

E-Commerce and Performance of Small and Medium Scale Enterprises in Awka, Anambra State, Nigeria

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Abstract: *The study explores e-commerce and performance of small and medium scale enterprises in Awka, Anambra State, Nigeria. It specifically seeks to ascertain the effect of e-commerce investment costs on SMEs growth, and also examine the effect of e-commerce security on customer retention. Descriptive survey research design was adopted for the study. The population was the 548 registered SMEs in Awka, Anambra State. The sample size of 85 was obtained using Taro Yamani's formula. The main instrument for data collection was questionnaire. Data collected were analyzed using descriptive statistics. Regression statistical tool was further used to test the hypotheses of the study. The study found that e-commerce investment costs are not significantly related to SMEs growth in Anambra State. There is a significant relationship between e-commerce security and customer retention in Anambra State. Therefore, the study recommends that managers of SMEs should continuously research and invest in emerging e-commerce technologies and its components because they have been proven to significantly promote SMEs growth and performance. Furthermore, SMEs should also ensure that all online transactions are done with trusted persons whose identities are not anonymous and should use secured websites as well as document receipts of every online commercial activity.*

Keywords: e-commerce, Performance, e-commerce investment costs, e-commerce security

1.1 Background of the Study

Globally, the invention and development of data technologies has improved daily living and also changed the scope and dynamics of the business world. This has made things that were once thought impossible become possible. Furthermore, it has made business processes that were once strenuous and complex become easy and more efficient. It has further enhanced the visibility of businesses and improved consumers' accessibility to goods and services being offered like never before. This development has turned the world into a 'global village' where trade can take place between two parties geographically distant from each other. This particular feature is known as e-commerce. Likewise, Nigeria has not been left out of growing e-commerce trends as many companies in Nigeria have capitalized on the growth of information technology to improve their visibility and accessibility. In the same vein, Nigerian Small and Medium Enterprises have been able to capitalize on e-commerce to improve their business functions and make themselves visible to consumers despite having few resources. This has made e-commerce to be seen as a modern day 'industrial revolution'. The term e-commerce also known as electronic commerce is defined as the conduct of commerce in goods and services, with the assistance of telecommunication and telecommunication based tools (Roger, 1999). According to Tan, Tyler & Manica, (2007), e-commerce is a cost effective avenue to reach global customers, by gaining market shares which is achieved by organising a wide range of business processes and technology for competitive advantage utilizing telecommunication and relationship improvement networks. Although, e-commerce was a concept introduced over 40 years ago the research interest in it is only recent. E-commerce involves activities that look to enable arm's length transactions between firms and individuals. In the today's world, e-commerce continues to grow with new technologies and inventions which have improved its functionality and efficiency. A major advantage that e-commerce has in contrast to a traditional business is that it can be assessed at anytime and it has a worldwide reach (Chen & Zhang, 2015). Okeke, Ezeaghaego & Oboreh (2016) opined that the e-commerce has its influence over many aspects of the world market either directly or indirectly. According to them this has removed the limitations of the accessibility of information and ensure that it can be reached anywhere by anyone accessing the Internet. Furthermore, Kareem, Owomoyela & Oyebamiji, (2014), opined that the advent of e-commerce has opened new opportunities to retailers as it has reduced the importance of location and improved their reach to consumers that are in need of their services. Major companies in the world today have capitalized on the use of e-commerce to improve their profitability and business performance. Companies like Amazon, Alibaba and Walmart have become large corporations due to the integration of e-commerce into their business models. Therefore, they have been able to expand their market share from their local market to global markets.

Nigeria has also been experiencing growth in the use of e-commerce by businesses as various online businesses are growing. The rapid growth of information technology in Nigeria has boosted the activities of e-commerce. It has made it possible for people around the country to shop at the comfort of their homes through emailing, online order, texting and calling. Major companies that have thrived on the use of e-commerce include Jumia and Konga who have been the forerunners of e-commerce in Nigeria (Okeke et al, 2016). Furthermore, Okeke et al (2016) noted that e-commerce has also afforded opportunities to Small and

Medium Scale enterprises to improve their business functions and experience rapid growth. SMEs like Yudala, Hello Foods and Uber have experienced rapid growth due to the fact that they adopted business models that involved e-commerce.

However, despite the evidence from these companies the adoption of e-commerce among SMEs remains low. This is concerning because according to Kareem et al (2014), SMEs are vital to the development of the economy and as such, opportunities such as e-commerce that can aid their growth and development should be seized upon. Therefore, this study will aim to find out the influence of e-commerce on the performance of small scale enterprises.

1.2 Statement of the Problem

Small and medium enterprises play very significant roles in the economic growth and development of countries. Furthermore, Onugu (2005) suggested that small and medium enterprises are a significant part of the nation's economy as they are vital to creating employment opportunities in the country thereby creating wealth for middle class and reducing the economic burden on the country. According to Okeke et al (2016), they account for 60 percent to 70 percent of jobs created in both developed and developing countries all over the world. This has ensured that several countries in Africa prioritize their investment in small scale enterprises. Therefore, their development and growth is vital to the development of the economy. Despite the fact that the adoption of E-commerce presents many chances for SMEs to grow in Nigeria, most SMEs seem reluctant to adopt e-commerce in Nigeria. According to Raheem, Vishnu & Ahmed (2014), a lot of SMEs in Nigeria cannot afford to integrate e-commerce into their operations due to its high cost of adoption and their lack of accessibility to finances. This is the major reason for the lack of adoption of e-commerce in Nigeria. Apart from the lack of adequate finance many SMEs are not willing to spend such a huge amount of money investing in e-commerce as they cannot assure that it enhances their growth.

Furthermore, according to Nasir (2009) the infrastructure challenges in Nigeria have affected the smooth implementation of E-commerce in Nigeria. This has seen many e-commerce companies in Nigeria struggle to satisfy their customers. For instance, customers of Jumia, Konga, Hello Foods and Uber constantly complain of the timing of their deliveries, or the timing of arrival time of the service. In Uber's case many customers have complained of the late arrivals of drivers and unnecessary cancelation of trips. Many times these delays are caused by the holdups due to bad roads and poor drainage systems. Furthermore, the challenge of access to good internet has slowed down many companies' operations and ensured that they are not able to satisfy their customers' appropriately. For instance, many indigenes in Awka, Anambra state have many a time complained about the lack of internet accessibility and poor connectivity that they experience. This has discouraged SMEs from adequately utilizing e-commerce.

In addition, there have been security challenges associated with e-commerce in Nigeria, as such; it has been difficult to implement e-commerce operations in Nigeria. Nigeria was chosen as the country posing the highest risk of online fraud (31%). As a result of this, many Nigerians believe that their credit card information is not secure on internet. This serves as a discouragement to SMEs and has added to their reluctance to adopt e-commerce. Therefore it is against this backdrop that this study investigates the effect of e-commerce on performance of SMEs in Anambra state.

2.2 Objectives of the Study

The study specifically seeks to:

- 1) ascertain the effect of e-commerce investment costs on the growth of Small and Medium Scale enterprises in Awka Anambra state.
- 2) examine the effect of e-commerce security on customer retention of Small and Medium scale enterprise in Awka Anambra state.

2.3 Research Hypotheses

H0: There is no significant effect of e-commerce investment costs on the growth of Small and Medium Scale enterprises in Awka, Anambra state.

H0: There is no significant effect of e-commerce security on customer retention of Small and Medium scale enterprise in Awka, Anambra state.

REVIEW OF RELATED LITERATURE

2.1 Conceptual Review

2.1.1 E-Commerce

The word '*e-commerce*' is a combination of two words electronic and commerce. E-commerce also known as electronic commerce or internet commerce refers to the buying and selling of goods and services using the internet and the transfer of money and data to execute these transactions. E-commerce is often used to refer to the sale of physical product online, but it can also describe any kind of commercial transaction that is facilitated through the internet. Cudjoe (2014), defines e-commerce as business, technology, society, and skills of buying and selling of products and services with the aid of internet and computer or handheld devices which

involves the process of ordering products or services to the time of delivery to the consumer or customer. According to Anil (2012), Electronic Commerce is electronic business. It's using the power of computers, the Internet and shared software to send and receive product specifications and drawings; bids, purchase orders and invoices; and any other type of data that needs to be communicated to customers, suppliers, employees or the public. E-commerce is the new, profitable way to conduct business which goes beyond the simple movement of information and expands electronic transactions from point-of-sale requirements, right through to invoicing, payment and receipt.

2.1.2 E-Commerce Investment Costs

The cost of internet and e-commerce infrastructure has a negative effect on E-commerce development in evolving countries hence raising an unnecessary competitive environment due to prohibitive internet and e-commerce infrastructure access. The cost of setting up an e-commerce cuts across the budget of procuring hardware, software tools installation, telecommunication charges, preliminary planning, training, continuous maintenance and servicing costs (Organization for Economic Cooperation Development, 2004). The monthly cost of Internet connectivity surpasses returns of certain percentage of the population. The price of internet accessibility determines the decisions to use internet and e-commerce. Accordingly to OECD (2004), presence of a wide range of Internet connections allows users to choose different and appropriate services according to their precise needs and potentials from online activities and other communication services. MacGregor (2011) alluded that high costs is an obstacle to e-commerce adoption, therefore SMEs would have to rely either on consultancy services or the availability of government assistance and the fact that small businesses faces hitches obtaining finance as compared to larger firms has continued to be a great barrier to e-commerce adoption. High telephones and companies charges contribute to dismay Internet and ecommerce participation in developing countries.

2.1.3 E-Commerce Security

Users of e-commerce sites are constantly exposed to privacy and security risks. The security and privacy policies put in place by owners of the platforms are often inadequate. This is because these platform owners focus on functionality and ease-of-use. Consequently, security suffers. Another factor that contributes to privacy and security risks is the underlying architecture of the internet, which does not support security sufficiently. The implication of this is that, no matter the amount of security mechanism deployed absolute security is unattainable. Another issue posing risk on online shopping platform centers on web retailers use of customers and visitors information. This actually constitutes privacy risk. One aspect entails monitoring visitors and customers preferences through cookies without their knowledge. The other involves passing customers private information to third party without their knowledge or consent. Nigeria is famous for online fraud. On the 23rd of August 2019, the FBI department of Los Angeles released an 80 man list of Nigerians suspected to have been involved in one of the largest online fraud in the US history. Consequently, this lack of perceived trust is occasioned when a potential customer experiences fear of providing financial details on e-commerce sites, fear of multiple deductions from account, and doubt about the capacity of web vendors to deliver purchased product and deliver it on time (Oluwafemi, Christopher, Joel & Adeyinka, 2016).

2.1.4 Performance

The improvement of the business performance is grounded by the increasing development of information and communications technology (ICT). A business performance is defined as the outputs or meaningful business results measured against its intended outputs. The SME performance is gaining an unprecedented improvement from the development of the technologies in business and trade. SME performance can be measured by different tools, such as financial & market performance, SME growth, customer satisfaction, employee satisfaction, customer retention and social responsibility.

2.1.5 Customer Retention

By definition customer retention is the activity a company undertakes to prevent customers from defecting to alternative companies. Successful customer retention starts with the first contact and continues throughout the entire lifetime of the relationship. Len Markidan, (2015) argued that bringing in new customers is hard, but losing them is easy (and costly). That's why customer retention is critical and important. Too many business owners run their companies like a bucket with a hole in it. They pour the water (customers) in at the top, but don't pay attention to what's leaking out of the bottom. Patching that hole is one of the best, and fastest, ways to boost a company's profits. In e-commerce, loyal customers are considered extremely valuable. The privacy and information of buyer and trader should be secure for maintaining a trustworthy business relation. This is because sometimes data may be used by the criminal groups for hacking customer and trader's money which decrease the trust of e-commerce business. Lack of privacy and security is a big challenge for e-commerce business in Nigeria. Lack of trust by customers reduces customer loyalty thereby, diminishing customer base of the business.

2.2 Theoretical Review

The study is anchored on Technology Acceptance Model (TAM) propounded by Fred Davis in 1985. TAM is an information systems theory that models how users come to accept and use a technology. Fred Davis proposed the Technology Acceptance Model (TAM) in his doctoral thesis at the MIT Sloan School of Management (Davis, 1989). It is one of the most widely used models to explain user acceptance behavior. This model is grounded in social psychology theory in general and the Theory of Reasoned Action (TRA) in particular (Fishbein, & Ajzen, 1975). TRA asserts that beliefs influence attitudes, which lead to intentions and therefore generate behavior (Ma & Liu, 2017). In summary, the Technology acceptance model explains how a computer improves performance of a job when completing a task. It tells us how a business owner's perception of the simplicity of using a computer system (PEOU) will determine the perceived usefulness of the computer in his business, therefore having subsidiary effect on technology acceptance by the business owner.

2.3 Empirical Review

Okeke, Oboreh & Ezeaghaego (2016) examined the effects of e-commerce on the growth of small scale enterprises in Anambra State. The study adopted judgmental sampling technique. A sample size of 282 respondents was chosen through purposive sampling. The data used were generated from the selected small scale enterprises in Nnewi, Onitsha and Awka. The data generated were analyzed using percentage analysis while the hypotheses formulated were tested using Z-test statistics. The study found that business-to-customer (B2C) exerts significant effect on the performance of small scale enterprises. It also revealed that E-commerce adoption has significant effect on growth of small scale enterprises. It was recommended that small scale enterprises yet to adopt e-commerce technology should do so to remain competitive in their industries.

Oluwafemi, Christopher, Joel & Adeyinka (2016), researched on e-commerce in Nigeria: a survey of security awareness of customers and factors that influence acceptance. The study aimed at accessing the security awareness of customers of e-commerce sites in Nigeria, and identifying factors that influence acceptance of these platforms. Data were collected via the use of questionnaire and was analyzed using T-test. Results show that most customers are aware that their information are stored by the e-commerce sites, and are concerned about the security of their data on these sites and the possibility of their information to be transferred to third party without their knowledge or permission. Yet only few of them make effort to always check the security and privacy policies of the sites before making purchases. Also, only few users are conversant with security technologies for securing e-commerce platforms. The proposed factors were found to be important or likely to influence transacting on e-commerce sites.

Akanbi & Akintunde (2018), studied E-commerce adoption and small medium scale Enterprises performance in Nigeria. The study aimed at examining the impact e-commerce adoption has on SMEs Operators performance. The study employed the use of a quantitative research approach. Based on the quantitative approach imbibed in the study, questionnaire was used to capture data that examined the objectives of the research. The questionnaire was distributed both manually and electronically to total sample of over 250 SMEs. Data collected were analysed using descriptive analysis. The study showed that e-commerce has potentials to improve the performance of SMEs operators and bring about expansion in business outlook if factors limiting the adoption of e-commerce like security issues, under developed infrastructures, poor delivery logistics and poor courier systems, infrastructure facilities, incompatibility of business with e-commerce etc., were eliminated. The study recommended improved infrastructural facilities and better strategies that will improve consumers and business technological knowledge and ensure favourable environment for e-commerce adoption.

Rita & John (2015) carried out a study on Determinant factors of e-commerce adoption by SMEs in developing country: evidence from Indonesia. The aim of this study is to investigate those factors that influence SMEs in developing countries in adopting e-commerce. A descriptive survey method using an on-line questionnaire was employed. Eleven variables were proposed as the factors that influence SMEs in adopting of e-commerce. These were organized into four groups, namely: technological factors, organizational factors, environmental factors and individual factors. A sample of 292 respondents was drawn from a population of 3,267 SMEs, a response rate of 8.9%. To investigate the relationship between the variables, multiple regression analysis is used. The result shows that the individual factors play a significant role in adopting of e-commerce technology by SMEs in Indonesia. It was also found that perceived benefits, technology readiness, owners innovativeness, owners IT ability and owners IT experience are the determinant factors that influence Indonesian SMEs in their adopting e-commerce.

Kareem, Owomoyela, & Oyebamiji (2014), conducted a research on electronic commerce and business performance: an empirical investigation of business organizations in Nigeria. This research paper examined the impact of e-commerce on business performance with particular reference to the selected supermarkets in Ibadan metropolis. The study sample was made up of 8 Supermarkets. Structured questionnaire designed by the researchers were used to collect data from each operator and 5 staff respectively, totaling

48 respondents. Data analysis was conducted with simple regression analysis. The result showed that e-commerce adoption has significant impact on service operations, cost operation reductions and profit levels. It was concluded that adoption of e-commerce by Nigerian supermarkets will reduce transaction cost, improve service operations, expand business base, better understand the needs of foreign customers, and increase profit levels. The study recommended that the operators and staff of supermarkets should embark on more effective Information Technology (IT) training in order to further enhance their performance. It also recommends management of supermarkets should procure quality IT gadgets that will enhance efficiency and customers retention.

Kabuba (2014), carried out a study on e-commerce and performance of online businesses in Kenya. The aim of the study was to establish the performance of existing online businesses as well establish the relationship between e-commerce models and performance. The study targeted 30 online companies based in Nairobi County and a cross sectional survey design was adopted. Descriptive statistics was employed. The regression analysis model was then used for data analysis. The study findings revealed that some of the challenges affecting online businesses but to a moderate extent are: potential customers reluctance to shop online due to desire to touch/interact with the product prior to making a purchase, lack of personal contact with customers which might be beneficial to business, e-commerce software incompatibility with existing infrastructure, customer distrust regarding privacy of personal data and finally, customers general lack of trust for online businesses. It was recommended that the government needs to invest in the enactment of laws and regulatory infrastructure that supports online purchasing. Most importantly Kenyan consumers have to be more willingly to purchase products and services online.

Mutia, Ahmad, Aziz & Mohamad (2014), examined the relationship between e-commerce adoption and organization performance of hotel industry in Malaysia. This study uses a cross-sectional research design. Data was analyzed using a statistical Package for Social Science (SPSS) Version 11. The study also found that there is a correlation between organization performance with E-commerce business network, and E-commerce competency. The research also employed stepwise regression analysis to look at dominant factor in predicting organizational performance. The research contributed to both academic research and management practice as it provide comprehensive impact of how e-commerce adoption influence organizational performance at least in the case of Tourism industry in a small developing economy like Malaysia.

2.4 Summary of Related Literature

Okeke, Oboreh & Ezeaghaego (2016) examined the effects of e-commerce on the growth of small scale enterprises in Anambra State and it was revealed that E-commerce adoption has significant effect on growth of small scale enterprises. Akanbi & Akintunde (2018), studied E-commerce adoption and small medium scale enterprises performance in Nigeria and their research showed that e-commerce has potentials to improve the performance of SMEs operators and bring about expansion in business outlook if certain limiting factors were eliminated. Rita & John (2015), carried out a study on determinant factors of e-commerce adoption by SMEs in developing country and the result showed that individual factors play a significant role in adoption of e-commerce technology by SMEs. There exists a significant relationships between applications of electronic commerce, operational and market based performance and for this reason, Kabuba (2014), carried out a study on e-commerce and performance of online businesses in Kenya and deduced that that some of the challenges affecting online businesses but to a moderate extent are: potential customers reluctance to shop online, lack of personal contact with customers which might be beneficial to business, e-commerce software incompatibility with existing infrastructure, customer distrust regarding privacy of personal data and customers general lack of trust for online businesses. Kareem, Owomoyela, & Oyebamiji (2014), conducted a research on electronic commerce and business performance of organizations in Nigeria and their research revealed that e-commerce adoption has significant impact on service operations, cost operation reductions and profit levels. Oluwafemi, Christopher, Joel & Adeyinka (2016), carried out a research on e-commerce in Nigeria: a survey of security awareness of customers and factors that influence acceptance; and they discovered that most customers are aware that their information are stored by the e-commerce sites, and are concerned about the security of their data on these sites and the possibility of their information to be transferred to third party without their knowledge or permission. Yet only few of them make effort to always check the security and privacy policies of the sites before making purchases.

2.5 Gap in Knowledge

From the ongoing review of the related literature of past scholars, a gap still exists which the present study tries to fill. Most of the studies reviewed describe factors that limit Small and Medium Scale Enterprises in adopting e-commerce technology and most of these studies were examined from consumers' perspectives, however, there is a dearth of study on the effect of e-commerce on the performances of SMEs in Awka, Anambra State and from the manager or business owner's perspective. Therefore it is against this backdrop that this study aim to investigate the effect of e-commerce on performance of SMEs in Awka, Anambra state.

Methodology

The study employed descriptive survey research design. Structured questionnaire was used to elicit vital information from the respondents. According to findings from SMEDAN and National Bureau of Statistics collaborative survey (2013), there are 1737 registered SMEs in Anambra state. However, the total number of registered SMEs in Awka was 548 and this forms the population of the study which targets operators of SMEs in Awka, Anambra state. Taro Yamani formula was used to determined the sample size and the sample size is 85. Content and construct validity was used to validate the instrument. Reliability was tested using Cronbach Alpha at 5% level of significant. The statistical tool used for the analysis of the data was descriptive statistics and simple regression was used to test the hypothesis.

4.1 Analysis and Presentation of Data

Table 1 What is the effect of e-commerce investment costs on the growth of Small and Medium Scale enterprises in Awka, Anambra state?

Descriptive Statistics

Items	N	Minimum	Maximum	Mean	Std. Deviation
1. Use of e-commerce is affordable in our business	70	2.00	5.00	4.3077	.73589
2. It is expensive for our business to have its own website	70	1.00	5.00	3.1154	1.21085
3. Employing and training employees to handle e-commerce related activities are affordable	70	2.00	5.00	3.5385	.90469
4. E-commerce has enhanced the growth of our business	70	4.00	5.00	4.6154	.49614
5. E-commerce gives our business competitive advantage over others	70	2.00	5.00	4.6538	.68948

Source: Field survey, 2019

Table 1 presented the mean as well as the standard deviation of items of e-commerce investment costs and SME growth. The questionnaire items were designed to indicate if e-commerce investment costs have effect on SME growth

Table 2: What is the effect of e-commerce security on customer retention of Small and Medium scale enterprise in Awka, Anambra state?

Descriptive Statistics

Items	N	Minimum	Maximum	Mean	Std. Deviation
1. The personal and financial data of our customers are protected	70	2.00	5.00	4.4231	.70274
2. Online transactions of our business are carried out on a secure platform	70	3.00	5.00	4.3077	.54913
3. Our business website is absolutely secure and cannot be hacked	70	2.00	5.00	3.6154	.85215
4. The private information of our customers are never given to a third party	70	4.00	5.00	4.4615	.50839
5. We can be completely entrusted with the credit card details of our customers	70	2.00	5.00	4.3077	.78838

Source: Field survey, 2019

Table 2 presented the mean as well as the standard deviation of items of e-commerce security and customer retention. The questionnaire items were designed to indicate if e-commerce security has effect on customer retention.

Table 3: Descriptive Statistics Summary (Average scores)

Variables	N	Minimum	Maximum	Mean	Std. Deviation
E-COMMERCE INVESTMENT COSTS	70	2.67	4.67	3.6538	.50315
SME GROWTH	70	3.33	5.00	4.6026	.49906
ECOMMERCE SECURITY	70	3.33	5.00	4.1154	.53285
CUSTOMER RETENTION	70	3.33	5.00	4.3462	.52052
Valid N (listwise)	70				

Source: Field survey, 2019

On average, the mean scores of e-commerce investment costs and SME growth are 3.6538 and 4.6026 while the standard deviations are 0.50315 and 0.49906 respectively. This shows that on average, all respondents’ agree that e-commerce investment costs have little or no influence on SME growth. The implication of this finding is that SMEs in Awka, Anambra State may have continued growth when e-commerce investment costs are either high or low.

On average, the mean scores of e-commerce security and customer retention are 4.1154 and 4.3462 while the standard deviations are 0.53285 and 0.52052 respectively. This shows that on average, all respondents agree that e-commerce security has influence on customer retention. The implication of this finding is that customers of SMEs in Awka, Anambra State would stay loyal to them when e-commerce security is ensured.

4.4.1 Test of Hypothesis 1

H0: There is no significant effect of e-commerce investment costs on the growth of Small and Medium Scale enterprises in Awka, Anambra state.

Table 4: ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	.119	1	.119	.467	.501 ^b
Residual	6.108	68	.254		
Total	6.226	69			

a. Dependent Variable: SMEGROWTH

b. Predictors: (Constant), ECOMMERCE INVESTMENT COSTS

In table 4, the ANOVA (Analysis of variance) table shows the P value = 0.501. Since the P value is higher than $\alpha = 0.05$, it indicates that there is no significant relationship between the predictor and the dependent variable.

Table 5: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	4.102	.739		5.548	.000
ECOMMERCE INVESTMENT COSTS	.137	.201	.138	.684	.501

a. Dependent Variable: SME GROWTH

In Table 5, It is revealed that ecommerce investment costs has a P value of 0.501 which is greater than $\alpha = 0.05$, therefore the relationship between e-commerce investment costs and SME growth is not statistically significant. Thus, we accept H0 (There is no significant effect of e-commerce investment costs on the growth of Small and Medium Scale enterprises in Awka, Anambra state) and reject Hi (There is significant effect of e-commerce investment costs on the growth of Small and Medium scale enterprises in Awka, Anambra state).

4.4.2 Test of Hypothesis 2

H03: There is no significant effect of e-commerce security on customer retention of Small and Medium scale enterprise in Awka, Anambra state.

Table 6: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1.428	1	1.428	6.411	.018 ^b
Residual	5.346	68	.223		
Total	6.774	69			

a. Dependent Variable: CUSTOMER RETENTION

b. Predictors: (Constant), ECOMMERCE SECURITY

In table 6, the ANOVA table shows the P value = 0.018. Since the P value is less than $\alpha = 0.05$, it indicates that there is a significant relationship between the predictor and the dependent variable.

Table 7: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.500	.735		3.402	.002
ECOMMERCE SECURITY	.449	.177	.459	2.532	.018

a. Dependent Variable: CUSTOMER RETENTION

In Table 7, the test of hypothesis 2 is presented. It is revealed that e-commerce security has a P value of 0.018 which is lower than $\alpha = 0.05$, therefore the relationship between e-commerce security and customer retention is statistically significant. Thus, we reject H_0 (There is no significant effect of e-commerce security on customer retention of SMEs in Awka, Anambra state) and accept H_1 (There is significant effect of e-commerce security on customer retention of SMEs in Awka, Anambra state).

5.1 Summary of Findings

The following findings were made from the analysis:

1. From the result of the study, it showed that e-commerce investment costs has a P value greater than the alpha value (α) which led to the acceptance of the null hypothesis. Hence, e-commerce investment costs are not significantly related to SME growth in Awka, Anambra state.
2. From the result of the study, it showed that e-commerce security has a P value less than the alpha value (α) which led to the rejection of the null hypothesis. Hence, e-commerce security is significantly related to customer retention of SMEs in Awka, Anambra state.

5.2 Conclusion

Based on the findings obtained from the statistical testing of the hypotheses, there is empirical evidence that e-commerce has a great impact on the performance of SMEs in Awka, Anambra state. The study showed that e-commerce investment costs does not significantly relate to SME growth. The advent of e-commerce offers considerable opportunities for SMEs to expand their customer base, enter new product markets, and rationalise their businesses and as such, the benefits of e-commerce outweigh the costs of investment. Therefore, SMEs that invest in e-commerce may continue to grow whether the investment costs are high or low. Also the study showed that e-commerce security significantly relates to customer retention, there is need for SMEs to address the issue of uncertainty about the internet so as to improve the level of customer retention. This is not the duty of the government alone. In fact the government has little to do in ensuring security in e-commerce. Furthermore, it was concluded that e-commerce plays a vital role in the business economy especially in small and medium scale business enterprises. SMEs have started using assortment of e-commerce technologies which has improved their performance through the expansion of their customer base and product market, as well as increased levels of customer satisfaction and retention.

5.3 Recommendations

The following recommendations have been given for better and more impact of e-commerce:

1. Managers of SMEs should continuously research and invest in emerging e-commerce technologies and its components because they have been proven to significantly promote SMEs growth and performance.
2. Managers of SMEs should also ensure that all online transactions are done with trusted persons whose identities are not anonymous and should use secured websites as well as document receipts of every online commercial activity.
3. There should be customers' privacy in order to safeguard the banking credentials and information of their customers.

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