of the most common problems faced in online shopping. With this kind of shopping, customers are unable to try the item before getting it (Alhamdi et al., 2019).

In another sense, e-commerce takes away a crucial part of the purchase process which is testing the product. Videos promoting the products might have been made in a very professional and convincing way, but still many customers are hesitant to buy any item they have not tested or seen before. This is so due to the fact that many customers do not see a real guarantee of product quality.

Lack of personal touch. E-commerce is one of the factors that many customers consider to be essential, which is the face-to-face aspects. In other words, some consumers need to feel the experience from going to the store and mingling with the sales clerks. So, with online shopping, there is no place for new relationships. (Searchcio et al, 2019).

Delay in delivery Waiting is one of the online shopping features, which turns into an issue if customers are not patient enough. To shop online means to wait up for a week. The satisfaction anyone gets while doing actual shopping is



always delayed while shopping online where customers do not hold the physical item in their hands for a while after the purchase (Bhasin, 2019).

Cost and product feature comparison through cyber shopping that buyers can choose several items and avail the cheapest cost. While shoppers are able to compare prices, providers set restrictions for varied prices and eliminate other concerns based on suggestions or recommended items based on the price range that the customer sets.

The product purchased online can become defective or spoiled while in transit. If the consumers have any questions about a certain item in a physical store, the store keeper, the cashier or even shop manager can always help. Meanwhile, the customer service on the company's websites can be limited: the site only offers services at a specific work schedule and may call to the consumer services waiting for a long time. This happened when products bought online can be damaged or spoiled during delivery. In the case the consumer has many inquiries about the item in a physical shop, the personnel service is ready for help. (Khurana et al., 2019).

Technical Disadvantages. A security issued a worldwide cyber concern that is needed to be addressed. The lack of dependable security systems generates a dangerous experience for customers doing their shopping online. In the recent years, the world has seen big organizations and international



businesses being the targets of fraudsters who steal important data from their database. This could result in lawful and monetary allegations. Likewise, it also deforms the confidence which took years to be built between the customers and their providers.

Need for Internet Connection. Online access is required for the online shopping of the customers with the aid of the devices that will connect to the net credit card fraud which is considered as one of the growing problems in online businesses. This can result in forfeiture of profits, fines, and bad reputations. Everybody is not exempted target to credit card deception that may cause to die out e-commerce (Bhasin, 2019).

Credit card Fraud. One of the real and growing problems in the world of online businesses is credit card fraud. It can result to forfeiture of profits, fines, and bad reputations. Both customer and the business are easy preys to credit card deception. Some pessimists even claim that scams will eventually result in the vanishing of e-commerce.

Software and hardware are being developed and modified. This poses limitations on online companies, for regular updating of the system. Significant studies and analysis have been conducted on the topic of e-commerce. Electronic commerce has improved rapidly and is expected to expand in its haste. Time will come that its limit amid "conventional" and "electronic" trade will



distort more companies that utilize segments of their operations online. Electronic trade will increase significantly in the future. It was mentioned earlier about the technical and non-technical disadvantages of e-commerce into a successful business that someday we will experience its technical effects.

As we have already mentioned technology is evolving tremendously and quickly, so it is possible to witness the prevention of technological defects in particular in the near future. Today, the new Generation Z are more influenced by e-commerce which will bring them a lot of changes and challenges as well. Millennials are a digital group for they have been exposed to the internet, social networks, and mobile phones. Also, those members prefer to work from home or flexible basis for working.

The Pandemic has contributed to the progress of e-commerce. Customers have turned to a convenient platform to make purchases, the online marketing to avoid crowded places. These people are true digital natives for they have been exposed to the internet, social networks, and mobile phones since their young age. Moreover, those members prefer remote work and favor flexible work conditions that rely mostly on technology. In short, electronic commerce provides bright future.

The important roles that social media is playing in the modern world is continuing to prosper. With people now more turning to their smartphones to answer their daily, that is the big reasons why social media apps and



ecommerce are collaborating now. Presently, the most popular social sites to influence ecommerce is Instagram. In a research conducted by Facebook, it says that 81% of the respondents said that Instagram helped them to look for products or services. While 83% said it helps them to discover innovative products or services. Lastly, 80% also said that it assisted them in making their purchase decisions to buy something.

Most customer need to take branded items. This should not be taken for granted. It should be considered while planning the marketing and positioning strategy of the business. Those customers who are satisfied will likely share the content online through different social media. In addition to this, they will now interact more with your postings on the internet. They will give some useful and relevant comments. These comments can be used later as good examples of success stories of a company that gives admirable customer satisfaction. So, all brands should have it. For so many years, the most significant methods of collecting customer feedback for improvement is through the use of a survey.

There are important benefits of running surveys targeted at customers to understand them better. By analyzing answers, they will show if what are the common hindrances the customers met in their transactions and how those can be improved. This ultimately leads to higher revenues. One example is that survicate surveys were able to help many companies improved their business positions (Kim, 2019).



Giving your customers excellent customer service will give satisfaction to you and your target customers. If they received good service, then the business will also reap good revenue. You must anticipate more on how you can improve in treating your audience. You should not really forget the significance of the customer are satisfied (Kierczak, 2020).

In the long run that the covid-19 pandemic is lingering in the future, it is the best move that the e-commerce market will have enhancement. A study has found out that with the current situation, consumers are seeking safety and convenient marketing. These habits are going to drag into the post-pandemic period and estimated that e-commerce could reach 300 to 350 million shoppers by the financial year 2025

Also, a survey by (UNCTAD, 2020) discovered that pandemic has resulted in a sales growth of e-commerce websites. Stock shares devoted in traditional trade have become at risk to decline because of COVID-19, and this is the prime cause for the traders to move towards trade via the internet. Therefore, considering the undercurrents advantages and disadvantages, of e-commerce is elemental is vital.

Synthesis and Relevance of the Reviewed Literature and Studies

Based on the various literatures and studies mentioned above, companies or enterprises who engaged into e-Commerce will prosper more



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nowadays in the business arena. The business will get good market presence, good sales, that will result to attracting more customers. According to numerous related literature and on the topic, e-commerce also provides the needed convenient to both consumers and the business. Therefore, to have a prosperous online business, there are several criteria to be considered first before ramping up businesses to E-commerce field. These are the target consumers, e-commerce platforms, payment gateways, couriers or logistics, warehouses, manpower, stocks or number of products available, accessible to social media platforms in order to achieve in the E-commerce business.

The researcher's aim is not just to build an e-commerce business but to convert customers to patronized online business. This can be done by giving adequate information about the products, friendly interface, safe payment platform, and search-easy online environment. This proposed method will not just be promoted over the web but to give the customers good service. These will help the businesses to have good image and subsequently attract more customers to buy their products.



Chapter 3

RESEARCH METHODOLOGY

This chapter presented the different methods and procedures that were utilized in the research to determine the research sample, the research design, and the actual data change and statistical tools that were employed.

The researcher discussed the chapter according to the research methodology, the respondents of the study, the research instruments, and the statistical tools or instrument used.

Method of Research

The researcher employed the Descriptive Method of research in gathering the needed data because this method of research is a fact-finding study with adequate and accurate interpretation of the findings. Its purpose was to know “what exists” or what is about a certain phenomenon. Since this study is about the benefits of E-commerce to both consumers and sellers and influencing factors that contribute to decision making of consumers, the descriptive method



of research was the most appropriate method to use in the hope of offering recommendations based on the findings.

Population, Sample Size, and Sampling Technique

The researcher utilized the Purposive Sampling and chose 50 consumers who regularly buys online and 50 business owners or sellers who sell products or services to any E-commerce platforms or a total of 100 respondents to answer the questionnaire. According to Crossman (2013), “purposive sampling, also commonly called a judgmental sample, is one that is selected based on the knowledge of a population and the purpose of the study. The subjects are selected because of some characteristic”.

Description of Respondents

The respondents of this study were 50 consumers, and 50 business owners or sellers who sells on any E-commerce platforms in Metro Manila. The researcher was convinced that the respondents gave reliable and important data needed in this research.

Presented in the following tables are the breakdowns of the respondents as to Age level, Gender, Civil Status, and Highest Educational attainment.



Age Profile of Respondents. This section presents the frequency and percentage distribution of both customers and sellers respondents' description as to age level.

Table 3.1 indicates the frequency and percentage distribution of the consumer respondent description as to age.

Table 3.1

Age Profile of Consumer Respondents (N = 50)

<i>Age Level</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
15 and below	9	18	3
16 – 25	16	32	1
26 - 35	11	22	2
36 - 45	6	12	4.5
46 - 55	6	12	4.5
56 and above	2	4	6
TOTAL	50	100	

As shown on the table, rank 1 are those respondents at the “16-25” bracket with 16 respondents out of 50 or equivalent to 32 percent. In Rank 2 are those in the “26-35” bracket with 11 respondents which is equivalent to 22 percent. Next in the ranking at Rank 3 are those in the “15 years old and below” age bracket with 9 respondents which is equivalent to 18 percent. Tied in rank 4.5 are age brackets “36-45” and “46-55” with 6 respondents each or equivalent



to 12% each. Completing the ranking at Rank 6 are those in the “56 years old and above” age bracket with 2 respondents which is equivalent to 4 percent.

This shows that majority of the customers who are more inclined with E-commerce online buying come from the middle generation or in their mid to late 30's up to early 40's. It means middle generation up to the young individuals still prefer to buy their needs and wants through online rather than going to malls or physical stores. The E-commerce industry is focused on wide range of age brackets as this is more convenient nowadays. It markets more products on the age bracket of 16-35 since customers at these age levels are more time conscious and prefers to save time most of their days. Nevertheless, it has also a share of the younger generations at 18%. This means it is slowly introducing this e-commerce convenience to younger customers. Lastly, it has also a share of the adult customers, those aged 40 and above with a share of 46%. Customers at this age level are more traditional based and not more inclined with the rising technology nowadays. That is why, instead of buying online, they tend to do favors to their families to order or go to physical stores instead.

Table 3.2

Age Profile of Business Owners or Sellers Respondents (N = 50)

<i>Age Level</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
16 - 25	6	12	4



26 - 35	23	46	1
36 - 45	9	18	2.5
46 - 55	9	18	2.5
56 and above	3	6	5
TOTAL	50	100	

Table 3.2 reveals the frequency and percentage distribution of the business owner or seller respondent description as to age.

As indicated on the table, Rank 1 are those respondents at the “26-35” bracket with 23 respondents out of 50 or equivalent to 46 percent. In joint Rank 2.5 are those in the “36-45” bracket with 9 respondents which is equivalent to 18 percent and those in the “46-55” bracket with 9 respondents which is also equivalent to 18 percent.

This indicates that people who are into micro and small business ownership are becoming younger as years go by. Younger people are more risky and have more guts when it comes to business. Based on the table, almost half or 46% of the respondents are aged 26-35 years old. These groups of businessmen started at very young age, maybe they started right after college or at the start of their working career. It is also showed in the table that only 3 or 6 percent of the owners are aged 56 and above. It means that E-commerce industry is not so popular among this group of people, maybe they are inclined



to other kinds of business that are not applicable on E-commerce platforms or they are still into a traditional way of selling through physical stores. It may also be noted that only 6 respondents or 12 percent are aged 16-25, which means business owners also put on their best knowledge or experience before they establish their own business.

Gender of the Respondents. This section presents the frequency and percentage distribution of both customers and sellers respondents' description as to gender.

Table 3.3

Gender of the Consumer Respondents (N = 50)

<i>Gender</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
Male	17	34	2
Female	29	58	1
LGBTQ	4	8	3
TOTAL	50	100	

Table 3.3 above indicates the frequency and percentage distribution of the consumer respondent description as to gender.

As shown on the table, male got 17 respondents out of 50 or equivalent to 34 percent, while the “female” got 29 respondents which is equivalent to 58



percent. Also, we have 4 respondents under LGBTQ which is equivalent to 8 percent.

This reveals that there are more female customers patronizing online buying through E-commerce platforms compared to male. Also, since LGBTQ is now on the rise with equality in our country, it still got a few respondents. Therefore, it can be implied that female respondents are the more frequent buyers in online shopping platforms with the wide range of selection and variety. Whereas, male respondents opt to do other things aside from online shopping.

Table 3.4

Gender of the Business Owner or Seller Respondents (N = 50)

<i>Gender</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
Male	22	44	2
Female	28	56	1
TOTAL	50	100	

Table 3.4 above indicates the frequency and percentage distribution of the business owner or seller respondent description as to gender.

As illustrated on the table, the “male” garnered 22 respondents out of 50 or equivalent to 44 percent, while the “female” got 28 respondents which is equivalent to 56 percent.



This shows that even though there are more female business owners, the difference is not that big. There is still almost the same number of male and female respondents since the female group is greater only by 6 compared to their male counterpart. However, it can be implied that more female respondents are shifting more their businesses on E-commerce. The females, maybe, are taking more risks and going along with the trend more than their male counterparts do. Males tend to be engaged more in businesses that require physical activities or analyzing even more the cons and pros of shifting shops to online.

Civil Status of Respondents. This section presents the frequency and percentage distribution of both customers and sellers respondents' description as to civil status.

Table 3.5

Civil Status of the Consumers Respondents (N = 50)

<i>Civil Status</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
Single	29	58	1
Married	19	38	2
Separated	2	4	3
TOTAL	50	100	



Table 3.5 indicates the frequency and percentage distribution of the consumers respondent description as to gender.

As noted on the table, Rank 1 are those respondents in the “single” category with 29 respondents out of 50 or equivalent to 58 percent. In Rank 2 are those in the “married” category with 19 respondents which is equivalent to 38 percent. In Rank 3 are those in the “separated” category with only 2 respondents which is equivalent to 4 percent.

It can be viewed from the table that more single persons are enjoying buying the products they need through online. They are willing to pay in return for their convenience. In contrast, married individuals opt not to spend too much on buying products online but to take their time shopping and seeing products in personal at malls or physical shops. Their priority is to shop this with their family or family members.

Table 3.6

Civil Status of the Business Owners or Sellers Respondents (N = 50)

<i>Civil Status</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
Single	18	36	2
Married	31	62	1
Divorced	1	2	3
TOTAL	50	100	



Table 3.6 provides the frequency and percentage distribution of the business owner or seller respondent description as to civil status

As manifested on the table, rank 1 are those respondents at the “married” category with 31 respondents out of 50 or equivalent to 62 percent. In Rank 2 are those in the “single” category with 18 respondents which is equivalent to 36 percent. In Rank 3 are those in the “divorced” with only 1 respondent which is equivalent to 2 percent.

It can be seen from the table that married individuals are more risk takers than single individuals. Married persons are more aggressive when it comes to income generation. They are braver enough to risk and go with the trend and hype of E-commerce. They are willing to take more on the next level and they have the urge in wanting to ramp on their sales with different online selling platforms. This is understandable, because as the family grows so does with the corresponding family expenses, and more money from a business will be needed to meet the expenses. Since the “single” respondents are not lagging far behind with 18 respondents, it may be implied that the time has come when unmarried persons are now also venturing into business. Some of these businesses are more innovative. They are now establishing their own business to apply innovations that they learned in school.



Highest Educational Attainment of Respondents. This section presents the frequency and percentage distribution of both customers and sellers respondents' description as to highest educational attainment.

Table 3.7 indicates the frequency and percentage distribution of the consumers respondent description as to highest educational attainment. As may be gleaned on the table, majority are "College Graduate" which is rank 1 with 14 respondents out of 50 or 28 percent. Rank 2 are those at the "College Units" category with 8 respondents equivalent to 16 percent.

Tied in Rank 3.5 are those at the "High School Undergraduate" and "Master's Units" categories with 7 respondents each equivalent to 14 percent respectively. Rank 5 are those at the "Master's Degree" category with 6 respondents equivalent to 12 percent. Rank 6 are those at the "Vocational-

Table 3.7

Highest Educational Attainment of Consumer Respondents (N = 50)

<i>Highest Educational Attainment</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
High School Undergraduate	7	14	3.5
High School Graduate	2	4	7.5
Vocational-Technical Graduate	3	6	6
College Units	8	16	2



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College Graduate	14	28	1
Master's Units	7	14	3.5
Master's Degree	6	12	5
Doctoral Units	1	2	9
Doctoral Degree	2	4	7.5
TOTAL	50	100	

Technical Graduate” category with 3 respondents equivalent to 6 percent. Tied in Rank 7.5 are those at the “High School Graduate” and “Doctoral Degree” categories with 2 respondents each equivalent to 4 percent respectively. Completing the ranking at 9th spot is 1 respondent at the “Doctoral Units” category equivalent to 2 percent.

It can be concluded that there is a big number of participants in the survey who are college graduates. Compared to those respondents with college units only,

this group may have the financial means already to be spent on buying items online. Majority of the respondents on this group are working already who have no time to do shopping because of the nature of their work. They want the quick check out by such online stores.

Table 3.8

Highest Educational Attainment of Business Owners (N = 50)



Highest Educational Attainment	<i>f</i>	%	<i>Rank</i>
High School Graduate	3	6	7.5
Vocational-Technical Graduate	7	14	3
College Units	8	16	2
College Graduate	15	30	1
Master's Units	3	6	7.5
Master's Degree	4	8	5.5
Doctoral Units	4	8	5.5
Doctoral Degree	6	12	4
TOTAL	50	100	

Table 3.8 reveals the frequency and percentage distribution of the business owner or seller respondent description as to highest educational attainment.

As shown on the table, “College Graduate” category is Rank 1 with 15 respondents out of 50. This is equivalent to 30 percent of the total. Rank 2 are those in the “College Units” category with 8 respondents which is equivalent to 16 percent. Rank 3 are those at the “Vocational-Technical Graduate” category with 7 respondents which is equivalent to 14 percent. Rank 4 are those at the “Doctoral Degree” category with 6 respondents which is equivalent to 12 percent. Tied in Rank 5.5 are those at the “Master’s Degree” and “Doctoral Units” categories with 4 respondents each equivalent to 8 percent respectively. Tied again in Rank 7.5 are those at the “High School Graduate” and “Master’s



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Units” categories with 3 respondents each equivalent to 6 percent respectively. There are no respondents under “No Grade Completed”, “Elementary Undergraduate”, “Elementary Graduate”, and “High School Undergraduate” categories.

It may be concluded from the table that majority or more than half of business owners are combinations of individuals with college degree and individuals who are still taking up college units. It means that for the business owners to have confidence in themselves, they put premium on college education before venturing in any kind of business. Out of 50 respondents, there are 17 respondents with a combined percentage of 34% have taken up master’s units, master’s degree, doctoral units, and doctoral degree. It may be concluded that taking up post-baccalaureate degree is also important for the business and managers in the management of business. It would also be interesting to note that among the business owners, 7 respondents with an equivalent of 14% have taken technical-vocational courses. Business ownership is also for those who have taken skills education also and not only for those with 4-year degree courses.

Research Instrument

The researcher gathered the needed data by using the following instruments:



Documentary analysis. The researcher made use of many related literature and study that contributed to the analysis of the data gathered from other research instruments.

Direct Observation. The researcher, being an expert in the organization, had direct access in observing problems encountered on motivational factors. By observing the employee motivational factors, the researcher was able to see first-hand the areas that may need improvement.

Interview. The researcher conducted an unstructured interview. This was personally done, but informal to complement the answer on the questionnaire and to give light on some matters not clearly responded to by the interviewees. The interview was done in a systematic way of talking and listening to the respondents and as another way to collect data from them through conversations. The researcher used open questions, and data were collected from the interviewee. It is important for the researcher to remember and be aware of the interviewee's views about the topic of electronic shopping as they are vitally important. The respondents were also considered as the primary data for the study because talking to them is a way to collect data as well as to gain knowledge from them, specifically on their perceptions on how the business succeed with regards to the customer satisfaction I onl9ine shopping.

The researcher made the respondents collaborative and talked about their ideas. Additionally, the respondents discussed their perception and



interpretation with regards to the business' daily operations specifically on the role of a certain visual identifiers of it.

Questionnaire. The instrument used by the researcher to collect data was the survey questionnaire. The goal of this instrument is to know most preferred e-commerce platforms, the different types of online business, online shopping factors that affect customer satisfaction, limitations of online shopping, as well as the gravity of effect of online shopping factors. The data collected from the respondents were analyzed, organized, and interpreted.

Data Gathering Procedure

To map out the views and structure of the study and to know the different variables and indicators used, the proponent was able to read related literature connected to her research. She drafted an initial copy of the questionnaire based on her own readings. Afterwards, she presented the prepared draft to her adviser. The adviser then made the necessary adjustments, corrections, exclusions, and additions. She put into considerations all the suggestions when she revised the the questionnaire. The researcher then prepared a letter to be given to the owners of the online store as well as to the customers. After the



letter was approved, the researcher distributed the questionnaire personally to the respondents. With the help of her colleagues, she personally administered the distribution to 50 customers and 50 owners who were purposively selected. After giving the respondents ample time to answer, and having 100% retrieval, the data obtained from the survey was organized, analyzed, and interpreted.

Statistical Treatment of Data

The data from the questionnaire were tallied, tabulated, and subjected to statistical treatment of data in order to ensure reliability, validity, and interpretation. The researcher utilized the following statistical tools.

Frequency and Percentage Distribution. This was utilized to determine the profile of the respondents, the preferred e-commerce platforms, the most dominant types of business, those factors that affect customer satisfaction, and limitations of online shopping. A percentage is defined as a number represented as a function of 100. It was used to express numbers between zero and one and was used to compare things.

Formula:

$$P = \frac{f}{N} \times 100$$



Where:

P = percentage

f = frequency

N = number of respondents

In this study, the percentage was applied in analyzing the responses to questions regarding the characteristics of the respondents such as gender, age, and level of education. The value was the frequency of occurrence of each variable and the total value is the summation of the frequencies.

Weighted Mean. To describe the consumer perception on the gravity of effects of online shopping factors on customer satisfaction, the weighted mean was used. The response of the respondents was put into five categories and were provided with corresponding weight. Then the weights were multiplied by the number of replies in each group and were added and then divided from the total of the product.

Formula:

$$WX = \frac{f \times 100}{N}$$

Where:

f = frequency

N = number of respondents



Z-Test. This statistical tool was used to know whether two population means differ when the variances are known, and the number of sample is large. In this study, two population mean were compared, the mean for the customers and the mean for business owners. The null hypothesis (Ho), “There is no significant difference between the response of consumers and business owners on the benefits and influencing factors of E-commerce to both of them”, was tested. This refers to a two-tailed test, wherein a z-test for the means of two population with known population standard was used.

Formula:

$$z = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{\sigma_1^2/n_1 + \sigma_2^2/n_2}}$$

Where:

z = *z value*

n = *sample size*

\bar{X} = *observed value*

σ = *standard deviation*



Likert Scale. To be considered correct on the rating scale, the five-point Likert scale method of measuring the attitude of shoppers was utilized. Each statement has Five responses, which were classified under the degree of difficulty from “5” which means Major Affect down to “1” which means No Affect. The respondents rated every insight item by checking one out of five possible or responses of the respondents. Then the score is obtained as the sum of the weight of the responses given.

The equivalent point given to each item showed the extent of existence of the state as viewed by the respondents to be obtained by estimating weighted average which became the verbal description.

<u>Numerical Equivalent</u>	<u>Scale</u>	<u>Interpretation</u>
4.50 - 5.00	- 5	Major Effect
3.50 - 4.49	- 4	Moderate Effect
2.50 - 3.49	- 3	Neutral
1.50 - 2.49	- 2	Minor Effect
1.00 - 1.49	- 1	No Effect



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Chapter 4

PRESENTATION, ANALYSIS, AND INTERPRETATION OF DATA

Presented in this part of the paper are the information collected by the researcher regarding the recommended online shopping factors of the respondents that affect the customer satisfaction with regards to describing the limitations of the online shopping for consumers and sellers, how much the



effect of online factors to customer satisfaction, significant difference between the response of customers and business owners or sellers on the factors affecting customer satisfaction, and utilizing the findings in developing enhanced guidelines for marketability of businesses and e-commerce through number of sellers and buyers using the primary instruments, the questionnaire and interview. The structured questionnaires were distributed to the respondents after the researcher explained the objectives and significance of the study. The respondents were also assured of the secrecy of their identities and that their responses will not be used to cause harm to them and to their respective companies and families.

The gathered data were presented in tabular forms. Each table was given its corresponding interpretation and analysis. The question regarding the demographic profile of the respondents are presented in Chapter 3 under Description of Respondents while the questions regarding recommended online shopping factors of the respondents that affect the customer are presented in Chapter 4.

Objective 1. On the preferred E-Commerce platforms in the Philippines by Consumers

Table 4.1 presents the frequency of E-commerce platforms and percentage distribution for consumer preferences.



Table 4.1
Consumer Preferences on Top E-commerce Platforms (N=50)

Online Platforms	*f	%	Rank
a. Lazada	22	31	1.5
b. Shopee	22	31	1.5
c. Zalora	10	14	4
d. e-bay Philippines	2	3	5
e. Brands' Official Websites	15	21	3
TOTAL	71	100	

**multiple response*

As illustrated on the table, “Lazada” and “Shopee” are tied at Rank 1 with total response of 22 each out of 71 or 31 percent respectively. This manifests that the respondents see these two selling and buying platforms as top in the electronic commerce business in the Philippines. This is so because consumers have put their trust on these two platforms where they can buy anything anytime they need and want.

With the continuous growing of these two platforms every month that passes by, they are capturing millions of buyers nationwide. Many buyers tend to create their shopping accounts whenever they want at their leisure time.

The spread of the health pandemic has further provided something to the growth of e-commerce. As more consumers go without socializing and instead



did the social distancing, quarantine, isolation, or steering away from crowded areas or public places, the shoppers have turned to a suitable platform to buy products, and that is the online market. Therefore, the overall number of customers, whether returning or first-timers has increased (Halan, 2020).

As the pandemic is expected to continue into the future, it is partially expected that the e-commerce business witness additional improvement. A study revealed that with the current scenario, the consumers will be seeking safety and comfort. According to the same study, these trends will drag even after the pandemic period. It was also estimated that e-commerce transactions could reach 300 to 350 million shoppers by the year 2025 (Bain, 2020).

Additionally, a survey by (UNCTAD, 2020) showed that the pandemic also resulted in the sales growth of e-commerce websites. Those investments in traditional businesses have become risky and are witnessing a decrease related to the spread of COVID-19. This will be a strong ground for the willingness of each traditional seller to move towards online trading in order to preserve the rest of its shares and maintain its valued market success. Hence, understanding the benefits and drawbacks of e-commerce is important.

Rank 3 and 4 are “Brands’ Official Websites” and “Zalora” with 15 and 10 responses or 21 and 14 percentage respectively. These manifest that Filipino consumers are seeing shopping through different brands official websites and



Zalora is more convenient for them. For them these online shops will help them save time and have an easy checkout and shipping.

Completing the ranking at Rank 5 is e-bay Philippines which only has 2 responses or 5 percent. This shows that consumers still not inclined with this platform as they are not originally created and application friendly with Filipino consumers.

Objective 2. On the different types of business existing in Philippine E-Commerce industry that Business Owners or Sellers are \ currently in.

Table 4.2 shows the frequency and percentage distribution of the business owner or seller preference on visual presentation for different types of businesses currently existing in Philippine E-Commerce Industry.

As shown on the table, “Start-up Company / Brand” is Rank 1 with total responses of 21 out of 50 or 42 percent. This manifests that these business owners with their start up brands who are doing five to nineteen orders per day are more risk takers when it comes to venturing out to new opportunities for their businesses. Some of those interviewed said that opportunities have been ramping up in the E-commerce industry since the pandemic has started last year. They prefer to see the possibilities in early stage for their businesses rather than regretting it in the future that they have not done it earlier.



Table 4.2

Different Types of E-business in the Philippines (N=50)

<i>Business Type</i>	<i>f</i>	<i>%</i>	<i>Rank</i>
a. Individual or just a hobby	9	18	3
b. Start-up Company / Brand	21	42	1
c. Small Business Enterprise	15	30	2
d. Mid Business Enterprise	5	10	4
TOTAL	50	100%	

Businessmen should take advantage of the opportunities that are raging nowadays. There are so many advantages that they can have when shifting their businesses to E-commerce. The three most important success factors affecting E-commerce that all businessmen can learn from in starting up a business to online are minimal customer buying cost, high repurchase rate, and robust margins. These are easy to digest at first, but it has a lot more effort needs to put with all of these (Moons, 2018).

Rank 2 is “Small Business Enterprise” with 15 responses or 30 percent. They are also starting to shift their businesses from physical stores or traditional way to E-commerce as some start up that were just started last year have already grown their sales and revenues in just months of selling online. This



proves that there is no harm if they will try. There are still risks of course but our technology has kept on improving as time passes by.

Rank 3 is “Individual or just a hobby” with 9 responses or 18 percent. These individuals are the ones who found interest on selling different products online as they see that this is another opportunity where they can earn additional income aside from their work or main source of income. On the other hand, some individuals find time to sell online as they lost their jobs because of the ongoing pandemic. This is saddening but it somehow lifted their lives and spirits as this is one of the ways they think they can survive through the crises we are experiencing.

Completing the ranking at Rank 4 is “Mid-Business Enterprise” with 5 responses or 10 percent. This manifests that there are still businessmen who prefer traditional way of selling and still studying and gaining a lot more of information before shifting their businesses to online. This is understandable as we can see a lot of brands that are still staying on their physical stores. Great example of this is those who are well known brands like Starbucks, and other FMCG or Fashion brands.

Objective 3. On the online shopping factors that are recommended by both consumers and business owners that affect customer satisfaction

Table 4.3



**Consumer Preferences on Recommended Online Shopping Factors
that Affect Customer Satisfaction**

<i>Online Shopping Factors Affecting Customer Satisfaction</i>	<i>*f</i>	<i>%</i>	<i>Rank</i>
a. Quality of Products	50	13	1.5
b. Low and Affordable Prices	36	9	7
c. Easy Price comparisons	33	8	8
d. Fast Shipping Time or Deliverability	50	13	1.5
e. Convenience of Online Shopping (Saves time, money, and efforts)	40	10	6
f. Good Discounts and Various Vouchers	48	12	3
g. Real Time Interactions or Fast Responses	45	11	4.5
h. Accessibility and Availability of Online Shops 24/7	16	4	10
i. Wide Variety or Range of Products Available	18	5	9
j. Page Load Speed	11	3	11
k. Various Payment Methods Available	45	11	4.5
TOTAL	392	100%	

**multiple response*

Table 4.3 shows the frequency and percentage distribution of the consumer preference on their recommended online shopping factors that affect customer satisfaction.

As manifested on the table, “Quality of Products” and “Fast Shipping Time or Deliverability” are tied at Rank 1.5 with total responses of 50 each out of



392 or 13 percent. This manifests that the consumers are seeing that quality of products and fast delivery are the most important factors to consider to have a good customer satisfaction.

Rank 3 is “Good Discounts and Various Vouchers” with total responses of 48 or 12 percent. Consumers nowadays are more becoming excited when it comes to double campaign sales that are being offered by different marketplaces where they can have a lot of discounts and vouchers to use.

Tied at Rank 4.5 are “Various Payment Methods Available” and “Real Time Interactions or Fast Responses” with both 45 responses each at 11 percent. This means that consumers still feel satisfied when sellers reply to them as immediate as possible, and if there are various payment methods to choose from. This is very convenient for consumers as they will get interested if they are entertained immediately.

“Convenience of Online Shopping (Saves time, money, and efforts)” is at Rank 6 with 40 responses or 10 percent. This means consumers cannot deny the fact that online shopping does really offers so much convenience for them when it comes to online shopping. It definitely saves time, money and efforts at all cost.

“Low and Affordable Prices” is at Rank 7 with 36 responses or 9 percent. A lot of consumers are still thinking that it is still better to buy online and be



satisfied if products have low and affordable prices as other necessities are going up now in time of pandemic.

“Easy Price Comparisons” is at Rank 8 with 33 responses or 8 percent. This means that a lot of people compares prices from different marketplaces and stores where they can save higher costs. Therefore, when buying online, they are being smart on how to save money as well.

“Wide Variety or Range of Products Available” is at Rank 9 with 18 responses at 5 percent. This means that having a wide variety or range of products is still giving consumers a satisfaction since they can choose whatever they want over thousands of brands and stores online

“Accessibility and Availability of Online Shops 24/7” is at Rank 10 with just only 16 responses or 4 percent. This may manifest that a lot of consumers are still in favor of online shopping because of the easy accessibility and availability of online shops all day or 24/7. This gives them a lot of time to choose and decide which products to choose without worrying what time is it.

Completing the ranking at Rank 11 is “Page Load Speed” with 11 responses only or 3 percent. This means that load speed of page is somehow still gives satisfaction to consumers as they do not want to be waiting at times.

Table 4.4



Business Owner or Seller Preferences on Recommended Online Shopping Factors that Affect Customer Satisfaction

Online Shopping Factors Affecting Customer Satisfaction	*f	%	Rank
a. Quality of Products	50	14	1.5
b. Low and Affordable Prices	39	11	6
c. Easy Price Comparisons	43	12	5
d. Fast Shipping Time or Deliverability	50	14	1.5
e. Convenience of Online Shopping (Saves time, money, and efforts)	13	4	9
f. Good Discounts and Various Vouchers	19	5	8
g. Real Time Interactions or Fast Responses	50	14	1.5
h. Accessibility and Availability of Online Shops 24/7	11	3	10.5
i. Wide Variety or Range of Products Available	44	13	4
j. Page Load Speed	9	3	10.5
k. Various Payment Methods Available	23	7	7
TOTAL	351	100%	

**multiple response*

Table 4.4 shows the frequency and percentage distribution of the business owner or seller preference on their recommended online shopping factors that affect customer satisfaction.



As displayed on the table, “Quality of Products”, “Fast Shipping Time or Deliverability”, and “Real Time Interactions or Fast Responses” are all tied at Rank 1.5 with total responses of 50 each out of 351 or 14 percent. This manifests that same with consumers, business owners or sellers are seeing that quality of products, fast delivery, and real time interactions or fast responses from them are the most important factors to focus on to get a lot more satisfied customer.

Rank 4 is “Wide Variety or Range of Products Available” with total responses of 44 or 13 percent. Business owners or sellers nowadays are not ceasing on looking for more products to sell in their shops as they want their shop to be just one stop shop for all their target customers so they will not buy from other stores anymore.

Rank 5 is “Easy Price Comparisons” with 43 responses at 12 percent. This means that business owners still feel that consumers will be satisfied when they have easy access to compare prices from different stores.

“Low and Affordable Prices” is at Rank 6 with 39 responses or 11 percent. This means business owners or sellers cannot deny that low and affordable prices for their products will give them more satisfied customers but it still depends on whom they are targeting.



“Various Payment Methods Available” is at Rank 7 with 23 responses or 7 percent. A lot of business owners or sellers are still thinking that it is still better to put different options for payment at their stores so their customers will be satisfied enough and can easily pay as soon as possible.

“Good Discounts and Various Vouchers” is at Rank 8 with 19 responses or 5 percent. This means that a lot of people are enjoying different discounts and various vouchers. Therefore, business owners tend to join different campaign sales so they will attract more customers than with the normal marketing effort.

“Convenience of Online Shopping (Saves time, money, and efforts)” is at Rank 9 with 13 responses at 4 percent. This means that having business owners or sellers also think that online shopping does really gives so much convenience to all people when it comes to saving time, money, and efforts.

Tied at Rank 10 are “Accessibility and Availability of Online Shops 24/7” and “Page Load Speed” with 11 and 9 responses respectively at 3 percent. These two factors are the least affecting customer satisfaction for business owners or sellers.



Objective 4. On the limitations of online shopping for both consumers and business owners or sellers

Table 4.5 below shows the frequency and percentage distribution of the consumer preference on visual presentation for the limitations of online shopping.

Table 4.5

Consumer Preferences on Limitations of Online Shopping

<i>Limitations of Online Shopping</i>	<i>*f</i>	<i>%</i>	<i>Rank</i>
a. Security for Payments	12	7	6
b. Shipping Problems and Delays	38	21	2
c. Returns are Complicated	20	14	3.5
d. Intangibility of products or lack of touch and feel of the merchandise/ products	25	14	3.5
e. Modus or Scam	40	22	1
f. Risk of Fraud	19	10	5
g. Negative Environmental Impact of Packaging and Gas	5	3	8.5
h. No Sales Assistance and Less Contact with Community	10	6	7
i. Buyer's change of mind	2	1	11
j. Lack of significant discounts	4	2	10
k. No Support for Local Retailers	6	3	8.5



TOTAL	181	100%	
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**multiple response*

As revealed on the table, “Modus or Scam” is Rank 1 with total responses of 40 out of 181 or 22 percent. This manifests that the consumers are seeing that there are a lot of modus or scam in the world of E-commerce that’s why nowadays, it becomes a habit that they would triple check first what they are buying and the profile of the seller.

Rank 2 is “Shipping Problems and Delays” with total responses of 38 or 21 percent. Consumers nowadays are more becoming irritable when it comes to delays of their orders since they are just waiting for their products to come at their doors. They will come an instance that for sure it will have delays on the seller side or courier side.

Tied at Rank 3.5 are “Intangibility of products or lack of touch and feel of the merchandise / products” and “Returns are Complicated” with 25 and 20 responses respectively at 14 percent. This means that consumers still feel different when they see clearly and personally the products they are buying instead of via online. Likewise, when wrong item delivered to consumers, returns are so complicated since a new product will be returned and delivered to the buyer. Therefore, it is a really long process if the item once arrived, and consumer do not like it since it is intangible when you order it online.



“Risk of Fraud” is at Rank 5 with 19 responses or 10 percent. This means consumers cannot deny the fact that there are still people who are doing fraud or cheating on innocent people. It is really needed to double check everything first as there are a lot of people who are finding ways to survive this crisis through bad ways.

“Security for Payments” is at Rank 6 with 12 responses or 7 percent. A lot of consumers are still thinking that it is still not safe to buy online because of the payment gateways or the way they are paying via online and typing their credentials or bank details.

“No Sales Assistance and Less Contact with Community” is at Rank 7 with 10 responses or 6 percent. This means that a lot of people lost their jobs because business owners had to cut down on expenses as they shifted their stores as well to online. Therefore, when buying online, there are no sales assistance at all where we usually used to ask for sizes and fit them one by one or what are the best items.

Tied at Rank 8.5 are “No Support for Local Retailers” and “Negative Environmental Impact of Packaging and Gas” with 6 and 5 responses respectively at 3 percent. This means that buying items through online require so much of packaging materials to attract consumers. This leads to negative impact for the environment as some sellers are using biodegradable materials.



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Moreover, buying different imported goods online can show that some consumers have no support for local retailers as well.

“Lack of significant discounts” is at Rank 10 with just only 4 responses or 2 percent. This may manifest that a lot of consumers are enjoying back-to-back preferential rates and discounts given by the different owners and stores in the E-commerce platforms.

Completing the ranking at Rank 11 is “Buyer’s change of mind” with 2 responses only or 1 percent. This means this limitation is not suitable for consumers section but rather more on business owners or sellers’ perspective.



Table 4.6

Business Owner or Seller Preferences on Limitations of Online Shopping

<i>Limitations of Online Shopping</i>	<i>*f</i>	<i>%</i>	<i>Rank</i>
a. Security for Payments	31	14	4
b. Shipping Problems and Delays	11	5	7.5
c. Returns are Complicated	18	8	5.
d. Intangibility of products or lack of touch and feel of the merchandise / products	10	5	7.5
e. Modus or Scam	43	20	1.5
f. Risk of Fraud	43	20	1.5
g. Negative Environmental Impact of Packaging and Gas	4	2	9
h. No Sales Assistance and Less Contact with Community	3	1	10.5
i. Buyer's change of mind	40	18	3
j. Lack of significant discounts	2	1	10.5
k. No Support for Local Retailers	15	7	6
TOTAL	220	100%	

**multiple response*



Table 4.6 shows the frequency and percentage distribution of the business owner or seller preference on limitations of online shopping.

As noted on the table, “Modus or Scam” and “Risk of Fraud” are both tied in Rank 1.5 with total responses of 43 out of 220 or 20 percent. This indicates that business owners are so much aware with a lot of scammers and people who are doing fraud towards in their businesses. Therefore, some business owners tend to check their buyers’ profile as well just like checking a bit of their social media pages if there are.

Rank 3 is “Buyer’s Change of Mind” with total responses of 40 or 18 percent. Business Owners or Sellers are getting upset if there are consumers who suddenly change their minds. This is because they have already picked and packed the orders and it’s ready for shipping already by the courier. It is a waste of time on the part of business owner or seller.

Rank 4 is “Security for Payments” with 31 responses at 14 percent. This reveals that business owners or sellers are still aware of how risky their products are when it comes to payments most especially if it is cash on delivery payment method. They have already shipped out their products and payment are not still with them. That is why some platforms have built the guarantee policy to protect the rights as well of the business owners or sellers.



“Returns are Complicated” is at Rank 5 with 18 responses or 8 percent. This means business owners or sellers cannot deny it that returns are a headache for them. It is because they will be the ones to handle the shipping payment fee of the courier from the buyer’s location going back to their business address. That is why it is really important for them that their consumers are legit buyers.

“No Support for Local Retails” is at Rank 6 with 15 responses or 7 percent. A lot of business owners or sellers are still thinking consumers tend to buy more products which are imported or manufactured from other countries.

Tied at Rank 7.5 are “Shipping Problems and Delays” and “Intangibility of products or lack of touch and feel of the merchandise / products” with 11 and 10 responses respectively at 5 percent. This means that shipping couriers fault are one of the headaches that E-commerce can bring to the business owners or sellers. It is because if there are problems and delays with the shipments, it will affect their business profile. Same as well with the intangibility of the products or lack of touch and feel of the merchandise and products. Business owners or sellers tend to get tired of having consumers asking questions constantly regarding sizes, exact dimensions, colors, and etc. and at the end some buyers will not push through with their orders from the shop.



“Negative Environmental Impact of Packaging and Gas” is at Rank 9 with just only 4 responses or 2 percent. This may show that few business owners or sellers are agreeing that most of the shops now are customizing their branding just to attract more consumers.

Tied at Rank 10.5 are “No Sales Assistance and Less Contact with Community” and “Lack of significant discounts” with 3 and 2 responses respectively at 1 percent. This means that these limitations are the less concerned of the business owners or sellers as they are more beneficial for them

Objective 5. On the degree of effects of these online factors on customer satisfaction.

Table 4.7 indicates the weighted mean and the corresponding perception of the consumers on the online shopping factors affecting customer satisfaction.

As illustrated on the table, “Quality Products”, “Fast Shipping Time or Deliverability” and “Real Time Interactions or Fast Responses” are all tied at Rank 2 with weighted mean of 5 or Major Effect.

These online shopping factors are obviously the top three which greatly affects the customer satisfaction when shopping online. This means these factors are the things that business owners or sellers should prioritize for their business or brand to grow and be closer to their target consumers.



Rank 4 is “Low and Affordable Prices“, which has a weighted mean of 4.88 or Major Effect. Rank 5 is “Wide Variety or Range of Products Available” which

Table 4.7

Consumer Perception on the degree of effects of Online Shopping Factors on Customer Satisfaction

<i>Online Shopping Factors Affecting Customer Satisfaction</i>	<i>WX</i>	<i>I</i>	<i>Rank</i>
a. Quality of Products	5	MajE	2
b. Low and Affordable Prices	4.88	MajE	4
c. Easy Price Comparisons	3.7	ModE	7
d. Fast Shipping Time or Deliverability	5	MajE	2
e. Convenience of Online Shopping (Saves time, money, and efforts)	3.33	N	8
f. Good Discounts and Various Vouchers	3.3	N	9
g. Real Time Interactions or Fast Responses	5	MajE	2
h. Accessibility and Availability of Online Shops 24/7	3.92	ModE	6
i. Wide Variety or Range of Products Available	4.1	ModE	5
j. Page Load Speed	3.02	N	11



k. Various Payment Methods Available	3.28	N	10
Average Weighted Mean	4.04	ModE	

Legend:

<u>Numerical Equivalent</u>	<u>Scale</u>	<u>Interpretation</u>
4.50 - 5.00	5	Major Effect (MajE)
3.50 - 4.49	4	Moderate Effect (ModE)
2.50 - 3.49	3	Neutral (N)
1.50 - 2.49	2	Minor Effect (MinE)
1.00 - 1.49	1	No Effect (NE)

has a weighted mean of 4.1 or Moderate Effect. While bringing up the rear in Rank 6 is “Accessibility and Availability of Online Shops 24/7” with a weighted mean of 3.92 or Moderate Effect.

“Easy Price Comparisons” is at Rank 7 which has a weighted mean of 3.7 or Moderate Effect. “Convenience of Online Shopping (Saves time, money, and efforts)” is at Rank 8 which has a weighted mean of 3.33 or Neutral. “Good Discounts and Various Vouchers” is at Rank 9 which has a weighted mean of 3.3 or Neutral.

Completing the ranking are “Various Payment Methods” at Rank 10 which has a weighted mean of 3.28 or Neutral and at Rank 11 is “Page Load Speed” which has a weighted mean of 3.02 or Neutral.

It may be concluded that quality products, fast shipping time or deliverability, and real time interactions have the greatest effect when it comes to online factors affecting customer satisfaction. Together with low affordable



prices, these four are the main online shopping factors that consumers highly consider in buying products through different e-commerce stores and platforms. They rely on these four online shopping factors whether they will buy or purchase again or not on the specific shop. If the shop can satisfy its consumers, most likely it will be well-known on its target market even though there are a lot of competitors in E-commerce industry. Consumers tend to rely of course on the feedback of every customer that had already an experience buying on a specific shop. Therefore, it will definitely help consumers to decide whether they will buy or not. Among all the online shopping factors affecting customer satisfaction, various payment methods and page load speed have the least effect on the part of consumers. It means that one payment method or two is already enough for consumers most especially in times of pandemic wherein all transactions are via online. Same goes with page load speed. It means that it is on consumers' end if there is a problem with their internet connection. Since all of the online shopping factors presented by the researcher have an average of 4.04, it only means that these online shopping factors have considerable effect on customer satisfaction.

Table 4.8 below indicates the weighted mean and the corresponding perception of the business owner or seller on the online shopping factors affecting customer satisfaction.



As exhibited on the table, “Fast Shipping Time or Deliverability” and “Convenience of Online Shopping (Saves time, money, and efforts) are tied at Rank 1.5 with weighted mean of 5 or Major Effect.

These online shopping factors are obviously the top two which greatly affects the customer satisfaction when shopping online when it comes to the business owners or sellers. This means business owners or sellers know exactly what to prioritize in order for their brand or business to grow in the E-commerce industry.

Rank 3 is “Low and Affordable Prices” which has a weighted mean of 4.88 or Major Effect. Rank 4 is “Real Time Interactions or Fast Responses” which has

Table 4.8

Business Owner or Seller Perception on the degree of effects of Online Shopping Factors on Customer Satisfaction

<i>Online Shopping Factors Affecting Customer Satisfaction</i>	<i>WX</i>	<i>I</i>	<i>Rank</i>
a. Quality of Products	4.48	ModE	5
b. Low and Affordable Prices	4.88	MajE	3
c. Easy Price Comparisons	2.26	MinE	10
d. Fast Shipping Time or Deliverability	5	MajE	1.5
e. Convenience of Online	5	MajE	1.5



Shopping (Saves time, money, and efforts)			
f. Good Discounts and Various Vouchers	3.9	ModE	.6
g. Real Time Interactions or Fast Responses	4.54	MajE	4
h. Accessibility and Availability of Online Shops 24/7	2.06	MinE	11
i. Wide Variety or Range of Products Available	3.36	N	7
j. Page Load Speed	3.02	N	9
k. Various Payment Methods Available	3.28	N	8
Average Weighted Mean	3.8	ModE	

Legend:

<u>Numerical Equivalent</u>	<u>Scale</u>	<u>Interpretation</u>
4.50 - 5.00	5	Major Effect (MajE)
3.50 - 4.49	4	Moderate Effect (ModE)
2.50 - 3.49	3	Neutral (N)
1.50 - 2.49	2	Minor Effect (MinE)
1.00 - 1.49	1	No Effect (NE)

a weighted mean of 4.54 or Major Effect. While bringing up the rear in Rank 5 is “Quality of Products” with a weighted mean of 4.48 or Moderate Effect.

“Good Discounts and Various Vouchers” is at Rank 6 which has a weighted mean of 3.9 or Moderate Effect. “Wide Variety or Range of Products Available” is at Rank 7 which has a weighted mean of 3.36 or Neutral. “Various Payment Methods Available” is at Rank 8 which has a weighted mean of 3.28 or Neutral. Rank 9 is “Page Load Speed” which has a weighted mean of 3.28 or Neutral.



Completing the ranking are “Easy Price Comparisons” at Rank 10 and 11 which has a weighted mean of 2.26 or Minor Effect and “Accessibility and Availability of Online Shops 24/7” which has a weighted mean of 2.06 or Minor Effect.

Fast Shipping Time or Deliverability and Convenience of Online Shopping (Saves time, money, and efforts) have the greatest effect on when it comes to online factors affecting customer satisfaction according to business owners or sellers respondents. Together with low affordable prices, these three are the main online shopping factors that business owners are considering the most important factors for their buyers or target market choose their shop and brand over others. In order for them to be one of the chosen shops in the E-commerce platforms, they should keep on improving their shipping, deliverability, and pricing. This way, they will have loyal customers. Nowadays, stores can be well-known through consumers and buyers’ word of mouth. Business owners are making sure they are in the competitive market. Among all the online shopping factors affecting customer satisfaction, easy price comparisons and accessibility and availability of online shops 24/7 have the least effect on part of consumers. This means that they are not worried with the price comparisons of consumers as they know this would not greatly affect their satisfaction. Hence, they are focusing more on the shipping, quality of service or product, and customer service. Since all of the online shopping factors presented by the researcher



have an average of 3.8, it only means that these online shopping factors have considerable effect on customer satisfaction.

Objective 6. On whether there is significant difference between the response of consumers and owners/sellers on the factors affecting customer satisfaction.

To determine the significance of the difference of the responses on online shopping factors affecting customer satisfaction, the z-test which makes use of the z ratio was applied. This statistical test was used to determine whether two population means are different when the variances are known, and the sample size is large, more than 30 respondents per group. In this study, two population mean was compared, the mean for the customers and the mean for business owners.

Table 4.9

Computed Z-test for all Online Shopping Factors Recommended by both Consumers and Business Owners

Online Shopping Factors	Computed Z value	Tabular Z Value	Interpretation
Quality of Products Low Affordable Prices Fast Shipping Time or Deliverability Convenience of Online	1.782	3.56	Since the Computed Z Value is smaller



Shopping (Saves time, money, and efforts) Good Discounts and Various Vouchers Real Time Interactions or Fast Responses Accessibility and Availability of Online Shops 24/7 Wide Variety or Range of Products Available Page Load Speed Various Payment Methods Available			than Tabular Z Value, there is no significant difference between the response of customers and business owners on the online shopping factors affecting customer satisfaction.
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Table 4.9 below showed the tabulated z value based on the 0.05 level of significance is 1.782 refer to the appendix A for the Critical Values of the z distribution (5% level of significance).

The computed z value is less than the z tabulated figure, which means that the computed value fell inside the acceptable region.

Therefore, it can be interpreted that the hypothesis of the study – **There is no significant difference between the response of customers and business owners on the online shopping factors affecting customer satisfaction**, - is accepted as there were no significant difference identified on the evaluation of the respondents from the selected consumers and business owners or sellers in the E-commerce industry.



Objective 7. On the development of strategies that can be applied in online shopping services in order to increase customer satisfaction.

Every time a new online shopping store is established anywhere, whether a single-own enterprise, a partnership, or a corporation, the owner or owners must develop a guide on how to satisfy the online shopping experience of any group of consumers, whether they came from different age groups, different gender groups, or different work groups. It must involve some of the stakeholders of the business such as the business owners, managers, and customers. In developing strategies, it should include the values and beliefs of the organization and to be internalized and used regularly in all business transactions, no matter what the size of business is.

Today's consumers pay great deal of attention to these online shopping factors in addition to the quality of products and services of the businesses. Promises must be fulfilled and the price and quality of products and services must be equal to what is advertised online by the business, or another business will step in to deliver. Online shopping factors that are both defined and being translated into action are part of the business culture of every successful food service business, and must become the goal of every business owner. Operating a successful business through the use of these factors and strategies will reap not only the benefits of growth and prosperity, but also the satisfaction on their part.



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Unfortunately, there are problems in the online shopping that are ignored by the sellers and business owners. They are not keeping much attention on creating effective and marketable online strategies that will help them to be patronized and make large profits than ever before. These are hindrances that if not taken care of, will decrease the number of customers these businesses cater to.

This study, therefore, came up with a guide to serve as basis in improving strategies that can be employed in electronic shopping businesses in order to increase satisfaction and trust level of consumers.

The guideline, entitled “SMSO PROPOSITION OF ONLINE CUSTOMER SATISFACTION” is presented on the next page.



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SMSO PROPOSITION OF ONLINE CUSTOMER SATISFACTION

Proposition on E-Commerce Business:

1. Always look for the possibilities in early stage for a business rather than regretting in the future.
2. All businessmen should learn low customer acquisition cost, high repurchase rate, and healthy margins which are easy to digest at first.
3. There is no harm in trying a business. There are still risks but technology will kept on improving as time passes by.
4. Businessmen still do traditional way of selling but may study and gaining a lot more of information before shifting their businesses to online.



Proposition on Online Shopping Factors:

1. Quality of products and fast delivery should be the most important factors to consider to have good customer satisfaction.
2. Different marketplaces should offer double campaign sales by giving discounts and vouchers to use.
3. Sellers should reply to customers as soon as possible and there should be various payment methods to choose from for every customer's convenience.
4. Prices should be easily compared because people compare prices from different marketplaces and stores where they can save higher costs.
5. There should be wide variety or range of products so that consumers will be satisfied; since they can choose whatever they want over thousands of brands and stores online.
6. Fast loading of the website gives satisfaction to consumers as they do not want to be waiting at times.
7. Real time interactions or fast responses should be done to get a lot more satisfied customer.

Proposition on Online Limitation:



1. Consumers will have a habit of not only to double check but even to triple check first what they are buying, as well as the profile of the seller to avoid modus or scam.
2. Consumers will be more irritable when it comes to delays of their order; since they are just waiting for their products to be delivered at their doorsteps.
3. Consumers still feel different when they see clearly and personally the products they are buying instead of via online.
4. Consumers are still thinking that it is still not safe to buy online because of the payment gateways or the way they are paying via online and typing their credentials or bank details.
5. Business owners cut down expenses resulting to no sales assistance at all where costumers usually used to ask for sizes and fit them one by one to get what best items for them.
6. Retailers should consider the negative environmental impact of their packaging and gas emission.
7. Lack of discount may result in the decrease of sales in E-commerce platforms.

Proposition on Gravity of Effects:

1. The quality of products, fast shipping time or transport, and real time interactions are the top shopping factors that have major effects on customers' satisfaction.
2. The easy price comparisons, accessibility and availability of online shops (24/7), and wide variety of products available are the factors that have moderate effect on customers' satisfaction.
3. The convenience of online shopping, considerable discounts and various vouchers are the factors that give neutral effect on customers' satisfaction.





Figure 4.1

SMSO Proposition of Online Customer Satisfaction

With all the gathered data, we can say that customers' satisfaction is a measurement that determines how well a store's products meet customer expectations. It is one of the most important indicators of purchase intentions and customers' loyalty. It will definitely help predict business growth and revenue. A high customers' satisfaction level guarantees long-term consumers and it will make one store stand out from the competition. It will also avoid the dire consequences of bad customer experiences, churning consumers and negative word of mouth.

Most important to take note by all business owners or sellers is that if you do not care about your consumers, do not expect them to care about you. Business owners or sellers can measure their consumers' general satisfaction with their services or monitor specific touch points like making a purchase, contacting customer support and using particular product feature. It is also good to include open-ended consumers' satisfaction survey questions after



consumers rate one's shop. It allows consumers to explain their choices and gives business owners or sellers concrete feedback.

Customer centricity is an indispensable element of every successful business. This is why all companies or business owners should focus on continuously improving customer satisfaction (Szyndlar, 2021).

High customer satisfaction levels help with keeping existing consumers around, attracting new ones, increasing customer loyalty, standing out from the crowd of competition, and making smart product decisions.

Chapter 5

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

This chapter presents the summary of the study. It includes the findings gathered from the data, the conclusions drawn from these findings and recommendations offered in the light of the findings and conclusions. It presents the answers to the objectives of the study which is hereby restated.



Objectives of the Study

This study aimed to know the factors, limitations, and recommendations on the customers' satisfaction of online shopping as a basis for developing marketing for year 2021.

Specifically, the study aimed for the following objectives:

1. To know the most preferred e-commerce platforms here in the Philippines.
2. To determine the different types of businesses existing in Philippine e-commerce industry.
3. To gather the online shopping factors recommended by the respondents that affect customer satisfaction.
4. To describe the limitations of online shopping for consumers and sellers.
5. To know the degree of effects of the online factors on customer satisfaction
6. To determine whether there is a significant difference between the response of consumers and business owners/sellers on the online shopping factors affecting customer satisfaction.
7. To develop an enhanced guideline for marketability.

Summary of Findings

This study was conducted for the purpose of knowing the recommended online shopping factors of the respondents that affect the customer satisfaction with regards to describing the limitations of the online shopping for consumers



and sellers, how much the effect of online factors to customer satisfaction, significant difference between the response of customers and business owners or sellers on the factors affecting customer satisfaction, and utilizing the findings in developing enhanced guidelines for marketability of businesses and e-commerce through number of sellers and buyers using the primary instruments, the questionnaire and interview. The descriptive method of research was applied, and the survey technique was utilized. The primary instrument used to gather data were the questionnaire, and the unstructured interview was used randomly to solicit more insights from the respondents.

All indicators were evaluated by the respondents of the selected consumers and business owners / sellers in Metro Manila. Due to some restrictions and limitations, there were times that business owners were represented by their store managers and selected staff. Based from gathered data, the researcher came up with the following findings:

1. On Consumer Preferences on the Top E-commerce Platforms in the Philippines

The first three (3) in rank are: **a.** “Lazada” and “Shopee” with 22 respondents each or 31 percent, **b.** “Brands’ Official Websites” with 15 respondents or 21 percent, and **c.** “Zalora” with 10 respondents or 14 percent.



2. On Business Owner or Seller Preferences on the Different Types of Businesses and its Average Daily Order Currently Existing in the Philippine E-Commerce Industry

The first three (3) in rank are: **a.** “Start-up Company or Brand with ADO 5-19 orders per day” with 21 respondents or 42 percent, **b.** “Small Business Enterprise with ADO 20-99 orders per day” with 15 respondents or 30 percent, and **c.** “Individual or just a hobby” with 9 respondents or 18 percent.

3. On Consumer Preferences on Recommended Online Shopping Factors that Affect Customer Satisfaction

“Quality of Products” and “Fast Shipping Time or Deliverability” are all tied at first rank with total responses of 50 each out of 392 or 13 percent. Rank 2 is “Good Discounts and Various Vouchers” with total responses of 48 or 12 percent. Tied at third rank are “Various Payment Methods Available” and “Real Time Interactions or Fast Responses” with both 45 responses each at 11 percent.

4. On Business Owner or Seller Preferences on Recommended Online Shopping Factors that Affect Customer Satisfaction

Tied in first rank are “Quality of Products”, “Fast Shipping Time or Deliverability”, and “Real Time Interactions or Fast Responses” with total



responses of 50 each out of 351 or 14 percent. On Rank 2, it is “Wide Variety or Range of Products Available” with total responses of 44 or 13 percent. Rank 3 is “Easy Price Comparisons” with 43 responses at 12 percent.

5. On Consumer Preferences on Limitations of Online Shopping

The first three (3) in rank are: **a.** “Modus or Scam” with 40 respondents or 22 percent, **b.** “Shipping Problems and Delays” with 38 respondents or 21 percent, and **c.** “Returns are Complicated” and “Intangibility of products or lack of touch and feel of the merchandise or products” with 20 and 25 respondents respectively or 14 percent.

6. On Business Owner or Seller Preferences on Limitations of Online Shopping

The first three (3) in rank are: **a.** “Modus or Scam” and “Risk of Fraud” with 43 respondents each or 20 percent, **b.** “Buyer’s change of mind” with 40 respondents or 18 percent, and **c.** “Security for Payments” with 31 respondents or 14 percent.

7. On Consumer Perceptions on the degree of Online Shopping Factors Effects on Customer Satisfaction

The Online Shopping Factors are ranked as follows: **a.** “Quality of Products”, “Fast Shipping Time or Deliverability”, and “Real Time Interactions or



Fast Responses” are all with weighted mean of 5 interpreted as “Major Effect”, **b.** “Low and Affordable Prices” with weighted mean of 4.88 interpreted as “Major Effect”, **c.** “Wide Variety or Range of Products Available” with weighted mean of 4.1 interpreted as “Moderate Effect”, **d.** “Accessibility and Availability of Online Shops 24/7” with weighted mean of 3.92 interpreted as “Moderate Effect”, **e.** “Easy Price Comparisons” with weighted mean of 3.7 interpreted as “Moderate Effect”, **f.** “Convenience of Online Shopping (Saves time, money, and efforts)” with weighted mean of 3.33 interpreted as “Neutral”, **g.** “Good Discounts and Various Vouchers” with weighted mean of 3.3 interpreted as “Neutral”, **h.** “Various Payment Methods Available” with weighted mean of 3.28 interpreted as “Neutral”, and **i.** “Page Load Speed” with weighted mean of 3.02 interpreted as “Neutral”.

8. On Business Owner or Seller Perceptions on the Degree of Online Shopping Factors Effects on Customer Satisfaction

The Online Shopping Factors are ranked as follows: **a.** “Fast Shipping Time or Deliverability”, and “Convenience of Online Shopping (Saves time, money, and efforts)” are both with weighted mean of 5 interpreted as “Major Effect”, **b.** “Low and Affordable Prices” with weighted mean of 4.88 interpreted



as “Major Effect”, **c.** “Real Time Interactions or Fast Responses” with weighted mean of 4.54 interpreted as “Major Effect”, **d.** “Quality of Products” with weighted mean of 4.48 interpreted as “Moderate Effect”, **e.** “Good Discounts and Various Vouchers” with weighted mean of 3.9 interpreted as “Moderate Effect”, **f.** “Wide Variety or Range of Products Available” with weighted mean of 3.36 interpreted as “Neutral”, **g.** “Various Payment Methods Available” with weighted mean of 3.28 interpreted as “Neutral”, **h.** “Page Load Speed” with weighted mean of 3.08 interpreted as “Neutral”, **i.** “Easy Price Comparisons” with weighted mean of 2.26 interpreted as “Minor Effect”, and **j.** “Accessibility and Availability of Online Shops 24/7” with weighted mean of 2.06 interpreted as “Minor Effect”.

9. On the significant difference between the response of consumers and business owners or sellers on the online shopping factors affecting customer satisfaction

The computed value, 1.782, is less than the critical value of 1.96. Therefore, there is no significant difference between the response of customers and business owners on the online shopping factors affecting customer satisfaction.

10. On the development of strategies that can be applied in online shopping services in order to increase customer satisfaction.



The researcher was able to generate strategies based on the frequency of the different online shopping factors recommended by both consumers and sellers or business owners, and on the supplemental interview of the respondents. The strategies as a whole are exhibited in the appendix section of this paper.

Conclusion

Based on the summary of findings from the data gathered, the following conclusions are drawn:

1. Majority of the consumer respondents belong to the middle generation. They are ranging from young adults to adults or who are starting out their careers.
2. Majority of the business owner or seller respondents are people who started their careers already and coping up to the business world.
3. There are more female consumers compared to male. Female are more inclined to online shopping.
4. Female business owners or sellers are more open to seize opportunities of the e-commerce industry that can bring to their businesses compared to male.
5. Single consumers have more time on looking for their preferred products or goods in e-commerce to shop online compared to married couples who have already families to prioritize.



6. Business consumers which are already married have so much resources to use when owning and operating businesses; since they have established their incomes enough.

7. Consumer respondents who are college graduates do really find online shopping convenient for them as they have their phones checked regularly.

8. Business owners has all the knowledge that are enough to own and operate a business or a brand and shift it on the e-commerce industry.

9. Both Lazada and Shopee are continuously growing in the field where they are giving a lot of advantages to both consumers and business owners or sellers.

10. There are lot of businesses who are Small Business Enterprise entered the E-commerce industry as well as those individuals who are just doing online selling as one of their hobbies. With the pandemic, it helped refine enterprises which categories of goods consumers feel are essential.

11. "Quality of Products" and "Fast Shipping Time or Deliverability" are the most important factors when it comes to getting consumers' satisfaction based on the perception of consumers itself.

12. "Quality of Products", "Fast Shipping Time or Deliverability", and "Real Time Interactions or Fast Responses" are the main factors based on consumer or business owners' perception because they know how it feels if not satisfied due to some factors experienced when shopping online.



13. “Modus or Scam” is the biggest disadvantage which many people are attracted by great offers which seem too good to be true.

14. “Modus or Scam” and “Risk of Fraud” are both factors that a business owner or seller does not want to experience at all on their operations.

15. “Quality of Products”, “Fast Shipping Time or Deliverability”, and “Real Time Interactions or Fast Responses” are the factors that will greatly affect the customers’ satisfaction. This means that these indicators should be prioritized.

16. “Fast Shipping Time or Deliverability”, and “Convenience of Online Shopping (Saves time, money, and efforts)” are both factors that business owners or sellers think that have major effect on gaining satisfaction from their consumers.

17. The computed value, 1.782, is less than the critical value of 1.96. Therefore, there is no significant difference between the response of consumers and business owners/sellers on the factors affecting customer satisfaction.

18. The responses on the frequency of recommended online shopping factors, the frequency of the limitations on online shopping, the frequency on how online shopping factors affect customer satisfaction and the result of the interview serve as basis on developing strategies to increase customer satisfaction in online shopping.

To summarize the conclusions, businesses need money to survive. To make sales, businesses need consumers. Ideally, these consumers are happy, tell their friends about their brand, and they will keep coming back. While your



business might survive with angry, single-purchase customers, only business with a focus on customer satisfaction will thrive. It is the key to create a long-term relationship with consumers. Eighty one percent (81%) of satisfied consumers are more likely to do business again with the brands they have liked if they have a positive experience. Ninety five percent (95%) of consumers will take action after a negative experience, like sharing concerns with friends and family, or churning. Ongoing satisfaction leads to loyalty. Once consumers have placed trust in a brand or company, and are assured that the company will continue to deliver, they will continue to do business.

This manifests that the consumers are continuously shopping online; since it brings them so much advantages. To improve the online shopping experience, business owners or sellers should improve all the limitations and disadvantages that still exist in E-commerce. Therefore, E-commerce is still improving day by day as this has so much opportunities that can bring to both parties.

Recommendation

Based on the findings and conclusions, the consumers and business owners or sellers have preferences when it comes to the limitations and online shopping factors affecting customer satisfactions, as well as with the top leading E-commerce platforms and different types of businesses. These limitations and



online shopping factors have different levels of effect on the customer satisfaction. To be more successful in the E-commerce industry, the online shopping factors may still be improved based on the perception of both consumers and business owners or sellers. In this accord, the following recommendations were suggested to improve the limitations and online shopping factors and eventually to make the businesses more successful in the E-commerce industry as follows:

1. More adult generation may be encouraged to shop online in the next few years as this will always be a trend.
2. More younger people may be encouraged to be engaged in business.
3. More male may be inspired to shop online as well as female consumers, for it will give them convenience and can save time.
4. More male entrepreneurs may be encouraged to have their businesses shifted to E-commerce.
5. More married couples may become optimistic with online shopping instead of going to physical stores.
6. More single people may be inspired to enter businesses as source of income.



7. Consumers may be boosted to take additional educational programs in relation with business industry to be knowledgeable on how to compare products and items suitably with proper judgment.

8. Business owners or sellers may be encouraged to pursue graduate studies in business to be properly equipped in terms of entrepreneurial management.

9. The E-commerce leading platforms and websites may continuously seek better ways and applications of better selling techniques to deliver best quality, valuable products and services to their consumers.

10. Individuals may sooner be inclined in putting up or starting a business as E-commerce industry will continue to give advantages to its sellers, business owners and consumers.

11. Other consumers who are new to shopping online may observe the preference of other consumers who are already experts on how to determine good products and good stores in different platforms.

12. Other businesses may follow the preference of other business owners or sellers and customers when it comes to how they will improve their services and as well with the online factors considering customers' satisfaction.



13. Consumers may give attention to other factors that limits their satisfaction which would help business owners or sellers to improve their services as well awareness in all aspects in business.

14. Business owners or sellers may be more open to the disadvantages that e-commerce can bring to their business so they can immediately resolve anything might happened.

15. Consumers may be aware of other online shopping factors that would greatly affect their satisfaction as technology improves as well as the business owners in their services and products.

16. Business owners or sellers may continue in the advancement of the trend and what is currently going on with the industries; so they can plan ahead of time and be aware of the factors that will greatly affect consumers.

17. Since there is no significant difference between the response of customers and business owners on the online shopping factors affecting customer satisfaction, both of the parties may discover more on how they can help each other to improve and have a positive domino effect in their future venture.

18. Business owners may utilize the guidelines or strategies resulted from the response and interview with the respondents, which are to be implemented



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in enhancing the existing policies of online shopping businesses towards marketability.

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APPENDIX A: QUESTIONNAIRE WITH COVER LETTER

Dear Respondents:

This questionnaire is for research purposes only. It is intended for the study entitled, ***“Online Shopping Factors Affecting Customer Satisfaction: Basis for Developing an Enhanced Guideline for Marketability.”***

It aims to gather the perceptions and insights of the selected respondents on certain variables. Please answer to the best of your knowledge and turn in the questionnaire to the researcher as soon as you are through. The answers to the questions will be treated with utmost confidentiality.

SHIELA MAE S. ORTIZ, MBA
Researcher

Part I: Demographic Profile

Direction: Please write or check (✓) those that corresponds to your personal information.

Name (Optional) _____

Age _____



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15 years old and below	
16 years old to 25 years old	
26 years old to 35 years old	
36 years old to 45 years old	
46 years old to 55 years old	
56 years old and above	

Gender	
Male	
Female	
LGBTQ	
Prefer not to say	

Civil Status	
Single	
Married	
Separated	
Divorced	
Others, please specify _____	

Highest Educational Attainment			
No Grade Completed		Master's Units	
Elementary Undergraduate		Master's Degree	
Elementary Graduate		Doctoral Units	
High School Undergraduate		Doctoral Degree	
High School Graduate		Others, please specify _____	
Vocational-Technical Graduate			
College Units			
College Graduate			

Part II: For Buyers / Consumers Only

Direction: 1. Below is a list of top e-commerce platforms here in the Philippines.



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Please **check** those that you preferred. (*You may check more than one*)

- ☐ Lazada
- ☐ Shopee
- ☐ Zalora
- ☐ Carousel
- ☐ E-bay Philippines
- ☐ Brands' Official Websites
- ☐ Others, please specify _____

Part III: For Sellers / Business Owners Only

Direction: 1. Below is a list of the different types of business

Please **check** that apply to you.

- ☐ Individual or just a hobby
- ☐ Start-up Company / Brand
- ☐ Small Business Enterprise
- ☐ Mid Business Enterprise

2. Check the range of ADO or your Average Daily Order that apply to you.

- ☐ Less than 5 orders per day
- ☐ 5 – 19 orders per day
- ☐ 20 – 99 orders per day
- ☐ 100 – 299 orders per day

Part IV: On the online Shopping Factors that affect Customer Satisfaction

Direction: 1. Below is a list of online shopping factors that affect customer satisfaction. Please **check** those that apply to you. (*You may check more than one*)

2. **For sellers**, check those that you perceive affect customer satisfaction. (*You may check more than one*)

- ☐ Quality of products
- ☐ Low / affordable prices



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- _____ Easy Price Comparisons
- _____ Fast shipping time or Deliverability
- _____ Convenience of Online Shopping; saves time and efforts
- _____ Good discounts and various vouchers
- _____ Real time interactions or fast responses
- _____ Accessibility and Availability of Online shop 24/7
- _____ Wide variety or range of products available
- _____ Page load speed
- _____ Various payment methods availability

Part V: On the limitations of Online Shopping for both Consumers and Sellers

Direction: 1. Below is a list of limitations of online shopping for both consumers and sellers. Please **check** those that apply to you. (*You may check more than one*)

2. **For sellers**, check those that you perceive are limitations of online shopping. (*You may check more than one*)

Please check one:	
Consumer / Buyer	
Seller	

- _____ Security for Payments
- _____ Shipping Problems and Delays
- _____ Returns are Complicated
- _____ Intangibility of products or lack of touch and feel of the merchandise /
Products
- _____ Modus or Scam
- _____ Risk of Fraud
- _____ Negative Environmental Impact of Packaging and Gas
- _____ No Sales Assistance and Less Contact with Community
- _____ Buyer's change of mind
- _____ Lack of significant discounts
- _____ No Support for Local Retailers



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Part VI: On whether the online Shopping Factors affect Customer Satisfaction

Direction: 1. Please rate the gravity of effect of online shopping factors on the Satisfaction of customers by encircling the number that corresponds to the rating scale indicated above.

2. **For sellers**, rate the factors as how do they affect customer satisfaction. (*You may check more than one*)

- 5 – Major Affect
- 4 – Moderate Affect
- 3 – Neutral
- 2 – Minor Affect
- 1 – No Affect

Please check one:

Consumer / Buyer	
Seller	

ONLINE SHOPPING FACTORS	Major Effect (5)	Moderate Effect (4)	Neutral (3)	Minor Effect (2)	No Effect (1)
1. Quality of Products	5	4	3	2	1
2. Low and Affordable Prices	5	4	3	2	1
ONLINE SHOPPING FACTORS	Major Effect (5)	Moderate Effect (4)	Neutral (3)	Minor Effect (2)	No Effect (1)
3. Easy Price Comparisons	5	4	3	2	1
4. Fast Shipping Time or Deliverability	5	4	3	2	1



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5. Convenience of Online Shopping (Saves time, money, and efforts)	5	4	3	2	1
6. Good Discounts and Various Vouchers	5	4	3	2	1
7. Real Time Interactions or Fast Responses	5	4	3	2	1
8. Accessibility and Availability of Online Shops 24/7	5	4	3	2	1
9. Wide Variety or Range of Products Available	5	4	3	2	1
10. Page Load Speed	5	4	3	2	1
11. Various Payment Methods Available	5	4	3	2	1

Thank you very much for your cooperation



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APPENDIX B: COMPUTATION OF Z VALUES

(This is to seek answer for Objective #6: To determine whether there is a significant difference between the response of consumers and business owners/sellers on the online shopping factors affecting customer satisfaction.)

1. State the null and alternative hypothesis.

Ho: $\mu_1 = \mu_2$

There is no significant difference between the response of consumers and business owners/sellers on the online shopping factors affecting customer satisfaction.

Ha: $\mu_1 \neq \mu_2$

There is a significant difference between the response of consumers and business owners/sellers on the online shopping factors affecting customer satisfaction.

This corresponds to a two-tailed test, for which a z-test for two population means, with known population standard deviation will be used.



2. Choose an alpha level

Based on the information provided, the significance level is $\alpha = .05$, and the critical value for a two-tailed test is $z = 1.96$. The rejection region for a two-tailed test is $R = (z : |z| > 1.96)$

3. Find the critical value of in a z table

4. Calculate the z test statistic

Data for Business Owner / Seller

Sample Standard Deviation, s	8.2259751195
Variance (Sample Standard), s^2	67.666666666
Population Standard Deviation, σ	7.1239034243
Variance (Population Standard), σ^2	50.75
Total Numbers, N	4
Sum	638
Mean (Average)	159.5

$$\text{Sample Mean (} X_1 \text{)} = 159.50$$

$$\text{Standard Deviation (} \sigma \text{)} = 7.1239$$

$$\text{Sample Size (} n_1 \text{)} = 4$$

Data for Consumer

Sample Standard Deviation, s	8.2663978450915
--------------------------------	-----------------



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Variance (Sample Standard), s^2	68.333333333333
Population Standard Deviation, σ	7.1589105316382
Variance (Population Standard), σ^2	51.25
Total Numbers, N	4
Sum	674
Mean (Average)	168.50

Sample Mean (\bar{X}_2) = 168.50

Standard Deviation (σ) = 7.1589

Sample Size (n_2) = 4

$$z = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{\sigma_1^2 / n_1 + \sigma_2^2 / n_2}}$$

$$z = \frac{159.5 - 168.5}{\sqrt{7.1239^2 / 4 + 7.1589^2 / 4}}$$

$$z = \frac{9}{\sqrt{50.75 / 4 + 51.25 / 4}}$$

$$z = \frac{9}{\sqrt{12.69 + 12.81}}$$



$$z = \frac{9}{\sqrt{25.5}}$$

$$z = \frac{9}{5.05}$$

$$z = 1.782$$

5. Compare the z statistic to the critical z value and decide if you should support or reject the null hypothesis.

Since it is observed that $z = 1.782 \leq z_c = 1.96$, it is then concluded that the null hypothesis is not rejected.

6. State the Conclusion

There is no significant difference between the response of consumers and business owners/sellers on the online shopping factors affecting customer satisfaction.



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APPENDIX C: TABULATED VALUES OF THE Z DISTRIBUTION AT 5% LEVEL OF SIGNIFICANCE

<i>z</i>	.00	.01	.02	.03	.04	.05	.06	.07	.08	.09
0.0	.5000	.5040	.5080	.5120	.5160	.5199	.5239	.5279	.5319	.5359
0.1	.5398	.5438	.5478	.5517	.5557	.5596	.5636	.5675	.5714	.5753
0.2	.5793	.5832	.5871	.5910	.5948	.5987	.6026	.6064	.6103	.6141
0.3	.6179	.6217	.6255	.6293	.6331	.6368	.6406	.6443	.6480	.6517
0.4	.6554	.6591	.6628	.6664	.6700	.6736	.6772	.6808	.6844	.6879
0.5	.6915	.6950	.6985	.7019	.7054	.7088	.7123	.7157	.7190	.7224
0.6	.7257	.7291	.7324	.7357	.7389	.7422	.7454	.7486	.7517	.7549
0.7	.7580	.7611	.7642	.7673	.7704	.7734	.7764	.7794	.7823	.7852
0.8	.7881	.7910	.7939	.7967	.7995	.8023	.8051	.8078	.8106	.8133
0.9	.8159	.8186	.8212	.8238	.8264	.8289	.8315	.8340	.8365	.8389
1.0	.8413	.8438	.8461	.8485	.8508	.8531	.8554	.8577	.8599	.8621
1.1	.8643	.8665	.8686	.8708	.8729	.8749	.8770	.8790	.8810	.8830
1.2	.8849	.8869	.8888	.8907	.8925	.8944	.8962	.8980	.8997	.9015
1.3	.9032	.9049	.9066	.9082	.9099	.9115	.9131	.9147	.9162	.9177
1.4	.9192	.9207	.9222	.9236	.9251	.9265	.9278	.9292	.9306	.9319
1.5	.9332	.9345	.9357	.9370	.9382	.9394	.9406	.9418	.9429	.9441
1.6	.9452	.9463	.9474	.9484	.9495	.9505	.9515	.9525	.9535	.9545
1.7	.9554	.9564	.9573	.9582	.9591	.9599	.9608	.9616	.9625	.9633
1.8	.9641	.9649	.9656	.9664	.9671	.9678	.9686	.9693	.9699	.9706
1.9	.9713	.9719	.9726	.9732	.9738	.9744	.9750	.9756	.9761	.9767
2.0	.9772	.9778	.9783	.9788	.9793	.9798	.9803	.9808	.9812	.9817
2.1	.9821	.9826	.9830	.9834	.9838	.9842	.9846	.9850	.9854	.9857
2.2	.9861	.9864	.9868	.9871	.9875	.9878	.9881	.9884	.9887	.9890
2.3	.9893	.9896	.9898	.9901	.9904	.9906	.9909	.9911	.9913	.9916
2.4	.9918	.9920	.9922	.9925	.9927	.9929	.9931	.9932	.9934	.9936
2.5	.9938	.9940	.9941	.9943	.9945	.9946	.9948	.9949	.9951	.9952
2.6	.9953	.9955	.9956	.9957	.9959	.9960	.9961	.9962	.9963	.9964
2.7	.9965	.9966	.9967	.9968	.9969	.9970	.9971	.9972	.9973	.9974



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APPENDIX D: CERTIFICATE OF EDITING AND ORIGINALITY CHECK

This document certifies that the manuscript listed below was edited for the proper English language, grammar punctuation, spelling, and overall style.

Dissertation Title

**ONLINE SHOPPING CUSTOMER SATISFACTION: BASIS FOR
DEVELOPING AN ENHANCED STRATEGY
FOR MARKETABILITY**

Researcher
SHIELA MAE S. ORTIZ

Date Issued
December 20, 2021



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Project 8, Quezon City, Philippines

Dr. Emma Cortez Iyo PhD
Proofreader

I hereby certify that this manuscript has been evaluated using Assignment proof originally Check System with 20% similarity index, <1% Internet sources, <1% publication, and 1% student papers. I have analyzed the report produced by the system and based on it, I certify that the references in the manuscript are in accordance with good scientific practice.

Verified through assignment proof by:
Engr. Delaney C. Ofrecio
Research Director

APPENDIX E: CERTIFICATION OF PROOFREADING

This is to certify that I have edited this
thesis manuscript titled;

**ONLINE SHOPPING CUSTOMER SATISFACTION: BASIS FOR
DEVELOPING AN ENHANCED STRATEGY FOR MARKETABILITY**

Prepared by:
SHIELA MAE S. ORTIZ

And have found it complete and satisfactory with respect to grammar and composition.



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Project 8, Quezon City, Philippines

DR. EMMA CORTEZ IYO
Doctor of Philosophy in Educational Leadership and Management
Name of English Editor/Specialist
(Signature above Printed Name)

FEBRUARY 21, 2022
Date

APPENDIX F: CURRICULUM VITAE



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SALES EXECUTIVE

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+639266270826

PROFILE

Responsible for planning, implementing, managing and overseeing company's overall sales strategy. Involved in selling products, goods and services to customers and clients. Main role is based on setting up a strategy for finding new prospects and sales leads and converting them into paid users.

SKILLS

Confidence & Relationship Building
●●●●●●●●

Interpersonal Skills
●●●●●●●●

Leadership
●●●●●●●●

Adaptability & Resilience
●●●●●●●●

Conflict Management & Resolution
●●●●●●●●

WORK EXPERIENCE

BUSINESS DEVELOPMENT EXECUTIVE

Logistech Solutions PTE. LTD (Locad PH) Aug 2021 - Present

- Outbound prospecting to generate new opportunities, and always looking to innovate and understand the best sales tools and methodologies
- Inbound conversations, contacting leads in an existing Sales Pipeline
- Consistently meet KPIs monthly
- Uncover target companies, unique business challenges, and identify relevant opportunities to deliver value through Locad's services
- Facilitate high-level conversations with Senior Executives at target accounts
- Work effectively with internal stakeholders to deliver the client-centric solutions
- Work closely with the Management to develop target lists, and generate opportunities for new business
- Build relationships with prospects to understand their challenges and propose a tailored solution with our services
- Conduct product demonstrations of the LOCAD platform; then draft proposals and contracts to send to Locad's prospects
- Transition clients to the customer success team for onboarding and complete ad hoc sales related tasks from time to time

SENIOR ANALYST, BUSINESS DEVELOPMENT COMMUNITY MARKETPLACE

Shopee Philippines, Inc.

Jan 2020 - Aug 2021

- Team Lead for Lazada Acquisition
- Supervise and communicate progress on plans, roadblocks, and initiatives
- Responsible for acquiring online & offline sellers to join and start selling on Shopee
- Create opportunities for platform growth by identifying new avenues for seller acquisitions
- Conceptualize, execute, and track new initiatives to acquire new sellers for Shopee
- Manage internal and external stakeholders and act as a liaison for new sellers
- Consistently meet KPIs
- Create presentations and updates
- Supports new sellers with onboarding and incubation after acquisition
- Provide market insights from sellers' perspective, including understanding products, sellers, market, and competitor dynamics



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EDUCATION HISTORY

**Doctoral in
Business Administration**
AMA Computer University
Nov 2019 - Dec 2021

- On-going post-defense requirements

**Masters in
Business Administration**
AMA Computer University
May 2017 - Oct 2019

- Cum Laude

**BSBA Major in Marketing
Management**
AMA Computer University
May 2014 - Dec 2017

- Magna Cum Laude;
Consistent Dean's Lister
- Ms. AMA 2015
- Community Service
Awardee
- Sen. Manny Villar
Excellence Awardee
- Enterprise Resource
Planning with SAP
Awardee

TRAININGS AND CERTIFICATES

**Certificate of Civil Service
Eligibility for Honor Graduate**

- Presidential Decree 907
- Issued: May 22, 2018

WORK EXPERIENCE

**MARKETING AND MERCHANT ACQUISITION
ASSISTANT**

Oct 2018 - Dec 2019

Intelligent E-Processes Technologies Corp.
A Subsidiary under San Miguel Corporation - Infrastructure

- Brand: Autosweep RFID & San Miguel Corporation Tollways
- Assists the marketing manager on marketing initiatives and campaigns
- Assists all merchant partners regarding their concerns
- Acquiring partners for subscriber perks and discounts
- Acquiring possible reloading partners for Autosweep RFID
- Monitoring and tracking of bank and non-bank partners' contracts and agreements
- Assisting upcoming partners in testing environment to live production
- Conceptualizing and creating designs for print, digital and other OOH materials for Autosweep RFID

HR ADMINISTRATIVE ASSISTANT Feb 2017 - Sep 2018

Intelligent E-Processes Technologies Corp.
A Subsidiary under San Miguel Corporation - Infrastructure

Recruitment Function

- End to end process of Recruitment
- Sourcing of applicants
- Processing of SO, pre-employment medical and requirements
- Preparation of Salary Recommendation and Job Offers ; MDA and request for email creation
- In charge of New Employee Orientation and preparing of On Boarding Materials

Benefits Administration

- Processing, updating & transmittal all of the govt. related documents including loans and claims of newly hired and organic employees
- On time processing of the monthly govt. remittances
- Processing of enrollment to HMO for regularized employees and its dependents; and also with renewal of employee benefits with HMO

Administrative Functions

- Prepare Purchase Requests, Payment Request Memorandum. AACE and other admin documents related to all business related transactions covering IT requirements, RFID Supplies, office admin, service vehicle management and HR related transactions
- Write & distribute emails & announcements (birthday greetings, company events, etc.) to be released to employees
- Monitors, tracks the status of all PR and AACEs



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AFFILIATION

- Member of Philippine Junior Marketing Association
- Vice President of Internal Affairs of Group of Junior Business Executives
SY: 2014-2016
- Secretary and Treasurer of Sound of Nativity
SY: 2014-2016

CHARACTER REFERENCES

Henri C. Roldan

Vice President
Colorpoint Classic Inc.
0917-890-1302

Richard F. Cortez, DBA

Professor, School of Graduate Studies, AMA Education System
0929-686-9496

Diana C. Cantuba

HR Manager
Alpha Financials/AIA Philippines
0927-680-7076

- Coordinates with procurement on the status of all PRs/POs
- Assists in the preparation of the training materials and logistics

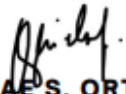
HR Function / Employee Relations

- Handling of Employee Concerns
- Organized such events for the company

MARKETING ASSISTANT / PRODUCTION STAFF

Internship - Colorpoint Classic Inc.

I hereby certify that the information above is true and correct and I authorize your institution to verify its validity that is necessary for the purpose of considering my application for employment.


SHIELA MAE S. ORTIZ, MBA
Applicant