

INVESTIGATING THE USE OF PERFORMANCE MANAGEMENT ON CUSTOMER SERVICE AND THEIR IMPACT ON E-COMMERCE TO GAIN COMPETITIVE ADVANTAGE

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ABSTRACT

The purpose of this study is to focus on the performance management system, to understand perfectly the crucial measurements of e-commerce quality in order to gain a competitive advantage. The quality of e-commerce has an influence over customer trust, behavior, and satisfaction. As customer behavior and satisfaction are related to repurchase intention, it indicates the positive impact of the customer over the product or service that helps an individual business process to lead towards success. The study describes the importance of adopting e-commerce in a business procedure along with an investigation of several barriers to make it understood better. Depending on the various business industrial reports it has been identified that the growth of e-commerce is rising rapidly which is capable of reaching more customers. The positive experience of customers has become an origin of competitive business superiority. In the business process, better e-commerce activities can balance the business process perfectly in order to draw the attention of the consumers with this advanced technology system. Here in order to lead this study, a proper survey has been conducted to get better and reliable responses from 51 participants. Here, in this research, the descriptive method was applied to analyze the primary and secondary data. Thematic analysis of the data has become profitable in getting a better understanding of the topic. In this study, data collection is a systematic procedure that deals with the gathering of information of interest and measuring those. The qualitative research method primary and secondary data collection is appropriate in order to get information about various aspects of e-commerce to balance the performance of the management team of customer services. Moreover, this study will be helpful for business leaders to understand both the positive and negative approaches of the e-commerce process to influence customers to develop business size in the competitive business market.

Keywords: E-commerce, business process, management system, competitive advantage, customer satisfaction, business development.

1. Introduction

Due to the over passing decade the utilization of technology has become a more developing and common factor rather than other innovation. In this scenario, within the increase of e-commerce, online businesses are capable of offering satisfaction to the customers. The quality of e-commerce is capable of enhancing the trust factor of the customers. Accompanied with the help of modern electronic devices, the interaction with people and services become easier rather than previous method. Beside this, observing the rapid improvement of information technology, the online business can lead a perfect cultural transformation by satisfying customers with their products or services. In both physical business as well as

online business, performance management is considered as crucial to influence customers and this factor can motivate the activities of e-commerce in order to achieve competitive advantage. Maintaining customers' requirements and satisfaction is recognized as a serious element that an organization needs to focus on.

Accompanied with the recent update, the ratio of internet users has become 104.96 million, and due to the end of 2021 the number has reached 133.39 million [1]. This constant improvement shows the rapid increase in engagement in the online platform. Due to development in the e-commerce segment the annual revenue has reached US\$ 2.3 trillion at the global platform [2]. Based on the survey it

can be stated that nearly 80% of the internet users currently prefer to shop online and it has become the best option for them. In order to develop the business process more successfully in the competitive business market, the majority of the business organizations are focusing on the performance management approach to achieve more success and customer base. The study will concern the use of performance management on customer service and their impact on e-commerce to gain competitive advantage has been discussed to understand the actual fact.

2. Literature Review

2.1 The impact of organization performance on e-commerce

In recent decades, digital transformation or technical revolution has become a trend and key element for enhancing a particular organizational growth. Due to the progress of the mind of the customers towards the purchase intention and increase the selling rate, the business organizations need to recognize the effective organizational performance tools. The impact of company performance is able to lead the growth of the organization to bring a tremendous approach [3]. Accompanied with good performance of the employees the quality of products or services can be maintained and the e-commerce business can sustain for a long term issue. The entire business transaction procedure depends on several combinations such as customer to business, customer to customer or business to customer. As in any business process, customers are the main concerning part; the business performance needs to be modified according to the needs of customers. Accompanied with better performance the organization is able to provide better products and can retain the customers for a long term.

2.2 Market strategies for increasing sales revenue

In order to increase sales revenue it is highly significant to adopt effective business strategies. Among the several business strategies, performance management is considered as one of the most vital key

elements. Due to appropriate strategies an individual business organization can retain their customers for a long time and increase their total revenue. Revenue is identified as a key tool to lead any business smoothly [4]. In order to gain competitive advantage among the other business competitors, adopting new technologies along with innovation recognized as motivation power. Therefore, selling more to existing customers the organizational performance is highly significant. In addition, having effective employees and developing new products or services is also a required tool to increase selling rate. Creating a proper plan before engaging in the work process and bumping both short and long-term sales perspectives, monitoring employee performance is considered as a vital responsibility of leadership.

2.3 Innovative technology in internet marketing process

Technological innovation is another important key factor that helps in leading an e-commerce business towards success. Accompanied with innovative technology the purchase and selling process can be more secure and safe for both the customers and the business organization. It helps to make the company more reliable for their customers. Innovation technology can provide a new way to ensure customers regarding facilities to access online transaction procedures [5]. In this modern society the internet plays a vital role as it has almost all the people accessing the internet across the world. In this scenario, if the organization can adopt innovative technologies in the work process, the marketing procedure can be modified and attract the customers. Along with the innovative technology, the online transaction process can be more secure and active and can build the logical chain. New forms of marketing are capable of shaping the improvement of innovative market approaches.

2.4 Conceptual framework

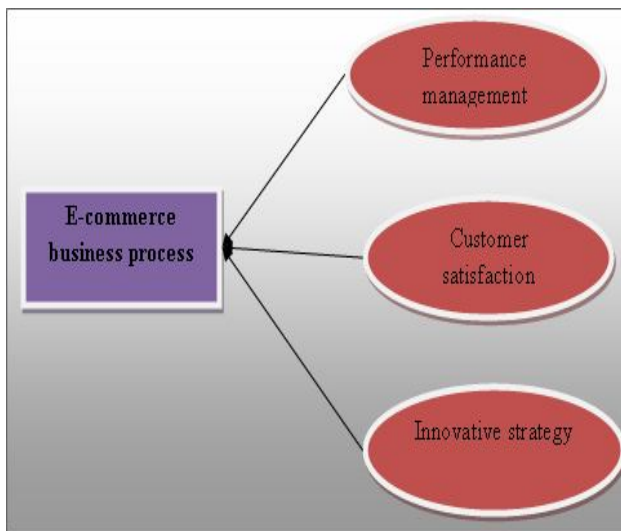


Figure 1: Conceptual Framework (Source: Self-created)

3. Methodology

In order to lead the research procedure, the *positivism research philosophy* has been selected. This process is helpful in collecting the relevant data and securing them for further research. Based on this philosophy, the researcher can get the help of getting the data which are reliable, general and objective. As getting competitive advantage among the competitors the e-commerce business organization needs to adopt several approaches, this philosophy is considered as helpful in this context [6]. In addition, *descriptive research design* has been identified as the best approach to make the research study more authentic. Identifying the research barriers, the researcher will be able to collect the appropriate relevant data regarding e-commerce business procedure [7]. The research objectives and outcomes can be reliable and authentic within this selected research design.

The research has adopted a *qualitative research strategy* to make it proper in understanding the e-commerce business process. The qualitative data is generally nominal and descriptive in nature and always remains non-numeral. The methods of collective data in majority cases remain unstructured and are capable of capturing the real feelings of the participants [8]. In the research proposal, monitoring the positive effectiveness of the performance management process, an appropriate survey has been done by the researcher. This strategy is helpful in

collecting the relevant data by answering the given question sets. In this scenario, observing and examining the real e-commerce business industry, the researcher has successfully analyzed the relevant data with the help of a modern and advanced technology system.



Figure 2: Research Strategy (Source: Self-created)

Therefore, collecting the right information and data, it is highly significant to select a proper data collection method. In this scenario, to find better outcomes for performance management in leading e-commerce businesses, a *mixed data collection method* has been adopted. It can make the research process more authentic and reliable. In order to lead and establish a correct research outcome, it is highly important to select an effective data collection method [9]. In the primary data collection method 51 respondents will participate to provide their valuable experience with organizational performance. In the interview a set of questionnaires will provide to the individual participants. On the other hand, due to collecting secondary data, the researcher will take the help of various journals, books, newspapers and articles of other writers. As the research is explained in a systematic method to gather information and knowledge, the research will be capable of mitigating existing issues to make the research more reliable.



Figure 3: Mixed Data Collection Method (Source: Self-created)

4. Thematic Analysis

● **Social Media as a Tool in Business**

In this recent developing world, social media has become an effective communicative tool that helps to interact with people across the world. The context of social media marketing allows the e-commerce business leaders to increase collaboration with customers and business plans to develop the advertising approach. In order to create something innovative and creative from the traditional business process, internet access and social media involvance is identified as the best option [10]. Online communication helps the organizational leaders by providing effective technological structure along with an active platform to promote their product or service. It can become easier to reach more people at a moment and draw their attention to increase the purchase intention. In this recent decade, the majority of business promoting companies is aware of their brand image and focus towards enhancing their customer connections. Researchers have found that internet accessing platforms are able to create successful advanced marketing strategies to sustain their competitive advantage.

Year	Percentage
2018	37.4%
2019	32.6%
2020	38.5%
2021	19.8%
2022	14.6%
2023	10.7%
2024	7.7%
2025	5.6%

Table 1: eCommerce revenue growth in India from 2018 to 2025
(Source: Statista.com, 2021)

● **The impact of performance management**

Due to organizational development and increased productivity, having an effective performance management program is considered as vital. It can ensure an organizational goal achievement process along with fulfilling objectives. The accurate performance measurement system can help in increasing employee efficiency and productivity to create innovative products or services to draw the attention of the customers [11]. Good performance practice can motivate

the employees to think innovative ideas and implement those in the organizational work process that helps the company to sustain their business for a long term issue and be able to compete with the exciting business competitors. Therefore, by monitoring and observing the performance growth, the e-commerce organization can manage employee and organizational performance.

Market Fields	Market share
Home wear and furniture	9%
Food and drink	9%
Electrical goods	11%
Clothing and footwear	13%
Airlines and hotels	16%

Table 2: eCommerce Market Shares
(Source: Statista.com, 2021)

5. Recommendations and Conclusion

➤ **Recommendations**

In order to enhance the competitive advancement in an e-commerce business process, the organization needs to adopt effective business strategies to lead the business plan perfectly. Along with this, implementing a performance management team they can provide a training session to the employees that they can produce innovative ideas and techniques to support the e-commerce business procedure [12]. As the majority businesses have social media pages and involvance of several social platforms, the e-commerce business also needs to adopt a suitable and active social media platform to reach more customers.

➤ **Conclusion**

Based on the entire study it can be stated that to enhance the business competitiveness, performance management systems require an essential key tool. While doing an ecommerce business advance technology implementation method is also required as an important element. Use of an online marketing approach can help the organization to increase their customer satisfaction by providing them with innovative products and services. Though, the process of data collection method and analysis helped the researchers to bring the effective and authentic research outcome to make the research more reliable and authentic.

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