

An Exploratory Study of E-Business Practice in Brunei Darussalam

Fahmi Ibrahim

Universiti Teknologi Brunei, Brunei

Irsyad Ramzi

Universiti Teknologi Brunei, Brunei

Fadzli Abdul Razak

Universiti Teknologi Brunei, Brunei

Received: August 29, 2018

Accepted: December 28, 2018 Published: March 21, 2019

doi:10.5296/jebi.v5i2.13787

URL: <http://dx.doi.org/10.5296/jebi.v5i2.13787>

Abstract

This paper sets out to investigate the development of an E-business strategy by a Brunei electronic retail company. The paper aims to examine the perception and awareness of online business towards the company in the context of Brunei. The paper draws on the literature to describe the factors that effect of E-business performance. It then explores the impact of information systems (IS) planning towards E-business. The theoretical issues identified are explored empirically using data gathered from a case study of QQestore. An exploratory survey was conducted in order to assess current E-business practice and inform the development of its future e-business strategy. The results of survey indicates growing trend of online business, the limitations of information structure (IS) on pricing strategy and the lack of mode of payment. This paper reports original empirical survey and its value stems from the investigation of awareness and perception of E-business practice in Brunei context that contribute to existing knowledge of E-business.

Keywords: E Business, Brunei, exploratory study, information systems

1. Introduction

In the face of economic globalisation, many governments, especially in the developed world, are seeking to promote the “new economy” cum “knowledge economy” as a way of building international competitive advantage and generating economic dynamism, growth and jobs (European Commission, 2002). The interest of governments in the knowledge economy springs from the ubiquification of most factors of production that occurred progressively

through the twentieth century (Maskell et al., 1998), now leaving “knowledge” as the principal factors of production that might be manipulated to spur growth (Ibrahim et. al 2009). The adoption and integration of IT and people techniques is seen as vital to the achievement of growth under these economic conditions (Ibrahim and Reid, 2010). The E-business environment has been one of the most rapidly growing business environments as businesses all around the world look to increase their business activities or operations by conducting their businesses online through the use of the Internet.

What is more, when E-Business is viewed from a purely technological perspective, it tends to suggest that engagement with the technology of e-business is sequential and progressive. The sequence begins with the use of e-mail and progresses through Web site development to the buying, selling and payment mechanisms of e-commerce, to the supply chain management of e-business and the new business models built on full immersion in the technology. This “adoption ladder” approach is favoured by the UK government’s Department of Trade and Industry (DTI) which details the elements of organisational sophistication that are seen as accruing at successive steps on the ladder. Indeed, the ladder lies, “... at the heart of [UK] governmental understanding of the adoption of ... ICTs ... by existing small firms” (Sergeant, 2000; Martin & Matlay, 2001). It implies that business benefits derive directly from the organisational change and increasing ICT sophistication that the Internet facilitates. That change is progressive and the greater sophistication derives, in turn, from the supposed unique qualities of the Internet: ubiquity; interactivity – that permits collaboration; speed – that allows businesses to build quickly; and intelligence – endowing the ability to retrieve, store and process information. These qualities, it is argued, offer new ways of organising value chains (especially disintermediation and reintermediation) and allow new forms of marketplace to emerge (Kenney & Curry, 2001). The objective of this paper is to understand how E-business organizations in Brunei utilize the use of integrated information systems. There are many forms of e-business models while this paper focuses more on the B2C (Business-to-Consumer) Model which takes the form of online-shopping/online retailing. Survey was undertaken to investigate customer awareness towards online shopping, and also perception towards QQeStore. It also includes other physical companies that does not provide online shopping, for comparison, to analyze the drivers and barriers towards purchasing goods through e-retailing businesses. The literature in following section will look into the integration of information systems within online-shopping/business context.

2. Literature Review

2.1 E-Business

E-business has been one of the most fast growing business environments up till now. It is defined as any commercial or administrative transaction and information exchange that is made available over the Internet (Moodley, 2003; Wang & Cheung, 2004). E-business enables organizations to use the Internet to share information, facilitate transactions, improve customer services and strengthen supplier integration (Zhu & Kraemer, 2002). There are two major business models for E-business, which are B2B (Business-to-Business) and B2C (Business-to-Customer). B2B business activities usually involve interactions between a

business and its suppliers, which is more of a back-end system like Supply Chain Management systems. B2C business models usually includes activities between a business and its customers, things such as online inventory tracking before ordering a product usually includes applications such as Customer Relationship Management which is more of a front-end system in which consumers can interact with. Kalakota and Robinson (1999) stated that E-business is concerned with redefining old business models and maximizing business value (Lee & Lin, 2007).

One typical application of B2C e-business is online retailing. It has been recognized as one of the most technological innovation that has changed the information age (To & Ngai, 2006). Online retailing refers to the activity where electronic product or service transactions occur through the internet, providing direct-to-customer channels that usually involves information, material and cash exchanges between the business and the consumer in the context of B2C. Online retailing – e-tailing, has been becoming a daily activity of consumers (To and Ngai, 2006).

Its also important to look at the e-business revenue models when organization decide to go into the e-business market. Some of the revenue models commonly used by online businesses in the contemporary e-business market that include web-catalogue, digital content, advertising-supported, advertising-subscription mixed, and fee-based models. All of these models can be used for both in terms of B2C and B2B e-commerce. Many companies handle both their B2C and B2B sales via one website which suggests that these companies often use one revenue model for both type of sales.

2.2 Data Availability

This section of the literature review discusses the factors that contribute or can have effect on E-business performance which consists of data availability. In order to stay competitive in the e-business environment, the organization has to have continuous data availability and be continuously agile in regards to data access. This is due to the fact that in today's e-business, system downtime may cause negative affects to the business as well as the need for e-business to adapt to negative changes in the context of data, hardware or software. This has led to the importance of Information Systems that can facilitate e-business organizations to achieve high availability ratios. Studies have suggested that in order to develop IS that can facilitate continuous data availability, two important sets of information technologies have been identified which are business continuity and business agility drivers (Bajgoric, 2006).

For e-business organizations to achieve business continuity and agility there is high reliance on high levels of application/data availability, reliability and scalability. High availability refers to describe the ability of a system (operating system, application) to continue with its operation even in cases of hardware/software failures. High availability in this context means the ability of a system to continue operating even when there may be cases of hardware/software issues and failures (Bajgoric, 2006).

Bajgoric (2006) These are 3 technologies that may be used to facilitate organizations in developing an IS with high availability ratios:

(1) **fault-tolerant/disaster-tolerant systems** - Fault-tolerant capabilities consist of redundant units-based features (e.g. power supply, fan, disks-RAID, network cards, routers and other communication devices, UPS, etc.).

(2) **data storage systems**; Standard tape backup solution - Storage Area Network (SAN); and Network Attached Storage (NAS).

(3) **server platforms enhanced by ServerWare solutions** - Most widely used enterprise servers in contemporary computing are: Mainframe servers, UNIX/Linux-based servers, proprietary servers, Intel/AMD processors-based servers, Apple Macintosh servers.

The rapid changes that occur surrounding internet technologies have changed traditional server operating system structures. In addition to standard core OS capabilities, there has been an increase in the number of application and networking features such as the “ServerWare” applications, which are required on server systems in order to fully facilitate a contemporary internet-based computing (Bajgoric, 2006).

Churchman (1968) defined systems as comprising of the necessary functions of managing the system or its subsystem. In the case of this literature, an Information system for e-business should be managed in a way that it includes managing the following essential resources:

- Operating infrastructure
- System-application-network uptime
- data bases
- data access
- backup and storage
- security and protection
- IT-operations and
- human resources.

Therefore, it is important that organizations operating in the dynamic environments such as the e-business environment, can be affected if they are not able to operate when there are system, hardware or software failures.

2.3 Information Systems (IS) Capabilities and Information Technology (IT) Strategy Planning

Strategic planning is factor that contributes to the performance of e-business organizations This is vital to develop the most effective IS strategies for E-Business and a lot of methodologies have been used in the past to develop IS strategies. Due to the wide scope of e-business, organizations are encouraged to consider the core capabilities and their resources as well as having a complete IT strategy planning and implementation to compete within E-business. All successful enterprises have some unique resources and capabilities; as long as they are used effectively, the organizations will grow and create positions for themselves in the market (Barney, 1991). Enterprises must be capable of implementing IT strategy and must

devote adequate resources to the implementation of IT strategy to ensure that their plans can be implemented effectively (Earl, 1989). The Resource-based view suggests that organizations are made out of assets and capabilities, which can allow organizations to control their competitive advantage. Ciborra (1998) argued that IS capabilities and IT infrastructure should become a higher priority rather than combining IS applications. However, Fenny and Willcocks (1998) argued that there 3 continuous challenges to think about, which are: business and IT vision, design of IT architecture and delivery of IS services as there is a close link with IS capabilities. Ravichandran and Lerwongsatien (2005) suggested that the higher the IS capabilities an organization has, the better their ability to deliver IT services through the entire organization. This has presented the evidence that IS capabilities does in fact have an effect on an organizations competitive advantage, core competence and their business performance which can also affect their performance in dynamic environments such as E-business environments.

Therefore, E-business performances are also effected by IS capabilities as it is affected by the quality of implementation process for IT strategy. It is claimed that organisations within the E-business environment should focus in developing strategies to deal with IT as well as into discovering and understanding their information system capabilities. (Yeh, Lee and Pai, 2012)

3. Research Methodology

In this research a case study approach was applied in understanding E-business in practice. The reason why the case study was chosen approach is to ensure an in depth/detailed approach in order for us to collect the information that is needed for our research and to allow for a qualitative approach. For the purpose of this research, we looked to understand the literature by choosing an organization that has been established in the e-business market-environment in Brunei that is QQeStore. As they were one of the first companies in Brunei to have gone into the E-business market as an online-shopping business in 2006 which means that they were the first-movers to adopt online-shopping online retailing model in Brunei and are still operating now. Most of the products that they offer or sell and make available to customers through their website are gadgets and electronics, which include Mobile phones, computers, tablets, Home theatre and other accessories that can be used with those gadgets or electronics.

Survey was part of the case study where the purpose of the survey was to understand the factors that contribute to E-business performance form the views of the consumers. Consumers were asked about their online shopping activity, expectations for online shopping sites as well as any recommendations that respondents can provide. Therefore, the designs of the survey questions were clear and simple in terms of language, we also divided the questions into 4 sections to organize the questions, there was a mix of open-ended and closed questions.

In section one, we asked about general information regarding the details of the consumers in order to have a more demographic data of the respondents. The second section was designed to understand respondent's online shopping habits as well as to understand the awareness of

the respondents regarding the online shopping organizations that is operating locally in Brunei. The third section was then designed specifically to collect information regarding consumers that are visited and are aware of the company that we have chosen as our case study that is QQ e-store. Some of the questions in this section were related to the interactivity of the website, ease of use and user satisfaction. The final section in the survey was to collect information regarding what consumers expect to get and what they hope online shopping companies in Brunei can improve on in the future. Overall, there are 91 responses, which primarily covers local consumers.. The full survey findings are discussed in the following section.

4. Findings

4.1 Online Shopping Awareness

This section aims to investigate user awareness to online shopping in Brunei. With regards to local businesses, this section also serves to study whether consumers are generally in favor to purchasing goods online. The results show that 53.3% of the respondents state they do a lot of online shopping, while 46.7% stated they do not. Since nearly half of the respondent state otherwise, it may indicate whether local consumers generally favor purchasing goods retail instead. It may also help identify the barriers of their choice against online shopping in general.

The results show that 56.7% of respondents state they have purchased goods online in local businesses, while the other 43.3% do not. Based on the number of respondents, it shows that half of them are aware of an online shopping experience in Brunei. This indicates that the potential growth for online businesses may be visible to local consumers, and that they know the hurdles of purchasing goods online. The results also show that most respondents, at 91.1%, are aware that there are online businesses in Brunei. This question serves to prove whether the general public knows of the presence of online businesses in the area. From what is shown above, it indicates that there are already established online shops operating in Brunei.

While QQeStore is the primary study of our analysis, we included several other competitors in the E-business perspective, to find out how they fare against pure online e-tailing businesses. The results show that 76.7% of respondents have visited QQeStore, and 67.8% have visited Shopping.com. The common ground on retail businesses given shows that 44-48 respondents have also visited Netcom (48.9%), Concepts Computer (48.9%), LaraCorp (54.4%), and Deejay HV (53.3%). The lowest response count was to CFKing (20%), where only 18 respondents have visited their business, despite being a new entrant to the online shopping business.

This demonstrates that both QQeStore and Shopping had established their online shopping reputation at some point in their business timeline, as both companies had been operating online in a significant amount of time. The latter having a lower percentile than QQeStore, may be due to the downsizing of their business and the eventual removal of their online web platform. Now they mainly operate as a retail business albeit with sustained reputation,

making QQeStore the only long-running online e-business in the area.

The other mentioned companies (5.6%) from only 5 respondents include Socialdeal, Nollybook, Shawlbyvsnow, Marks & Spencers, and Food Panda. Some of these companies operate online shopping but the products offered are certainly aimed towards a niche market. Although they have little presence in the market currently, it shows that online E-businesses have potential in delivering unique products catered to different crowds and markets.

4.2 Perceived E Business Practice Towards QQeStore

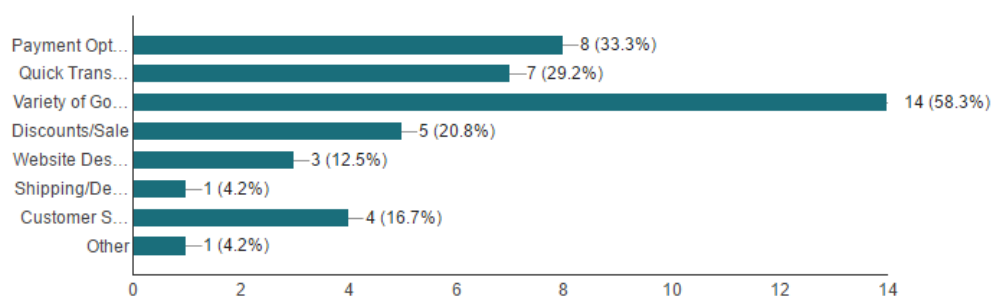
- *Have you tried purchasing anything from this company online?*

The results show that 68.8% of respondents state they have made purchases in QQeStore, while 31.3% state otherwise. Since more respondents answered ‘yes’, this may indicate that customer base for QQeStore remains wide and potentially could expand more. But regardless, there are still some that have not made purchases, which may indicate that there are factors or reasons why they did not do so.

- *If you did make purchases, what did you like about the services offered?*

If you did make purchases, what did you like about the services offered? [You may skip this question if you did not make purchases]

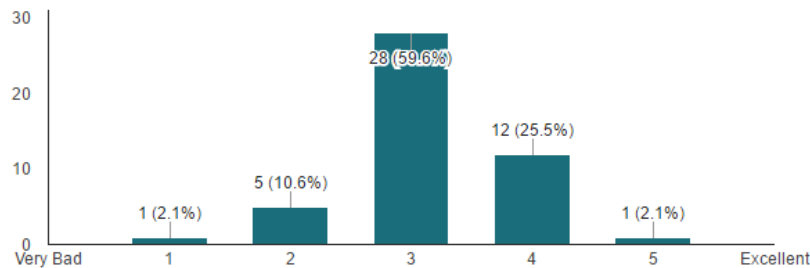
(24 responses)



The results show that the highest percentile goes to ‘Variety of goods’ at 58.3% of respondents, as the most favoured service offered by QQeStore. ‘Payment Options’ received a solid 33.3% and ‘Quick Transactions’ received 29.2%, which may indicate that the company may have a decent payment procedure. ‘Discounts & Sale’ received 20.8%, and ‘Customer Service Support’ receives 16.7% of respondents. The lowest percentile being only one respondent answered, were the ‘Shipping & Delivery’ option at 4.2%, which shows that possibly most of the QQeStore respondents prefer pickup of item collection by themselves, rather than being delivered. Though this possibility restricts itself to the type of product purchased by each customer.

- *Based on the choices above, how would you rate your experience with them?*

Based on your choices above, how would you rate your experience with them?
(47 responses)



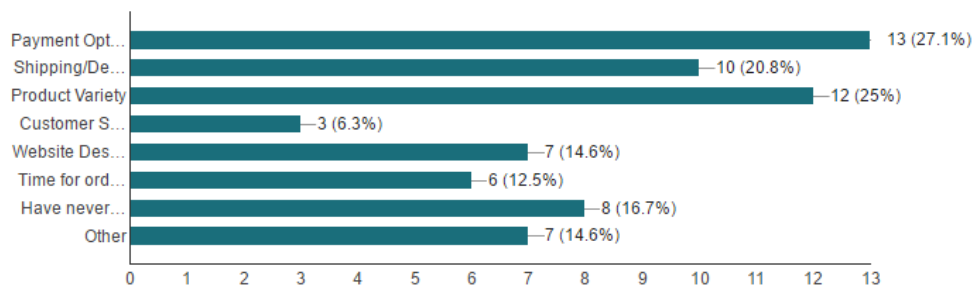
The results show that, based on the responses of the previous question, that the highest rating given (59.6%) was on neutral. This could indicate the satisfactory level of the respondents' experience with them being partial, and that they may have mixed reception towards the business. Comparing the left and right quadrants of the chart above, there are more respondents who gave higher rating than bad ratings. As for the reasons that cannot be identified in this question, the statistic still shows that there exist good and bad experiences amongst the respondents towards the business.

- *When you go to their retail store, did you make use of the computer systems to browse their catalog?*

The results show that most of the respondents at 78.3% have utilized the computer systems located in the retail showrooms, while 21.7% of respondent state otherwise. This may indicate that computers are proving useful for customers to browse their catalog. Along with sales representatives, this could improve customer perusing to better understand the specifications of the products sold.

- *If you did not make purchase(s), are there any particular reasons why?*

If you did not make purchase(s), are there any particular reasons why? [You may skip this question if you did make a purchase]
(48 responses)



The results show that the top three reasons why they did not make purchases were due to 'Payment Options' (27.1%), 'Product Variety' (25%), and 'Shipping/Delivery' (20.8%). The

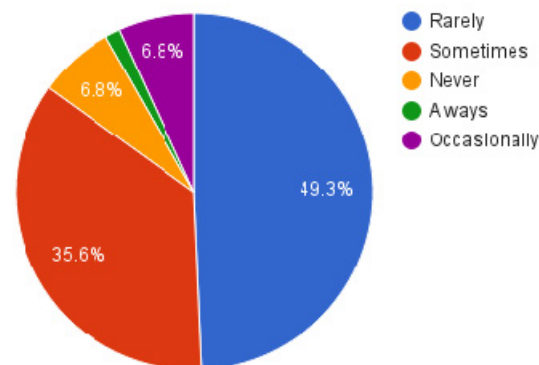
first reason contradicts with a previous question regarding payment procedures, which may indicate there is a gap towards payment options. The second reason may indicate that despite QQeStore having a good categorization of products, there may still be lacking in the content of the products, possibly in terms of brand segregation. The third reason could possibly indicate that their delivery services are still progressively slow, or it could mean that respondents prefer not to pay the \$5 sub-charge for delivery in addition to their purchases.

‘Website Design’ received 16.7% of responses, which shows the that there is a customer value in the website interactivity and features. Another response, ‘Time for order to process’ at 12.5%, may indicate that the transaction process is predictive, in a customer perspective. With the SMS module feature of the platform, it helps customer to keep track of the transaction process. On the other hand, 8 respondents (16.7%) stated that they have never done online shopping with the company. This may be due to various reasons, but some of those concerns can be identified in the ‘Other’ option.

In the ‘Other’ reasons stated in the responses above, it mostly consisted of arguments to the prices offered for the products, insisting that there are ‘better deals’ at retail shops in Brunei. Another respondent, as quoted, “I only check for the availability of the desired product and prefer buying it in-store.”, which is an interesting fact despite the capabilities of online transactions. This may indicate that there are some customers who prefer visiting their showroom instead of online, to browse and discuss about the product and purchase.

- *Through their website, how often do you browse their products?*

Through their website, how often do you browse their products?



The results show that nearly half at 49.3% of respondents stated that they rarely browse their products through the website. While 35.6% of respondent stated ‘Sometimes’, and less responses shown to ‘Never’ and ‘Occasionally’ both at 6.8%. The least percentile, surprisingly goes to the ‘Always’ option. This may indicate that most respondents browse their products only when the need arise; if a certain product enters the market, it can be expected that customers will consequently search for that product. This could present an opportunity for the company to accurately predict sales through employing marketing

strategies.

- *In your opinion, are you satisfied with the product variety offered by QQeStore?*

The results show that 67.6% of respondents are satisfied with the product variety offered, while 32.4% state otherwise. This tie in with some responses in the previous questions regarding product categorization, where some state it is satisfactory, while others state it still lacks content in terms of product diversity. Regardless, this proves that there is a gap within the products offered by QQeStore.

- *In terms of interactivity, can you comment on what features or things you like about their website?*

For this question, the responses will be divided into their categorized heading based on the type of responses given. Since this question is not unanimous, it only shows responses from those who answered this optional question. Overall there are nine different categories that can be derived:

1. Prices – **Two** respondents gave this response. This may refer to the price listing of the products as a baseline for customers to compare prices.
2. Filters – **One** respondent gave this response. It refers to the filtering of products based on their prices (Multi-tier Pricing Module) of the website.
3. Categorized Items – **Three** respondents gave this response. This refers to the categorization of products by their types in the website. Users can easily search a product based on their type.
4. Ease of Use – A total of **eight** respondents gave this response. This mostly refers to the easy navigation of the website, from switching between panes to rolling back pages in a product category.
5. User Friendly – **Four** respondents gave this response. It refers to the basic layout of the website itself. The website functions as intended when user logs in their accounts, make purchases, or managing their profile.
6. Full description of products – **Two** respondents gave this response. It refers to the full specification given to each products, showcasing its features and images. This allows browsers to better grasp the merchandise information in detail.
7. Attractive display – **One** respondent gave this response. It refers to overall general design of the website. The color palettes mixed in well with the company theme, giving it an attractive display.
8. Always updated – **One** respondent gave this response. It refers to the products catalog listed in the website being frequently updated to cater new merchandise.
9. Helpdesk – **One** respondent gave this response. It refers to the customer service support in the online helpdesk platform. Users can simply email their concerns to the online support,

and specify a mode of contact for the issue. This may allow service support to properly assess their issues in detail, and resolve the problem with much difficulties.

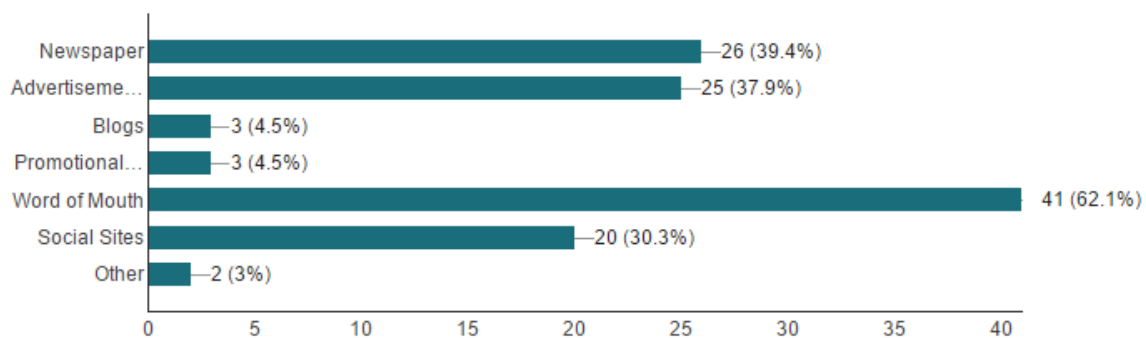
- *Are you aware of QQeStore's SMART Reward Program?*

The results show that most respondents at 91.9% are not aware of the SMART Reward Program. A majority of the respondents may not have utilized the points reward system integrated in the website. This may prove that the Points Reward Module of the platform may not be as beneficial for the company as it should be. This could be due to several reasons on the usability of those accumulated points.

- *Where have you first heard about QQeStore?*

Where have you first heard about QQeStore? [You may tick more than one]

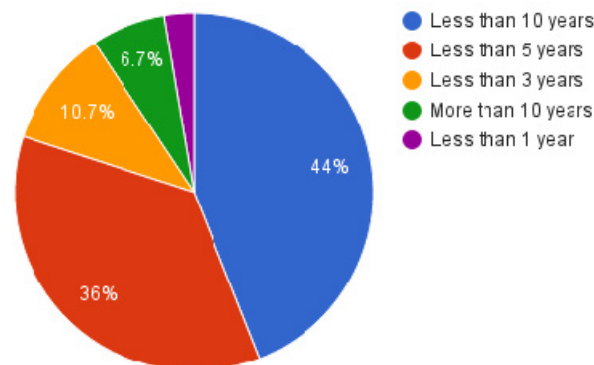
(66 responses)



The results show that a majority 62.1% of respondents state they heard of QQeStore by Word of mouth. This may indicate that customer experiences could play large role in indirect marketing for the company. Meanwhile the other options, 39.4% of respondent state 'Newspapers', 37.9% stated from 'Advertisement', and 30.3% state from 'Social Sites'. Through this, it can be said that their marketing strategy remains effective using the standard social tools available to them. For 'Blogs' and 'Promotional Campaigns', both share the same amount of respondents at 4.5%, while the least percentile goes to 'Others' which mainly includes new customers who actively passed by their showroom.

- *How long have you known QQeStore*

How long have you known QQestore?



The results show that 44% of respondents have known QQeStore for about 5-10 years, while 36% of respondents had known the business for 3-5 years. Interestingly, there are 6.7% of the respondents who stated more than 10 years. This indicates that the business had already dedicated customers before they even ventured into e-business. Overall, the chart shows that a majority of the respondents had established a connection with the store, evidently during the existence of an online platform and e-business model. Thus, it can be said that the company had indeed expanded their customer base over the years after constantly adapting their business model.

- *Do you feel secure when providing personal details to the company?*

The results show that 53.4% of respondents feel secure when providing personal details, while 46.6% state otherwise. This may indicate that there are mixed concerns on submitting detailed profiles in user accounts on the website, apart from payment details to purchase goods. This also shows the level of trust the respondents have towards QQeStore as an online business.

- *Would you recommend QQeStore to anyone new to online shopping?*

The results show that 64.9% of respondents would recommend the business to others, while 35.1% stated otherwise. This again shows that customer experiences play a large role in determining whether potential new customers could come from the consumer side. It also indicates that QQeStore might need to make considerable efforts to sustain this figure.

- *For QQeStore, do you have any suggestions for a better online shopping experience?*

For this question, the responses will be divided into their categorized heading based on the type of responses given. Since this question is not unanimous, it only shows responses from those who answered this optional question. There are 7 categories that can be derived:

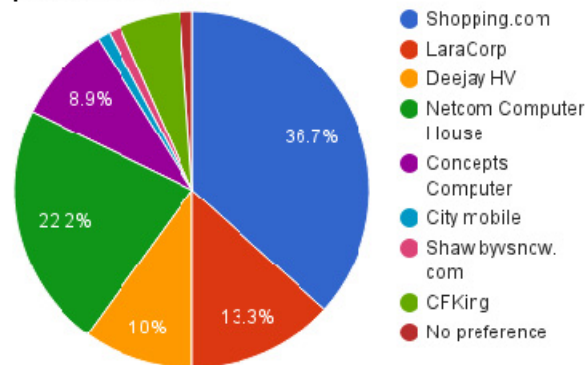
1. More variety of product – **Two** respondents gave this response. It mainly concerns on the product diversity available in the catalog. More categories do not constitute variety of goods, but instead the content of each category.
2. Better comparison tool, estimated delivery time, and accurate item database – **Four** respondents gave this response. It refers to the availability of a comparison tool feature that allows customers to compare products in the same category. This is an interesting find considering most of the sales of the company mainly comprise of IT products and mobile phones. With this tool, users can easily narrow down their purchasing choices and decision. Estimated delivery time and accurate item database have already been stated by the company.
3. More discounts & cheaper prices – **Two** respondents gave this response. It refers to prices offered on the products, and that it should be price competitive and give more offer rate for discounts.
4. Paypal – **One** respondent gave this response. It specifically refers to PayPal as a viable payment option for QQeStore. Although it was stated in the interview section before, that they based their business model on local markets, it is a considerable argument that will be assessed in the analysis section later on.
5. Learn from Amazon – **One** respondent gave this response. It is unclear what this response indicate towards to, but in terms of online shopping experience, it can be said that the features should somehow be similar to Amazon. However, this contradicts with QQeStore's business model and is not feasible to consider.
6. Better advertisement – **One** respondent gave this response. It refers to the promotional adverts regarding feature products as a headline of their main products, not just on their website but through social media sites as well. Evidently, brochures are already available for showroom customers.

4.3 Responses towards Online Competitors

This section focuses on respondents who have chosen other companies than QQeStore from their answers in the company visited question. For qualitative questions, they will be grouped into sub-sections according to the responses given.

- *Of all the different companies you chose or stated in the first section, which one do you prefer the most?*

Of all the different companies you chose or stated in the first section, which one do you prefer the most?

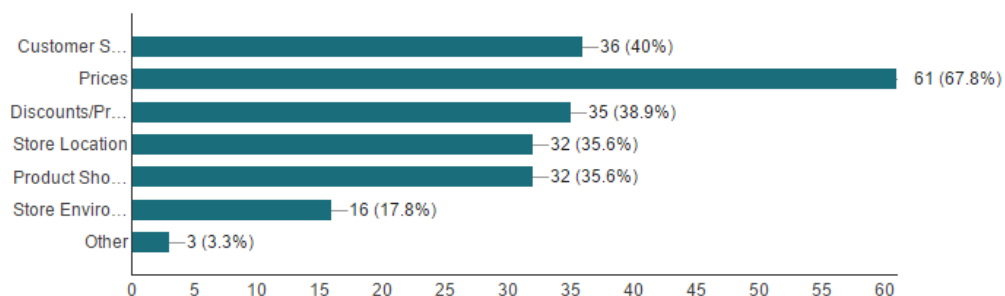


The results show mixed reception towards each company that was given in the first section. Companies not listed are also shown here as well. About 36.7% of respondents prefer Shopping.com the most, 22.2% to Netcom Computer House, 13.3% to LaraCorp, 10% to DeeJay HV, and 8.9% to Concepts Computer. Other notable mentioned companies includes City mobile and Shawlbyvsnow. This diversity shows that Shopping.com, formerly an online e-business, had re-emerging customer base that would still depend on the company for their services. The retail businesses as shown, have their own share of customer preferences that possibly cater to a particular type of merchandise or brand. For example, Netcom Computer House is an official reseller for Dell products, and may attract customers who favor that brand.

- *What factors or reasons attract you to that company?*

What factors or reasons attract you to that company? [You may tick more than one]

(90 responses)



The results show that ‘Prices’ have the highest percentile at 67.8% of 61 respondents. It succumbs to the fact that retail businesses clearly have an advantage when it comes to pricing, disregarding the premium for newer products. The other results show that 40% of respondent state ‘Customer Service’ as another important reason, which may be the case for retail

businesses where they emphasize on face-to-face customer interaction. ‘Discounts/Promotions’ received 38.9% that could indicate how retailers can achieve better positioning in terms of pricing clarity. ‘Store Location’ and ‘Product Showcase & Variety’ have both received 35.6% mark from respondents, giving an option to consider regarding the businesses’ showroom atmosphere. Finally, ‘Store Environment’ received a 17.8% responses, indicating that it is also a significant factor to consider regarding their store.

- For all the factors you chose, please give a rating on how relevant they are to you.



The results show high neutrality towards each factors considered in the previous question, and also decent responses to the ‘Satisfactory’ option for each factor. The low percentile mark on negative options may indicate that a majority of the respondents are more likely to be attracted to retail businesses. On comparative terms, online e-businesses have their own distinguished factors that enables them to operate on a unique front, unlike pure retailers. Therefore, it can be said that the chart could represent the drivers that enables retail businesses to sustain their market strategy and shares.

- *Do you normally check/collect their brochures, if any?*

The results show that 54.5% of respondents collect the brochures from the retail outlets, while 45.5% state otherwise. This reception could indicate that certain customer crowds rely on the brochures to be up to date with products available. However, it may also indicate how customers normally be informed of any new products in the market, which could possibly be from advertisement, or social media sites.

4.4 Perception towards Online Business in Brunei Context

In this section, the questions are mainly aimed to investigate general information regarding retail businesses from respondents. It constitutes respondent opinions regarding retail shops in general.

- *Do you think other companies in Brunei should also have online business capabilities?*

The results show that most of the respondents, at 98.9%, believe that online business capabilities should be present for other companies in Brunei. This clearly proves that, with regards to customer experiences, there is a demand for usage of an online e-business platform as a form of purchasing goods. This fact could mean well for new entrants to the e-business market to showcase their products in an e-tailing fashion, where the potential for an online marketplace to occur in Brunei is quite possible.

- *Is there anything you would like to share, concerning online shopping in Brunei?*

For this question is generally non-unanimous, and presents only a general opinion towards online shopping in general in Brunei. The responses will be categorized into different headings based on the type of response given. There are 8 categories that can be derived:

1. Payment & Delivery System – Total of 8 respondents gave this response. The general consensus of this category was the implication of a secure payment and delivery system for an online shopping business. Interestingly, PayPal was shown to be a considered opinion in regards to implementing a fast and efficient payment option. It also has a reputation as being the most widely used mode of payment for many online businesses globally. As for the delivery system, it comprises mainly on order tracking when it comes to delivery within the boundaries of local areas. A dedicated courier solution with large coverage can seemingly increase time of deliverance of goods.
2. Language Option – One respondent gave this response. It basically shows an opinion that language options should be an option available in online websites, as not every local is fluent in English. Thus, it should be a setting that available for users to manage.
3. More online shopping sites – A total of 8 respondents gave responses to this category. It basically focuses on the intention of operating more online shopping websites in Brunei to increase economic growth. This was based on the notion that an e-business environment can be a possible future for businesses in Brunei. Bruneian-made websites such as Zalora or Fashion Valet, as stated in the responses, are but mere examples of how successful online shopping can become. The awareness exists, but the demand for online shopping as a platform remains as a steadfast trend that needs be realized. This could be an interesting fact to consider later in discussing one of our research questions.
4. Variety of goods – Three respondents gave this response. It refers to online shopping being able to cater to more diversity of products. It is preferable that online businesses in Brunei should be able to obtain dedicated brands that are widely known in foreign markets. To customers, this may be seen as a niche market, but the demand is evidently there. Even more so that businesses that are able to procure such items can gain significant leverage in the market share.
5. Accessibility – Two respondents gave this response. It refers to online shopping business being able give accessibility to broader areas locally. This could be either their showroom or collection outlets that branches out towards many different areas in Brunei. An equal distribution of multiple online business outlets could potentially increase the economic activities in the country.
6. Postage System – Two respondents gave this response. It refers to the standard postage system currently available in Brunei. With the exception of private companies such as Fedex or UPS, the standard courier option as a delivery system is still lacking. Options that may be considered would be improving tracking technology in Brunei such as GPS, Cloud, RFID, to name a few.

7. Security of Online Shopping – One respondent gave this response. It refers to a response that secured international shipping should be a feature in any online shopping. The security concern is mainly on order status information, to be constantly well-informed and privacy of the transaction.

8. Customer Service – One respondent gave this response. It refers to the essential customer service support that must be efficient and pro-active to provide viable solutions to customer issues. QQeStore had a good example, their online helpdesk allows users to email their issues, and follow-up the problem with conversation with support staff. Another good example would be establishing a forum mainly for customer support, dedicated to each categorized product or service.

5. Discussions

An important aspect that can be found from the survey responses was that online shopping in general remains to be a stalled, but growing trend in Brunei. From our survey results, 98.9% of respondents had stated that they agree on online shopping capabilities being an adopted practice in Brunei. However, there were also several factors that have been stated from the responses that imply online shopping platforms have to consider marketable and business factors in order to become successful. The preferences shown includes factors such as customer service support, payment and delivery system, information systems, price efficiency, product variety, promotional advertisements, user-friendly platform etc.

The only limitation that could be identified from the survey findings all points to the planning process for E-business models. As stated from our literature review, proper IS planning and capabilities determine how efficient and effective an e-business can perform. In the context of QQeStore, the majority of responses from the research findings had stated that respondents are already familiar with the business and its website platform, citing positive criticism towards the unique features or modules of the website (platform) such as the multi-tier pricing and product filtering. This indicates that the platform is proven to be successful in communicating customer interactivity towards the frontend system and to the overall system processes itself. However there are also evidence from our survey results that shows negative feedback towards certain factors of the business. Although it seems contradictory, some respondents stated that the pricing for the products offered by the business are expensive compared to other businesses, implying that the price efficiency that was emphasized by QQeStore, can be argued. Therefore, it can be said that the pricing strategy for QQeStore differs from those of retail shops based from their business model. Since retail businesses have the storage capabilities to stockpile merchandise, it compensates by allowing a price reduction on high-volume goods in order to generate sale. For E-businesses, customers pay a small premium for the product and the services offered from their platform, which may include delivery services or online transactions.

Another topic of discussion was that some respondents had shown to be concerned about was the considerable payment options available for online shopping. For many online marketplace Small Medium Enterprises (SMEs) around the globe, they utilize many forms of secure online payment, the most being PayPal. Not only that it caters to financial services, it also

provides fast and secure payment transfers between users from many different locations around the world. Within the context of our case study, the research findings largely target this aspect as a potential issue for online shopping. However, QQeStore had explicitly stated during the interview session that they based their business model to local markets and consumers, and that creating an online platform similar to the way Amazon or eBay uses would only incur heavy cost to operate. Thus their payment options for online transactions are restricted to utilizing the local banks' terms of payment methods. As a result, although PayPal may be the most widely used payment solution for e-businesses, it is up to the business model used in the company to determine whether or not it can be utilized effectively which was the case for QQeStore.

6. Conclusions and Recommendations

Through this paper study enabled to understand how an E-business grows in a local context of Brunei Darussalam. For the first recommendation, it is based from the survey analysis that we would suggest to create this Comparison Tool. In practice, QQeStore have long been selling mobile phone products since its start-up as QQ Mobile Shop. Customers who had known them since then would expect that they sell even more of those products, but showcasing various different brands as they expanded towards online shopping e-business. This tool would be extremely useful for these particular types of customers, which actually, is comprising most of their market. This would not only add value to each product but it can also perceive customer decisions and behaviour to predict the selling points in their catalog, and consequently, adapt their marketing strategies and promotional advertisements more effectively.

The third and final recommendation is simply just a possibility at this stage. It should still be considered by QQeStore as a viable payment option as a lot of their customers, not just from our survey respondents, would be attracted to that payment method more easily. Similar to how they outsource their platform from a vendor or a host, adopting PayPal would mean all transaction records would differ from their existing form. This also means that the company has to somehow re-engineer their business process to integrate the PayPal solution into the Cloud platform, which could take time. Although it might be a good feature to have on the website, any perceived benefits that it could bring are still subjected to the products that are available, which does not necessarily constitute more sales and better performance. Therefore, this recommendation is more of a nice-to-have basis for the company. PayPal being to have a global recognition could directly influence QQeStore's own reputation as a result.

References

- Bajgoric, N. (2006). Information systems for e-business continuance: A systems approach. *Kybernetes*, 35(5), 632-652. <http://dx.doi.org/10.1108/03684920610662377>
- Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99-120.
- Churchman, C .W. (1968). *Challenge to Reason*. McGraw-Hill, USA.

- Ciborra, C. U. (1998). Crisis and foundations: an inquiry into the nature and limits of models and methods in the information systems discipline. *The Journal of Strategic Information Systems*, 7(1), 5-16.
- Earl, M. (1989). *Management Strategies for Information Technology*. Upper Saddle River, Prentice Hall, NJ.
- European Commission. (2002). Benchmarking National and Regional E-business Policies for SMEs, final report of the Ebusiness Policy Group of the European Union, Brussels, 28 June.
- Fenny, D. F., & Wilcocks, L. P. (1998). Core IS Capabilities for Exploiting Information Technology. *Sloan Management Review*, 39(3), 9-21.
- Ibrahim, F., & Reid, V. (2010). Integrated use of information technology and people involvement for Knowledge Management. *International Journal of Technology, Knowledge & Society (IJTKS)*, 6(2), 163-180.
- Ibrahim, F., Edgar, D., & Reid, V. (2009). Assessing the role of KM in adding value: Moving towards a comprehensive framework. *Journal of Information & Knowledge Management (JIKM)*, 8(4), 275-286.
- Kalokota, R., & Robinson, M. (1999). *E-Business: Roadmap to Success*. Addison-Wesley Professional, United Kingdom.
- Kenney, M., & Curry, J. (2001). Beyond transaction costs: e-commerce and the power of the Internet dataspace. In Leinbach, T., & Brunn, S. (Eds.), *Worlds of E-Commerce: Economic, Geographic and Social Dimension* (pp. 45-65).
- Lee, C. P., Lee, G. G., & Lin, H. F. (2007). The role of organizational capabilities in successful e-business implementation. *Business Process Management Journal*, 13(5), 677-693. <http://dx.doi.org/10.1108/14637150710823156>
- March, L. T., & Ngai, E. W. T. (2006). Predicting the organisational adoption of B2C e-commerce: an empirical study. *Industrial Management & Data Systems*, 106(8), 1133-1147. <http://dx.doi.org/10.1108/02635570610710791>
- Martin, L., & Matlay, H. (2001). Blanket' approaches to promoting ICT in small firms: some lessons from the DTI ladder adoption model in the UK. *Internet Research: Electronic Networking Applications and Policy*, 11(5), 399-410.
- Maskell, P., Eskilinen, H., Hannibalsson, I., Malmberg, A., & Vatne, E. (1998). *Competitiveness, Localized Learning and Regional Development: Specialization and Prosperity in Small Open Economies*. Routledge, London.
- Moodley, S. (2003). The challenge of e-business for the South African apparel sector. *Technovation*, 23(7), 557-570.
- Ngai, E. W. T., & Wat, F. K. T. (2002). A literature review and classification of electronic commerce research. *Information & Management*, 39(5), 415-429.

Ravichandran, T., & Lerwongsatien, C. (2005). Effect of Information System Resources and Capabilities on Firm Performance: A Resource-Based Perspective. *Journal of Management Information Systems*, 21(4), 237-276.

Ritcher, F. (2012). e-Commerce in the United States Retrieved from <https://www.statista.com/chart/683/e-commerce-in-the-united-states/>

Wang, F. and Head, M. (2001). A model for Web-based information systems in e-retailing. *Internet Research*, 11(4), 310-321. <http://dx.doi.org/10.1108/10662240110402768>

Wang, S., & Cheung, W. (2014). E-Business Adoption by Travel Agencies: Prime Candidates for Mobile e-Business. *International Journal of Electronic Commerce*, 8(3), 43-63.

Woznica, J., & Healy, K. (2009). The level of information systems integration in SMEs in Irish manufacturing sector. *Journal of Small Business and Enterprise Development*, 16(1), 115-130. <http://dx.doi.org/10.1108/14626000910932917>

Yeh, C. H., Lee, G. G., & Pai, J. C. (2012). How information system capability affects e-business information technology strategy implementation. *Business Process Management Journal*, 18(2), 197-218. <http://dx.doi.org/10.1108/14637151211225171>

Zhu, K., & Kraemer, K. L. (2002). E-Commerce Metrics for Net-Enhanced Organizations: Assessing the Value of E-Commerce to Firm Performance in the Manufacturing Sector. *Information Systems Research*, 13(3), 175-295.

Copyright Disclaimer

Copyright for this article is retained by the author (s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/3.0/>).