

## Optimizing a business in e-commerce. Case study in Albania.

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**ABSTRACT:** Nowadays, businesses face many challenges, mainly with very high competition, finding new customers, etc. Every business should always be looking for a new way of doing business and E-Commerce is a new way of doing business. In the paper is addressed the topic of E-Commerce logistics and how it works and global trends. E-Commerce also has its advantages which we are explained, such as easy access and international reach and for disadvantages are not touching the product and delays due to various reasons. In this first part of the paper, we get acquainted with E-Commerce as a concept and how it has changed over time. Then different types of E-Commerce are explained, different models of E-Commerce income, marketing used and payment methods as they have an important role, thanks to the banking system it is possible to carry out transactions. Then the focus is on building the website that will make it possible to realize the whole theoretical part in practice, and M-Commerce role in supporting E-Commerce. A good management of the E-Commerce website, which is built, you can generate considerable income. Here are described different ways of building a website and the concept of M-Commerce. At the last part are addressed the various challenges that E-Commerce faces, the future that awaits it, and is also the case study which is built on the principles of E-Commerce. In the case study are identified the challenges that E-Commerce goes through and provide concrete solutions to them. In the concrete case we the study "MILI-S-STORE" which is an online clothing store based on the principles of E-Commerce. The whole process is described, from the beginning as an "idea", to the opening of a web page, and delivering the product in the hands of the consumer, specifically is a model of a "Drop shipping Business". We will get acquainted with the structure, the platform that has been built, the support platforms, the marketing strategies.

**KEYWORDS:** Technology Development, Enterprises, Cloud Computing, Business Strategy.

### I. INTRODUCTION

E-Commerce is the new way of doing business. As with all new technology applications, it has its advantages but also disadvantages. E-Commerce requires a careful planning and integration of some components of the technology infrastructure. In the following we will know what "E-Commerce" means, the history from the birth of the concept, today and the future. E-Commerce starts with an "idea" and changes along the way to better fit the market. Today there are different types of E-Commerce that use different components to meet different challenges. It all starts with having a domain which is the "cornerstone" in which an E-Commerce website is built. There are various ways in which a website can be built but it is always used where we are most involved and have the necessary capacities. A very good programming and management of the web site brings a high efficiency which means high income translated into monetary value. There are different revenue models in which E-Commerce can exist but for everything to work properly come to the aid of various programs where through them everything passes in a chain from stock product to consumer hands in case that products are also offered in services.

### II. BIGGEST CHALLENGES & POSSIBLE SOLUTIONS FOR E-COMMERCE

Cyber Data Security - The acquisition of E-Commerce brings together associated challenges as the security threat is one of the most critical for them. There is an imminent threat of hackers and fraudsters attacking the host server and not only stealing confidential data but also infecting it with viruses. Credit and debit card fraud is more prevalent and such mistakes directly affect a consumer's trust. Another threat is where hackers present themselves as businesses and seek information from their customers

Solution

The first security approach should be a priority for any business operating in the digital space to maintain the brand reputation and attract customers. Some steps to protect the data of the business and its customers

include switching to HTTPS protocols, using reliable third-party payment processing systems, and obtaining an accreditation of the Payment Card Security Standard (PCI DSS) ).

Attracting Visitors - Buyers have a variety of options to choose from. If they are looking to buy a handbag, they do some detailed research before finalizing one. If buyers have several options, how do we make sure they choose us?

Solution: Digital marketing is preferred over traditional because it targets the ideal customer. While this may not happen overnight, with SEO and regulation, product analysis can appear to potential customers on various social media platforms.

Turning Visitors Into Paying Clients - One of the biggest challenges for E-Commerce is converting visitors into paying customers. A website may have a lot of traffic, a lot of clicks and impressions, but they are not making the expected sales. What can they do to get more sales?

Solution: The first and most important thing would be to understand why your visitors are not buying - are you targeting the right audience? Is your website working smoothly? Do your online platforms face technical challenges all the time? Do you personalize your website for your customers? Always think from a buyer perspective and see if you are doing everything possible to make them customers.

Customer Retention - Even some of the biggest entrepreneurs in the E-Commerce segment are trying to maintain their customer base. The reason for customer-centric trade challenges can be attributed to many factors such as the evolving customer expectation, the presence of several similar options, the failure to provide a pleasant shopping experience, and sometimes even offers and discounts on platforms. other. Customer loyalty is really a defining aspect in the success of a business, and even a small mistake by the seller can completely ruin the brand reputation for a customer. Many businesses fail to realize that trying to retain a user is about investing in building a lasting and rewarding relationship with them over time and using every communication channel to materialize it.

Solution

Building relationships takes time and effort. Businesses need to engage their clients in a variety of ways beyond transactional correspondence and make them feel valued. Even as they strive to provide a superior website experience, brands need to nurture their customers by focusing on personalized communication. A smart customer retention strategy can work wonders for a brand where its customers turn into advocates of brand and help to further spread the brand.

Tackling Competition - The Internet offers everyone an equal platform and therefore an equal opportunity. This makes the environment extremely competitive, with hundreds of other businesses offering the same products or services as you and for the same target audience. Even the best brands have to fight hard to carve a place for themselves. And every segment in the E-Commerce space is increasingly competitive over the years.

Solution

The challenge can be mitigated through in-depth research and competitive analysis. It is important to categorize competitors and to observe closely and frequently and evaluate the components of their websites, be it prices, design, exhibited products or even tools and techniques. the marketing they use. From social media to blogs and websites to emails, a lot of clever information can be explored, which can be insightful in terms of E-Commerce landscape. Competitive analysis can guide the business in its strategy and help decide on the direction it should take.

Consistency - Consistency is the most critical element when building a successful strategy all customers use multiple platforms to search for items before they get to buy a product. But analyzing and understanding customers at all points of contact and Using them to build a consistent and flawless customer experience is one of the key E-Commerce challenges for retailers.

Solution

Brands can optimize their online platforms to give complete consistency between search options, different shopping sites and shipping details. This will help them make the shopping experience seamless for buyers. They also need to work on product quality, fulfilment and delivery.

Price & Shipping - We have all heard of customers preferring to buy products from countries that offer free shipping. E-Commerce giants like Amazon offer such attractive shipping deals that customers rarely want to look at other websites. How to reduce a transportation cost?

Solution: Not all E-Commerce sites can completely save on shipping costs, we can always look to find options that work for customers. Would a subscription lower shipping costs? Would a certain time of the month give them lower shipping costs? Or is there a carrier that is reliable but offers a cheaper rate? We make sure to make the best possible solution for customers.

Product Return Policy - According to ComScore, more than 60% of online shoppers say they look at a retailer's return policy before making a purchase. When an E-Commerce site says "no returns or refunds" it makes a buyer nervous and less likely to trust the retailer.

Solution: Customer satisfaction is the most important factor for any retailer. Therefore, having a flexible return and refund policy not only helps but also helps for customers who make purchases without being nervous.

Improvements in technology - Improvements is the ability of a business to develop, to respond to seasonal changes, etc. quickly. In this way it drives instant digital fulfilment and is identified as one of the most important initiatives in the E-Commerce business. Transforming at the heart of digital business and scaling is essential to making it successful. Many companies find it difficult to move or change quickly according to customer needs. It is usually because they cannot integrate new technologies effectively with their existing system, and as a result, market penetration becomes more difficult.

Solution

Being up to date on E-Commerce access helps us deliver an enhanced shopping experience. Businesses need to incorporate rapid change across platforms and need to create personalized collections that inspire consumers. They need to continue to deliver fresh content and must design it separately for all media devices and channels along with targeted sales experiences.

Increasing efficiency - For E-Commerce businesses, attracting good traffic can be achieved through promotions and other marketing efforts, but getting relevant directions remains a major challenge. It is no wonder that average E-Commerce conversion rates are often minimal. A report shows how only 2.57 percent of visits to the E-Commerce site were converted into purchases in the US. Efforts invested in qualifying a visitor to a user can be in vain if the right audience is not getting into the website.

Solution

A strong Search Engine Optimization (SEO) strategy in place can help sites rank and reach potential customers who are actively searching for specific products. Moreover, executing Pay Per Click (PPC) ads on Google Ads can also communicate the right information about your brands to attract an audience that has a clear purpose or interest. For traders it has to be an ongoing process of tracking. Email marketing can be used effectively here through automated campaigns and personalized emails to connect with those visitors who may be potential opportunities over time.

Conclusion - To overcome these E-Commerce challenges, businesses need to act as modern retailers of electronic channels. They need to focus on turning data into knowledge, and ways to lead the market. Customer inspiration and customer loyalty with scale personalization can work in their favour and can help support their brand, business model and international expansion. In this highly competitive world, entrepreneurs need to use smart digital practices to address the E-Commerce challenges faced by online businesses with the right set of tools. Finally, all of this should be backed by strong digital leadership, providing clarity and support with the right resources to help you become a market leader.

### **III. THE IMPACT OF COVID-19 ON E-COMMERCE**

2020 was a challenging year for all of us, but apart from the negative things it brought it also had some good ones. During this period E-Commerce grew like never before. What can we expect from 2021? - SearchNode published a new report on the latest E-Commerce trends and the impact of Covid-19. After the Lithuanian company published a new report on E-Commerce trends. In October 2020, the company asked about 100 decision makers from Europe and North America. It seems that most E-Commerce companies saw their online revenue increase during the global blockade in the spring of 2020. According to the survey, 90% of companies saw their online sales increase, at least 50 percent of respondents claimed that it increased by over 100 percent. And only 6 percent claimed that their E-Commerce revenue fell during the block. After opening, many consumers started buying again at physical retailers but in a second survey said 86% of respondents said their revenue on the Internet increased and only 4 percent said they decreased.

Covid-19 impact on the workforce - the pandemic led to some changes in the companies' workforce. About 44% said they needed to relocate staff, while three in ten hired more people. The other side of the coin is that 26% were forced to fire some people and 15% said they had to reduce the salaries of their employees. And maybe a little surprising for some, but 5% managed to increase salaries.

Measurements for physical retailers - Many physical businesses had to drastically change their business if they wanted to avoid leaving the business. So many new practices were introduced last year like e.g. home delivery, but, unfortunately, about one in five had to close the store. Some of the new practices are presented below.

In general, coronavirus has greatly affected online retailers at various levels. Among the major challenges for E-Commerce businesses, supply chains and meeting demand for products were the ones most mentioned.

Shifting strategies - last year, many respondents said they would mostly implement, improve or change personalization, site search. This year, the strategic vision, of course, has shifted due to Covid-19. Most companies (45 percent) will now focus more on the digital part of their business, adjusting to diversity, investing in new E-Commerce software.

Financial Consequences - Despite all the bad things that happened due to the Cov-19 explosion, financially 2020 was not so bad for many E-Commerce companies. Most of them 63% say the year to October was successful. And 28% claim that their E-Commerce business was doing well, while their physical stores did not. And 2% said the opposite.

## **VI. THE FUTURE OF E-COMMERCE TRENDS FOR THE COMING YEARS**

Over the years, E-Commerce online has grown rapidly. E-Commerce itself has undergone major transformations with so many new technologies and advances in the industry. And, for sure, this is just the beginning. Here are some of the trends for the coming years: \$ 3.4 trillion in revenue in 2025, Delivery by drone, Different payment options, Growing M-trade, Automated service, Voice search and voice commerce.

3.4 trillion in revenue in 2025 - to talk about the future of E-Commerce, nothing better than getting started with data and statistics. According to Italian consultancy Finaria and Forbes distribution, global E-Commerce retail sales will reach more than \$2.7 trillion in 2021, and \$3.4 trillion in 2025. These figures show that the future of E-Commerce is stable.

Drone Delivery - Distribution drones will surely be part of the future of E-Commerce. And, apparently, a not-so-distant future. Amazon, the E-Commerce giant, has developed its Prime Air drone distribution project, which they thought would start operating in several cities by the end of 2019. But, due to internal problems, the project is still in progress. Delivery drones are capable of handling and automating transport in various volumes, all without human intervention.

The advantages of automatic transport for E-Commerce are:

1. speed at delivery time
2. reduction of transportation costs
3. accident reduction
4. reduction of human error

Different payment options - another strong trend in E-Commerce is giving the customer several payment options, mainly fast payments, making the purchasing process easier and more agile. A virtual store that does not offer this variety on its website can reduce sales and even lose customers. Because people who use Paypal can give preference to stores that use it, while there are those who are more inclined use Google Pay etc., who would like to see such opportunities in their store. In addition to advances in cryptocurrencies, payment methods are expanding.

Growing M-Commerce - already represents more than 70% of online retail and, it will continue to grow in the coming years. According to a survey conducted in August 2020 by Panorama Mobile Time and Opinion Box, 91% of Brazilians who own a smartphone have already bought online through the device. This number was previously 85%. The increase occurred in just six months, during the social isolation caused by the Covid-19 pandemic. The study also found that 34% of respondents are satisfied with the mobile shopping experience and 56% are very satisfied. Given this data, we see that M-Commerce tends to grow.

Automated service - Automated attendance systems, such as chatbots, are already widely used, but will be even more present in E-Commerce in the future. By applying a few keywords and even using artificial intelligence, the machines identify what the customer needs and interact with it quickly and decisively. Adding robots to the E-Commerce website will change the look of customer service exponentially. Below are some benefits from this:

1. we reach more people
2. save time and resources
3. give direct answers
4. 24 hour service

## **V. CASE STUDY MILI -S- STORE IN ALBANIA**

"MILI-S-STORE" is an online clothing store based on the principles of E-Commerce. We have described the whole process, from the beginning as an "idea", then opening a web page, to the product in consumer hands, specifically is the revenue model "Business Drop shipping". We will get acquainted with the structure, the platform that has been built, the support platforms, the marketing strategies. So how does "E-Commerce" really work? Normally until the realization of my project I followed this path:

1. Website construction
2. Selecting the revenue model that we would apply on the website
3. Drafting the marketing strategy to be used
4. Selection of products that we would offer
5. Finding the supplier or suppliers

1. Building a website is the first point and there are two ways how it can be built by ourselves or by external companies. We chose to build it by ourself because from external companies it costs more. After selecting the

path how we would build it we chose the way. We used the way to build through E-Commerce platforms. The steps we followed to build the website are as follows:

Step 1 - Buying a domain is the first step in getting started. The domain must be in the name of the online store, equipped with the SSL certificate which protects the website from various hackers or viruses. There are many sites where you can buy a domain but I have chosen <https://domain.com>. The domain I chose for my website is <https://mili-s-store.company.site>.

The minimum availability of the domain is 1 year. There are two options you can buy a domain: A cheaper domain at a cost of \$ 9 or a domain with a double cost of \$ 18 but equipped with an SSL certificate. For data protection of course we used the second option, so that customer data was not compromised by unauthorized persons. We can see each website very simply if it is certified with the SSL certificate by clicking on the left side of the website we see if our data is secure or not.

Step 2 - Selecting the way to build the website is the second step and as far as we knew we decided to use the fourth way of using the platforms. We will have to register on these platforms. Building a website on these platforms is paid or unpaid. Some of the most popular platforms that enable the creation of web pages quickly and easily are: Google Sites, Ecwid, Wix, Shopify, Big Commerce.

Among the 5 known platforms we decided to select Ecwid, a platform from 2009 which offers the possibility of building a website. Registration is free but Ecwid has its own monthly plans in order to have access to the many services offered by this platform.

After registering on the Ecwid platform and logging in to this platform with personal credentials, a window will appear which will serve as a "Backstage" as any change in this window will be reflected on the website. So, from this window we will have everything you need to build a website, on the left side of the platform are all the items that will serve us to build, fix or improve the website. Once the purchased domain is placed in the "Instant Site URL", we can continue to deal with the voices on the left side of the platform in order to start building websites according to our preference. But first we need to create a logo that will represent the store to customers and other businesses.

Step no. 3 - The logo design of the website should be a personalized logo and convey the meaning that you symbolize. The logo of the website is in the shape of a circle which symbolizes the whole globe, and in its line a cart which symbolizes the purchase, and the purchase from every corner of the world.

Step no.4 - Website design which with the help of the platform does not require knowledge in Java or HTML, as everything we will need to find in the items on the left side of the platform where the main categories are as follows then subdivided into: Store management, Ways of sales, Configurations.

This platform window will serve as a "Backstage" as any small change in one of the platform's voices will be immediately reflected on the website. This is the area where everything is done, such as the introduction of products, payment methods, different posts, the type of marketing that will be exercised, the various statistics, everything.

The selection of the revenue model that we would apply on the website is the second point which consists of how the website will work and we have selected the "Drop shipping Business" model. Drop shipping is when we focus on building a brand while the product is being delivered by someone else under our brand. Orders are given to the wholesaler, and he has the duty to package it under our brand and then send it to the address given by us. This activity is realized by the contract that is predetermined and operates based on it. At first glance it seems easy, but it is difficult as it all depends on the marketing strategies used as there is high competition to offer the same products.



Figure 1. Business model: drop shipping

The design of the marketing strategy that would be used is the third and very important point, even if you have everything else to perfection, if you have problems in the field of marketing, the minimum income or even income and cost increase will be reflected. We have applied all five ways on the website. Below are described how they are applied on the web:

**Social media marketing** - Purchasing from social networks is on the rise. Today social platforms like Facebook and Instagram advertise products and attract the attention of consumers by making sales as well. This is a method without investment to some extent but with paid promotions in these networks the exposure of products is higher.

**Marketing Apps** - Since 2018, mobile traffic has represented most of the global internet traffic. Today, online shoppers are making more purchases through their mobile device than on their PC, and about 51% of all shoppers buy items using smart phones. Mobile marketing is about your application or as M-Commerce is known and the optimization of the E-Commerce site. We realized the creation of the website application. Thanks to the application, every client has access even easier than clicking on the website.

The selection of products that we would offer: we used clothing products, accessories, sneakers and shoes. For the fact that they are products that are not damaged during transport and online shopping is more focused on these.

Finding a supplier or suppliers is the easiest point from the previous points as many wholesale points issue their own Drop shipping notices as they also have their own profit by selling the products.

The website is linked to PayPal in order to accept payments, PayPal is mainly used in the U.S.A. so attached to them are other ways such as credit and debit cards, which are very common. Transactions are carried out in high security and the customer data is not affected, in addition to SSL security provided by the website, TSL security is added from these platforms.

At the end of each purchase on the website each customer can download the invoice online where all the data are presented.

## **VI. CONCLUSIONS AND DISCUSSION**

A good management of the E-Commerce website can generate considerable income. The purpose of the study is to get acquainted with the different ways of building a website and to get acquainted with the concept of M-Commerce. The paper addresses the various challenges that E-Commerce faces, the future that awaits it, and is also the case study which is built on the principles of E-Commerce. In the case study is summarized all the knowledge and we have the implementation in practice. Also, we identify the challenges that E-Commerce goes through and provide concrete solutions to them. E-Commerce has undergone many changes since its inception. Global trends are increasing E-Commerce revenue growth. E-Commerce models are 7 types and generate high revenue. Marketing is very important in E-Commerce and digital marketing is applied in 4 forms mainly, where the goal is to increase website visitors and so that they can see the products and turn them into customers. The methods of payment are different, but they are important as they make monetary transactions between the seller and the buyer or the seller with other companies. M-Commerce plays an important role in supporting and realizing E-Commerce, as a customer who uses M-Commerce has easier access than a customer who clicks and makes a purchase on the website. There are two ways to build a website, the first is by ourselves but we must have knowledge in some programming or build it through platforms and the second way is through external companies. It is better when they build it as they have the right experience but often come up with high costs.

**E-Commerce Challenges** - To overcome these E-Commerce challenges, businesses need to focus on turning knowledge into practice. Customer inspiration and customer loyalty help support their brand, business model and international expansion. E-Commerce during COV-19 had an immediate increase as this increase was reflected by the closure of physical stores. **The Future** - Continued technological and infrastructure advances show that the future of E-Commerce will be even more vibrant. The trend of online shopping is expected to be growing. The implication of technological equipment will lead to another stage of E-Commerce, as it is talked about the delivery of orders by drone. There is always a new way of doing business and E-Commerce is like that. We can recommend it to any enterprise how can see it possible to be implemented.

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