



DIGITAL COMMERCE POLICY: A VALUE DESIGN INSTRUMENT

KEYWORDS

Digitalization, Policy formulation, Environmental factors, Valuation design

Mr. Dhanasekar .E

Assistant Professor, Department of Management & International Business, KSG College of Arts & Science, Coimbatore.

Dr.P.Jayasubramanian

Associate Professor, Department of Commerce with Computer Applications, Dr.N.G.P Arts & Science College, Coimbatore.

ABSTRACT

Digitalization in the commerce world aids to drive more customized and personalized dealings with all stakeholders. This study aims to predict the variables which influence the commerce concern for digital revolution. Proposed research model in this study helps to analyze the process of digital revolution. It is revealed that the revolution was dictated by the personal, environmental, and firm characteristics of the enterprises. The study therefore urgently recommends formalization of elements of reactive strategic management and the personal factors in medium firm curricula.

INTRODUCTION

Digital Commerce is defined as the electronic selling and buying of goods however it goes further than that, nowadays technology is having a tremendous influence in our lives; currently we have to deal with the fact that a large share of market economy is being done electronically.

Digital commerce policy refers to the use of technology in order to improve the productivity and its operation efficiency. In the commerce concern top executives use the technology for facilitating data-driven decision making and forward planning by the way of analyzing data. And also it helps to improve the traditional technology like ERP through smart embedded device and communication via social media. Successful implementation of digital policy will be happen in the top executive level, but it should be supported by all the stakeholder of the commerce.

Digital commerce is the buying and selling of goods and services using the Internet, mobile networks and commerce infrastructure. It includes the marketing activities that support these transactions, including people, processes and technologies to execute the offering of development content, analytics, promotion, pricing, customer acquisition and retention, and customer experience at all touch points throughout the customer buying journey.

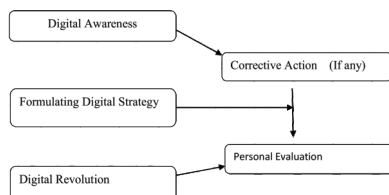
OBJECTIVES

- To study about the digital awareness and policy formulation in the corporate companies.
- To analyze the factors influence the company for digital revolution.

METHODOLOGY

This study was carried out in **Tirupur District**, Tamil Nadu, which is located in the southern part of India. There are more than 2500 factories in Tirupur district; out of this **100** companies were selected. **Non Probability Sampling** method is adopted since the sampling area and sample size are large. In descriptive research survey, the primary data were collected by both questionnaire method and also by scheduling method i.e by interviews. SPSS 16.0 version (Statistical Package for the Social Sciences) is used in this study to analyze the data using the statistical instrument multiple regression analysis.

Digitalization Framework



Digital Awareness

Optimization of website by proper website designing, relevant data like title tag, logo images etc., for the targeted audience. This provides a clear idea for the customer to select the apt action; Social networking sites plays a significant role in digitalization of commerce, the revolution of information for the stake holders can develop core value of the company; Personalization aids companies to make pleasant experience for the customer. This can be proceed by the segmentation of customer and communicating information via email, whatsapp, twitter, facebook etc., and also it gives the feedback for the companies to improvise the product or service according to their needs; Automation of office organization plays a major role in digitalization because all the newly formulated policy is operated by the low level/ supervisory management.

Formulation of Digital Policy

Formulation of digital policy key factor to accomplish the commerce goal; this formulation is based on the Situational Analysis or analyzing commerce environment by SWOT (strengths, weaknesses, opportunities and threats) and PESTLE (political, economic, social, technological, legal and environment factors) analysis. This analysis helps to formulate the best suit digital policy such as stability, expansion or combination policy which is suitable for the concern. Once the digital policy is formulated it can implemented at the standard level. Optimization is critical to the success of your digital policy. This optimization stage helps to alter our policy according to the requirement of commerce.

Digital Revolution

Digital revolution is constructed on advanced digital technology such as analytical instruments including big data, mobile instruments includes social media and internet oriented applications. The combination of digital technology with apt policy improves the overall performance of commerce unit. Efficiency of digital policy can be measured with the expected level of standard if any corrections action required it can be modified and again it should be verified.

Variables Influencing for Digital Revolution - Using Multiple Regression Model

A multiple regression model is used to predict the independent variables which influence more on the dependent variable and also the relationship exist between those variables. This study focuses on the digitalization of commerce using the acceptable policy. For this digitalization which independent factors such as Operation scope, size of organization, involvement of top management, socio-economic factors, global factors and technological factors, influence the organization for transforming or implementing digital policy?

Hence the following hypothesis and regression model is proposed.

H1 – There is no relationship exists between the digital revolution and the internal and external environmental factors of commerce organization.

Digital Revolution - $Y1a = b1a + b1a1x1 + b1a2x2 + b1a3x3 + b1a4x4 + b1a5x5 + b1a6x6$

$x1$ – Operation Scope
 $x2$ – Size of organization
 $x3$ – Involvement of Management
 $x4$ – Socio-Economic Factor
 $x5$ – Global Factor
 $x6$ – Technological Factor

$b1a1, b1a2, b1a3, b1a4, b1a5, b1a6$ – Regression Coefficients $b1a$ – Regression Constant

REGRESSION EQUATION

Digital Revolution = .897 + .478 (Involvement of Management) + .352 (Size of firm) + .236 (Operation Scope) + .167 (Socio-Economic Factor) + .159 (Technological Factor)

FINDINGS & SUGGESTION

This study reveals that both external environmental factor such as socio-economic factor, technological factor and internal factors are involvement of top executives, operation scope and size of firm encourage the firm to involve in formulation of digital commerce policy. For the implementation and succession of this commerce policy is taking care by the management otherwise it will not create more impact on the performance of organization.

CONCLUSION

The implication for this study is that, although environmental factors are impact on this digital policy, many failure are occur in the medium scale industries due to lacking of updation of technology and training for the employees. Appointment of separate technological head and monitoring the process of digitalization work can eliminate the chance of failures.

REFERENCE

1. Kane, G. C. Palmer, D. Phillips, A. N. Kiron D. and Buckley, N., (2015), "Policy, Not Technology, Drives Digital Revolution", MIT Sloan Management Review and Deloitte University Press, July.
2. Ashley Harshak, Benedikt Schmaus, Diana Dimitrova (2013), "Building A Digital Culture: How to Meet the Challenge of Multichannel Digitization" - Report Published by Booz & Company.
3. Chaffey, D. and Wood, S. (2005), "Commerce Information Management. Improving Performance Using Information Systems", Financial Times Prentice Hall, Harlow.
4. Chaffey, D., Mayer, R., Johnston, K. and Ellis-Chadwick, F. (2009), "Internet Marketing: Policy, Implementation and Practice", 4th edn. Financial Times Prentice Hall, Harlow.
5. Kay Dora Abd Ghani, Surina Nayan, S.A.I.S. Mohd Ghazali, L.A. Shafie. (2010), "Critical Internal and External Factors that Affect Firms Strategic Planning", International Research Journal of Finance and Economics, 51:50-58, October.