

# Business Development by using E-Commerce Technology in Myanmar

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## ABSTRACT

Technology is very important factor for business development. All countries are trying to develop health, education and other technology. Among these factors, business development is the primary source of any country. To develop the business of a country, it is necessary to use e-commerce technology.

Commercial transactions carry electronic system on the internet is called electronic commerce. E-commerce technology can be used electronically to transfer business transactions. Generally, e-commerce is used to buy and sell the products by using online system. These transactions contain many combinations of consumers, managers, buyers, sellers and development agencies. E-commerce technology can help a variety of new goods reach the market quickly. Organizers use e-commerce technology and other information technology that are the keys to achieving organizational goals.

This paper presents Business development by using e-commerce technology in Myanmar. E-commerce helps to automate much of this process for businesses and enables of easy transactions of various kinds of goods and services. Business in many fields can be improved effectively by the use of e-commerce information technology. So, to reach the sales goals of their sales force, it is necessary to manage to be able to use e-commerce technology. The businesses in many parts of the country can be improved by the power of e-commerce information technology.

**Keywords:** Internet, Technology, Commercial Transaction, E-commerce technology

## INTRODUCTION

In today's fast developing technological world, everything happens quickly day by day. Internet has become an undivided part of daily life. Now, online purchasers increase continuously in our society. Many people use e-commerce technology instead of traditional commerce. E-commerce technology, information sharing is made to be easy to another people. E-commerce technology has also increased the speed in which business is conducted. Managers, customers and clients contact in far-away locations and exchange files in a matter of seconds over the internet. These day's businesses are transacted over the internet. Customers make online comparisons and choose the desired product. Every company does not need other equipment but only needs internet to run the business.

Long gone are those days, when people would visit two or three stores before deciding where to buy a product from. In traditional trade, it is not easy for a company to seek the business partners of its geographical location of other countries. Although people purchased the products by using traditional, they found some difficulties in it. Some of the facts which are information exchange from person to person on heavy dependency. Communications are done in regular way. Each communication or transaction requires regular intervention and it is difficult to identify standard level in traditional commerce. There are a lot of imperfect

information and supplementation for consumers, and so a large supply available for consumers is not very easy to choose their own needs and wants and ways to satisfy them.

The market may be broadening because it is not limited by the geographical location whenever the company is located. When a company cannot build or find a place to sell physically or economically feasible physical sales, virtual sales are very useful. Recommendations are a type of communication and an especially important issue in e-commerce. It is easy to find many websites where the customers can get the advice; they need before taking the decision to purchase a product. E-commerce is becoming as a new source of helping business enterprises to compete each other in the market. Business organizations can extend their market from national to international markets by the use of e-commerce technology. And it reduces all levels of transaction costs so that it doesn't seem expensive because it is run through online channels as a way of market expansion. Users search product's information in continuously browsing the internet from different online sources. With the improvement of communication technologies, e-commerce will improve continuously. Market research personnel analyze and identify consumers' preferences and satisfy. So, e-commerce technology needs to be developed.

The organization of this paper is as follows: Section I studies literature review of the system. Section II discusses conceptual framework of e-commerce. Section III describes types of e-commerce. Section IV discusses transaction processing system. Section V describes the Impact areas of e-commerce. Section VI discusses advantages and disadvantages of e-commerce. Section VII presents data presentation in the use of social media in Myanmar. Section VIII describes the conclusion of the system.

## I. LITERATURE REVIEW

There are several approaches of e-commerce technology. Ohidujja man et.al [4] clearly said that e-commerce can change online business practices and it can make a huge impact on the economy. Hasan et.al [5] also currently pointed out that, e-commerce plays a basic part of business strategy and it becomes an important tool of today's economic development. Pallavi Dinodia presented electronic commerce, commonly known as e-commerce, consists of the buying and selling of products or services over electronic system. Many researchers define e-commerce as it is the action of buying and selling products by electronic ways such as by mobile applications and the internet. Nicole Martins discussed, "the good news of online sales in the worldwide. He said that \$4 trillion expected sales by 2020."

A traditional business plan is required to cover a wide range of content for future projects and effective client market. This business programs are designed to speak to a specific target audience. In traditional business, when a product is sold and bought, it is necessary to inquiry the situation of a market. Customers want to know the information of products before to buy. Organizers will need to use advertisements, newspapers, magazines, pamphlets and billboards which give the information of products. There are many operational costs. Moreover, organizers will also need to spend many labour forces. So, the objective of this paper is that e-commerce is needed to develop because if we use e-commerce instead of traditional business, it is very effective for a developing country in Myanmar.

## II. CONCEPTUAL FRAMEWORK

It is a main factor of goods and services which are been supported to the medium of the internet as the main aspect of buying selling and exchange every ecommerce. E-commerce gives information of products to the customers at very quickly. There are many examples of online marketing which email marketing, social marketing search engine and others which provide customers and sellers to satisfy. When it may be developing and using an electronic website the entire developed website is unique and one of its own. When you are searching an answer to know more over e-commerce, one should always have to looking for some of the famous features which helps to create a website more flexible and feasible. Now the trend has grown so fast that e-commerce website has made the virtual market similar to physical one which show the products preview with advanced filtering and dynamic product search. Quality Search Functionality: Among all of the functions, quality search functionality is the functions helps in conversion rates. Basically, this function is kind of filtering which processes keywords and helps you to get precise effect over search and into your sales too. Content Management System (CMS): It is the system which makes your website unique in searching across the global markets. This is one of the features which highly impact over the website as speed key

to efficiency. Multi-channel Functionality: In current retail market and environment, it is highly considered that your business is spread all across global and though it is possible to get done through managing products, listings and orders in a multi-channel environment. Mobile Supported e-commerce: The fact is that everyone is looking forward to have easy browsing on mobile than to go for getting an efficacious platform, which can actually help to progress the consumer's preference. Third Party Systems and Plug-ins: It must have ability to use the third-party plug-ins which is meant to provide adaptability, customization and innovation. These features can be used while developing a website and though some may not be the part of the standard package. Business Intelligence: When it comes to managing the data, it is mandatory to get precise and accurate details over the data. The tempo should be maintained while managing the data, business intelligence helps to get that done on your website because only through the tempo and flow, which you will be able to analyze the depth of transaction and then take advantages of the opportunities that comes up.

## III. Types of E-commerce

Many different types of e-commerce transactions exit in the world of e-commerce today. E-commerce transactions occur between the business organization and its stakeholders. Business-to-Business conducted between the companies, products or services and covering all electronic transactions. i.e. companies sell their products to other companies by using online system. They do not take part in the sales to the customers. Business-to-Consumer, most of the companies sell their products or services to customers at online. Usually, B2C E-commerce web shops have an open access for any visit and user. Consumer-to-Consumer conducted between coverage of all of the goods or services using electronic process. Consumer-to-Business, a commodity exchanges the traditional sense of a complete reversal of the country. Here, the consumer through the use of online systems to offer their products or services, and companies to post their bids. Then the consumer is expected to review the bids and their prices and choose the matching companies. Commerce of this type is very common, and as a platform for royalty-free photos, images, and media markets, selling and design elements. Business-to-Administration conducted between companies and public administration online coverage of all sales. This is especially in areas such as fiscal, social security, employment, legal documents and services for the identification, with the investments made in this form e have increased significantly in recent years, the area that includes a large amount and variety of services government. Consumer-to-Administration model conducted between individuals and the public administration covering all electronic transactions.

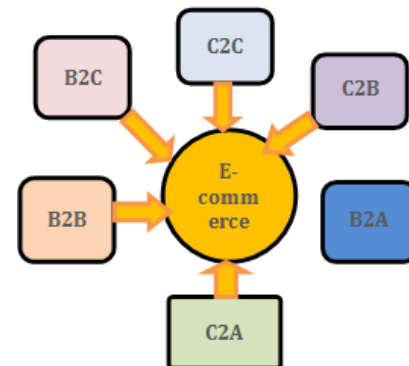


Figure1.Types of e-commerce

#### IV. TRANSACTION PROCESSING SYSTEM

The Online Transaction Systems are essential for e-commerce. E-commerce commonly use fax, email and telephone order. It also applies communication and information sharing technologies among trading partners to get success of business objectives. Online transaction processing software a class of programs that can support transaction oriented application on the internet. Online transaction processing involves many everyday acts such as online booking, online shopping and even in store shopping when the point of sale terminal (pos) is tied to inventory management software. Online transaction processing is a class of program, typically for data entry and retrieve.

##### 4.1. Transaction Focused Process

- Customer order goes to shopping cart
- Payment Gateway is contacted
- Payment Processor verifies funds
- Response sent to Payment Gateway
- Response of purchase sent to customer
- Payment Processor settles payment to merchant through bank

##### 4.2. Information Focused Process

- Customer visits vendor website
- Customer requests information from vendor's website
- Vendor responds to inquiry
- Business negotiation process
- Order fulfillment upon agreement
- Through the agreed process the stimulation of international payment.

According to following figure 2, the top motivators for online shopping are trust and loyalty, most important is ensuring security, cash back guarantee, cash after delivery, Fast delivery service and discount & offers. If this factor can be ensured in near future Myanmar then both the consumer and marketers can make a huge contribution in economy

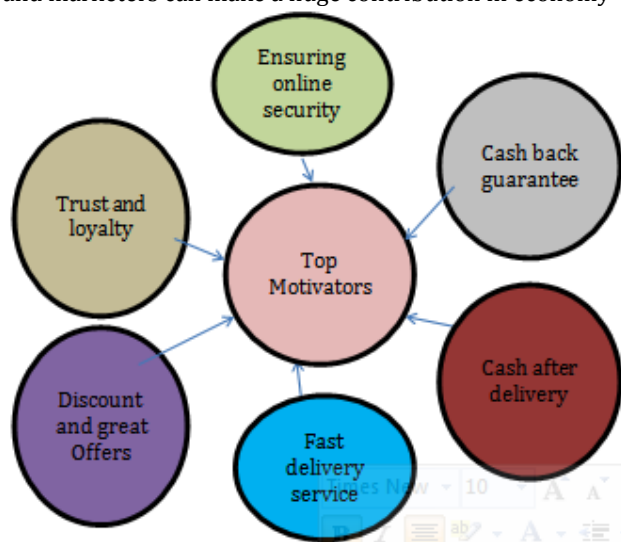


Figure2. Motivators Factors

#### V. IMPACT AREAS OF E-COMMERCE

##### 5.1. Social Impact

The social impact of e-commerce is concerned with the following factors:

Greater use of the Internet, students and youths use more the internet than the other people. This lead to the

familiarity of modern applications and online technologies as a result, it can affect considerable growth in other digital industries such as e-commerce, mobile commerce, and online advertising. The government has made efforts in the education system through the implementation of computer tools and techniques, essential for all educational levels, from primary education to the end of studies. Electronic facilities such as personal computer, laptops, tablets or laptops, e-books with the use of the internet were applied to students from urban and rural areas. By doing so they can get a lot of knowledge and make their lifestyle better. Entrepreneurs are appealed to invest modern computer technologies and electronic commerce. The more the educational standards at all levels develop, the greater the demand for electronic commerce and m-commerce in the market. Users change in online shopping habits. The online shopping process is easy to use and mere understandable than any other process. This, along with better offers, has brought changes in the buying habits of online buyers. E-commerce technology has grown in importance in business. Consumers consider a variety of relevant factors and make a best guess. They measure using e-commerce technology by satisfaction and trust. Organizers send commercial report like buy orders or invoices electronically to business. The banking process such as credit cards, debit cards, automated teller machines (ATM) and mobile banking were forms of electronic commerce.

For the development of a business industry, there must be a strong relationship between customers, partners and departments of a company. Every organization relies on other organizations and all of its departments to get their product or service to a customer and building strong business relationships is necessary to succeed in any field. Each organization knows what it needs to do; an ecommerce business inherently relies on other organizations to complete every step necessary to get the product to customers.

##### 5.2. Business Impact

E-commerce is leading a structural change in e-commerce. It impacts businesses in a variety of ways such as financial, life, safety, regulatory, operational costs and many others. One of the opportunities for customer to search the products they ward on the internet and they can order them by using the process of e-commerce. Consumers buy and sell the products for 24 hours per day. E-commerce is low operational costs and better quality of services. Consumers are very easy to start and manage a business. And customers can select products from different providers without moving around physically. There are main factors in E-commerce that are social factors, legal and ethical factors, economic factors, Political and technological factors.

##### ➤ Social factors-

Have decisive influence consumer perceptions of the internet features.

##### ➤ Legal and ethical factors -

Point out the way to promote and sell the products shown an internet .Governments, on behalf of society, seek to safeguard individual's rights to privacy.

##### ➤ Economic factors -

Variations in economic performance in different countries and regions affect spending.

➤ **Political factors -**

National governments and transnational organizations have an important role in determining the future adoption and control of the Internet and the rules by which it is governed.

➤ **Technological factors -**

Changes in technology offer new opportunities to the way products can be marketed. But some action can be taken to overcome some of these barriers. The other main costs are the cost of using an ISP to connect to the Internet and the cost of using the media to connect. Free access would certainly increase adoption and usage. But there are any challenges in e-commerce.

Cost of access: This is certainly a barrier for those who do not already own a home computer.

Value proposition: Value proposition: Customer demand will be the need to perceive the Internet and other media cannot offer what he does value For example, to provide more information, and include access to lower prices.

Ease of use: This includes the ease of first connecting to the Internet using the ISP and the ease of using the web once.

Security: While this is only, in reality, a problem for those who shop online, the perception may be that if you are connected to the Internet then your personal details may not be secure.

Fear of the unknown: Many will simply have a general fear of the technology and the new media, which is not surprising since much of the news about the internet will concern pornography, fraud and privacy infringements.

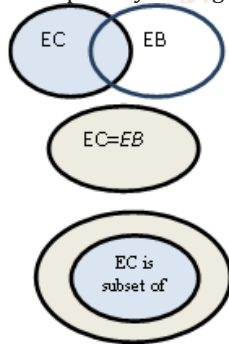


Figure3. Relation between e-business and e-commerce

**VI. ADVANTAGES AND DISADVANTAGES OF E-COMMERCE**

**6.1. Advantages of E-commerce**

- Faster buying or selling procedure, as well as easy to find products.
- Purchasing and selling products 24 hours per day
- Market may be broadening because it is not limited by the geographical location
- The lowest costs and save time
- Business can start easily
- Customers can easily find products information
- Customers can transfer their own properties using electronic application
- **Save travel time and cost**
- Creates targeted communication
- Speed up the buying process and save time for customers
- Personalize the store as per the customer expectation

**6.2. Disadvantages of Ecommerce**

- People can easy to start a business but some sites are not guarantee
- Technical failures can cause total unpredictable effects on the process
- There is always a minimum chance directly to connect with customers
- Organizers were afraid to hackers
- It is difficult to know when an online site is safe to use.
- E-commerce Lacks Personal Touch
- Anyone Can Set Up an e-Commerce Website
- No One Can Buy During a Site Crash.
- Customers Can't Try Before They Buy.

**VII. DATA PRESENTATION**

The data shows the use social media users as a percentage in Myanmar from 2016 to 2019. As about January 2019, about 39 percent of the Myanmar populations were active social media users. The e-commerce technology is big in Myanmar with the improvement of internet penetration. People are familiar with internet since social media like face book. At this information gathering, e-commerce offers relatively inexpensive solutions for making information available to a large number of customers via the web, including social networking platforms, that today enhancement (or occasionally even replace for) traditional communication. According to a survey conducted by the Internet and social media of Myanmar, the number of internet users in the Myanmar the end of 2019.

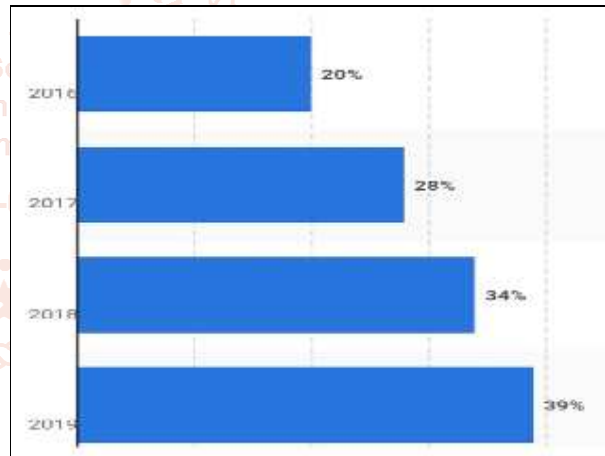


Figure4. Penetration of social media from 2016 to 2019

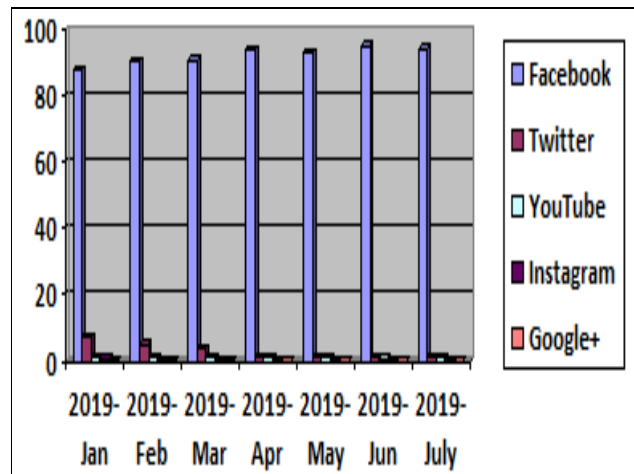


Figure5. Social media stats in Myanmar

### VIII. Conclusion

E-commerce market in Myanmar is still bit in the early stage, but now have mobile phones and internet easily available to everyone. So, e-commerce will grow big.

In near future E-Commerce will be the leader with popularity and prosperity in e-trade sector. From above discussion we can come to a view that e-commerce has changed the business strategy and making life easier for the people of Myanmar as well as other countries.

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