

Navigating the Digital Frontier: Unraveling the Dynamics of E-Entrepreneurship in the Internet-Based Economy

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Abstract

This article delves into the transformative landscape of the internet-based economy, exploring the realms of e-entrepreneurship and its pivotal role in reshaping business paradigms. From the evolution of e-business concepts to the significance of information technology, the study unfolds the intricacies of this dynamic ecosystem. The article conducts a thorough examination of successful e-enterprises, including industry giants like Amazon, eBay, Walmart, Best Buy, Target, and Macy's, employing a SWOT analysis to identify key success factors. Through a comprehensive review of relevant literature and case studies, the research provides insights into the special features, challenges, and strategies employed by e-entrepreneurs. The study establishes research hypotheses and employs a mixed-method research approach, combining qualitative and quantitative methods, including literature review, case studies, and SWOT analysis. The findings underscore the critical role of e-entrepreneurship in fostering innovation, economic growth, and competitive advantages in the digital era. The article concludes with suggestions for aspiring e-entrepreneurs and organizations aiming to thrive in the evolving landscape of the internet-based economy.

Keywords: E-entrepreneurship, Internet-based economy, E-business, SWOT analysis, Information Technology, Digital Transformation, E-commerce, Innovation, Globalization, Case Studies.

Introduction

The net economy has undergone a significant transformation in the last two decades, transitioning to an internet-based economy. This has attracted new and young customers with IT technology knowledge. E-entrepreneurship and e-business are two concepts defined by recent writers. E-entrepreneurship involves creating something new and taking risks and rewards, while e-business uses digital information technologies to support business processes. E-business aims to empower customers, improve trade, increase business sharpness, expand organizations, create products and services, and develop new markets. The development of computers, internet, and software has led to numerous entrepreneurs, with Microsoft being an example of innovation in entrepreneurship. E-entrepreneurs use the World Wide Web to interact with businesses and customers, possessing similar traits as entrepreneurs but also having technical skills.

E-entrepreneurship

The phrase 'e-entrepreneurship' refers to the process of launching new businesses in the internet economy. Thus, e-entrepreneurship is a process of producing something new while accepting risks and benefits, as well as a creative commercial activity on the Internet. Entrepreneurship is currently undergoing a shift to support the rapid changes impacting the global economy. "The introduction of the Internet and advancements in Information and Communication Technologies (ICTs) have created new markets and significantly transformed old ones." In certain unique circumstances, a number of old local and regional markets were being replaced by global e-Markets based on the fast-growing and innovative technologies that brought producers and consumers into close and cost-effective contact.

Importance of E-entrepreneurship

E-entrepreneurship is gaining importance as it provides a competitive advantage for businesses, particularly medium-sized and small businesses. However, internationalization and intercity rivalry pose challenges to city improvement. To support e-entrepreneurship, cities should introduce locals to innovation networks and innovative ways to deal with global intercity competition using the internet. India has started to integrate e-commerce

technology, with 23% of top 50 companies pioneering e-commerce activities. The country's IT infrastructure is growing, and global e-enterprises like Amazon and eBay have invested billions in India. E-entrepreneurship reduces costs by eliminating middlemen and brokers, leading to increased demand and competitive pricing. Empowering educated women and girls through entrepreneurship development can help them take advantage of their potentials and reduce mental abnormalities. ICT is considered the most important means of modern entrepreneurship, and it can facilitate challenges faced by female entrepreneurs and increase their entrepreneurship power.

Special Feature of E-entrepreneurs

E-entrepreneurs use the World Wide Web (WWW) to communicate and conduct virtual transactions with consumers and businesses. The internet is an enormous means of information, with various sources providing information for various purposes. The worth of information on the Internet ranges from excellent to poor, as search engines like Lexus/Nexus, Forrester, Yahoo, Google, and Jupiter Media Matrix are used to locate this information. Active Media surveys businessmen doing business on the WWW, claiming that 2% of tough web marketers now finance more than half of the web sales dollars. Despite competitive pressures, marketers continue to flock to the WWW, despite the sales results. Professionals continue to play an effective role in web commerce, increasing by 43% of sales in dollars. The growth rate of web businesses has been increasing, with smaller and more web marketers becoming more consumer-oriented. E-entrepreneurship is influenced by the fundamentals of company founding in the net economy, which depend on IT and ICT and founding new companies. Success in e-commerce depends on founder factors, e-service factors, and external factors like government support. Microsoft Corporation is a successful example of e-entrepreneurship, providing new software and high productivity.

Role of E-entrepreneurship

E-entrepreneurship plays a crucial role in the post-industrial era, facilitating commercial transactions through global internet networks. It involves activities such as distribution, purchasing, sales, marketing, and service offerings. E-commerce is useful in the information technology industry, facilitating business deals worldwide. Non-entrepreneurial firms and public companies spend more money on research and development, while entrepreneurs have less cost but better results and success. Leading retailers use data mining software to connect with billions of potential customers via the internet. E-entrepreneurship can be divided into sectors based on output or production, such as Amazon.com's e-book sales and eBay.com's B2B operations.

Internet Technology

The Internet, initially seen as an emergency military program, has grown significantly since its infancy, reaching over 3 billion users by 2010. It is a global public network of computer networks that pass information using common protocols. E-entrepreneurship, or electronic commerce, facilitates commercial transactions through the global Internet network, including activities like electronic funds transfer, chain management, e-marketing, online marketing, and property inventory. Entrepreneurs have less cost in research and development, leading to better results and success. E-commerce can be divided into sectors like e-books, printed books, and B2B businesses. Protocols like WWW and HTTP are essential for communication and transmission. Portals provide access to information, such as e-shopping malls, search engines, online discussion groups and email.

Organizational strategies for e-business

Successful e-business requires an organisation to grasp electronic interactions. Traditional methods of consumer acquisition, such as advertising, marketing, and public relations, are as crucial for a website. E-business is primarily used in the following business areas:

Key business areas that benefit from e-business include:

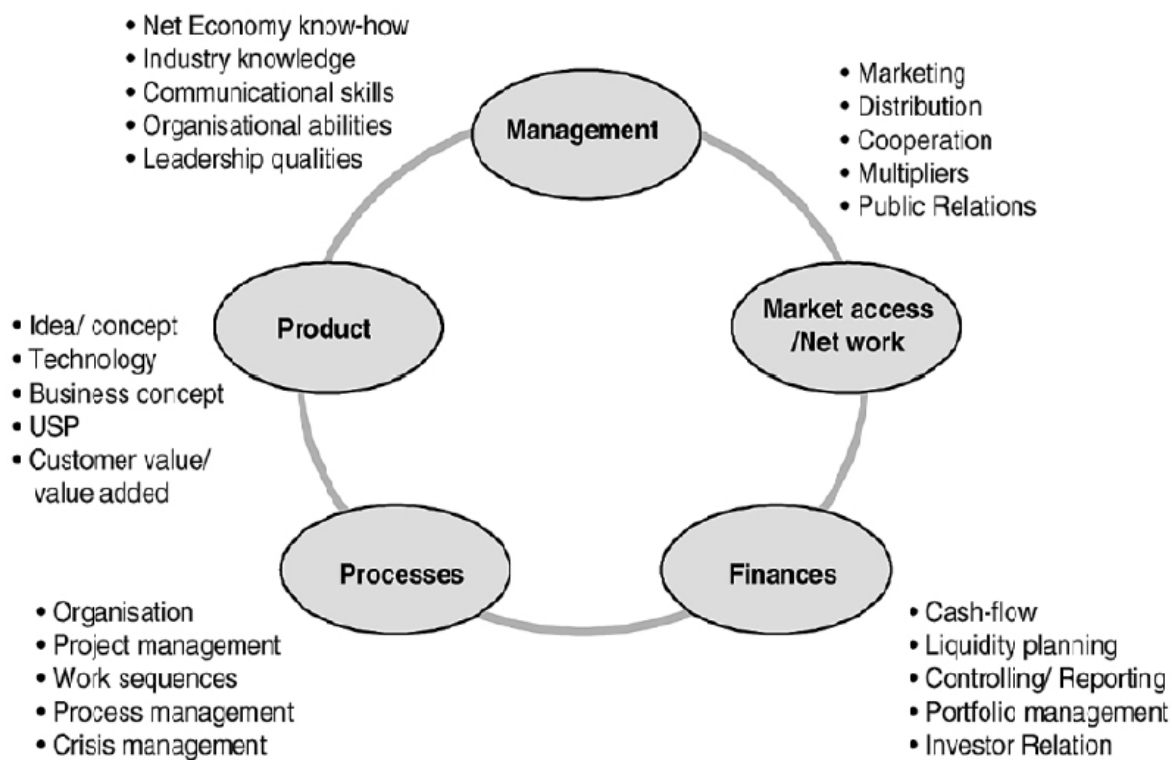
- Intermediaries
- Customer service
- Procurement
- Financial services
- Marketing/Sales

E-business operations involve acquiring items and services from a corporation using digital networks. Innovative information and communication technologies are integrated to assist and complete operational and strategic activities in this field. An e-shop enables a corporation to sell items and services online over digital networks, utilising cutting-edge information and communication technology to support sales operations and strategies. An e-marketplace facilitates electronic trading of items and services over digital networks, utilising modern information and communication technologies to match supply and demand.

Establishing an E-enterprise

New e-enterprises in the net economy often follow a unique process, often starting as an original company without relying on existing structures. These companies are often founded independently by founders seeking self-employment and securing their entrepreneurial existence. Established e-ventures are often innovative, not imitating existing companies. The increasing importance of information as a competitive advantage has led to a focus on new knowledge-based and conceptually creative factors in the context of electronic value creation. This approach ensures that new companies consistently utilize new knowledge-based and creative factors in the creation of electronic products.

Success factors of establishing an e-enterprise



Review of literature

Glavas and Mathews (2014) investigated how the characteristics of international entrepreneurship influence Internet capabilities for the firm's international business processes and conducted several case studies using non-random, purposive selection criteria, which is considered appropriate. The case studies were based on international entrepreneurs from eight small and medium-sized Australian travel and tourism companies operating

internationally. The accumulation of Internet capabilities in the companies could facilitate international operations, especially when used in an environment with rapid development of the dynamic Internet. However, the characteristics of international entrepreneurship that are seen as precursors to harnessing the power of the Internet are still vague.

Lai (2014) worked on the study Shopper-Based Salient E-Services Cape Attributes with the help of a survey of 50 participants categorised by profession and gender. They have explained how business owners effectively use emails and other web tools to communicate price, product information and other related messages to customers. For example, marketers should ensure that notification emails are not repeated more than once, as this can irritate customers. The findings also indicate that eservices cape characteristics may be adjusted to improve the efficacy of shopping websites.

According to Hasan (2009), innovation in e-business is the numerical change of an organization's operations that has a significant influence on current business practices. Furthermore, developments in e-business entail a shift in corporate culture, which is defined as a set of common rules inside an organisation that govern how employees behave. E-business in the workplace is linked to the Internet and the growing usage and use of computers. The study found that entrepreneurship and innovation are critical aspects for the long-term success of e-commerce and e-business.

Tierney (2000) stated that there is a growing connection on the Internet websites and the web for the promotion of tourism and the evaluation of the effectiveness of the website was necessary because of the cost of configuration, advertising and maintenance. There is a great need for evaluations beyond visits and pages visited. He pointed out that there are important methodological challenges when conducting research and proposals based on the web

Quintana (2003) has found that a variety of technologies are currently used for online teaching, with the use of the World Wide Web being common for online courses, as well as class announcements, student-teacher e-mail communication, interactive videos on the Internet for distance learning and discussion, and virtual reality for exploring 3D scenes

Zhao (2006) examined the topic “Entrepreneurship and Innovation in E-Business: An Integrative Perspective” and found that e-entrepreneurs are different from small entrepreneurs. Small business owners are concerned about their income to meet their immediate needs and generally do not need to concern themselves with innovation, whereas entrepreneurs have a greater motivation to succeed and take risks and are keen to innovate and change. EBay, a very successful startup company, is a classic example of entrepreneurship and innovation in international e-business. The success of Amazon.com has everything to do with innovation and entrepreneurship

Objectives:

The objective of this article is to explore and analyze the role of e-entrepreneurship in the internet-based economy, focusing on its importance, special features, and impact on business processes. The article aims to highlight the evolution of e-entrepreneurship, its significance in the global economy, and the strategies employed by e-businesses. Additionally, it reviews relevant literature and conducts a SWOT analysis of prominent e-commerce companies to identify key success factors for e-entrepreneurs.

Research hypotheses

H₁- E-entrepreneurship is a critical driver of innovation and economic growth in the net economy.

H₂: Successful e-enterprises exhibit specific strengths and weaknesses that can be analyzed through a SWOT analysis.

H₃: E-entrepreneurship success is influenced by factors such as digital information technologies, organizational strategies, and external support.

H₄: The adoption of e-business strategies contributes to the competitive advantage of organizations in the digital era.

H₅: The growth of e-entrepreneurship is closely linked to advancements in Information and Communication Technologies (ICTs)

Research Methodology

The article appears to utilize a combination of qualitative and quantitative research methods, including literature review, case studies, and SWOT analysis. The research methodology involves:

Case Studies: The article references case studies of prominent companies such as Microsoft, Amazon, eBay, Walmart, Best Buy, Target, and Macy's to illustrate and analyze success factors, strategies, and challenges in the e-entrepreneurship domain.

SWOT Analysis: A SWOT analysis is conducted for major e-commerce companies, including Amazon, eBay, Walmart, Best Buy, Target, and Macy's. "This analysis helps identify strengths, weaknesses, opportunities, and threats associated with these companies".

Data Collection: The article uses data related to the global expansion of e-commerce, IT infrastructure development in countries like India, and the influence of the Internet on business processes.

SWOT Analysis

The SWOT analysis of the organization shows the strengths, which are more than the weaknesses. The opportunities and risks are also be taken into account by the management if the company is to survive in the future. The company's SWOT analysis is shown below.

	Strengths	Weaknesses	Opportunities	Threats
Amazon	<ul style="list-style-type: none"> • Global operations. • Cost leadership. • Superior services • Acquisitions strategies. • Efficacy chain. • Large economies. • Customer centric. • Sound management. 	<ul style="list-style-type: none"> • Mere presence. • Zero margins. • Amazon adds new categories to its business and it could damage its image. 	<ul style="list-style-type: none"> • Payment system is online. • Released its brand products and services. • Portfolio of products and services through acquisitions. • Several online stores in one pack. 	<ul style="list-style-type: none"> • Security. • Justice. • Alliances strategy. • High competition. • Regional low cost-online retailers
Ebay.com	<ul style="list-style-type: none"> • Largest Internet market in the world. • Reputation of payment brand. • Payment system through Internet • Localization. • Economies of scale. • Business model (no strong direct competition). 	<ul style="list-style-type: none"> • No new strategy for its growth. • High fees. 	<ul style="list-style-type: none"> • Increasing mobile shoppers. • Retailer. • Increase services and product portfolio through purchase. • In other countries more online stores. 	<ul style="list-style-type: none"> • Charge of exchange rate. • Increased competition. • Regional low cost online retailers. • Security.
Walmart.com	<ul style="list-style-type: none"> • The world largest retailer. • Scale operations. 	<ul style="list-style-type: none"> • Employee Grievances. • High employee 	<ul style="list-style-type: none"> • Emergence retail market growth. • Increase 	<ul style="list-style-type: none"> • Increased competition from brick and mortar

	<ul style="list-style-type: none"> •Competence information. • Large systems in the range of products. • Strategy of cost leadership. •International strategy operations. 	<p>turnover.</p> <ul style="list-style-type: none"> •Less differentiation. •Negative advertising. 	<p>acceptance of own label products.</p> <ul style="list-style-type: none"> • Tendency to healthy food. • Shopping online growth. 	<p>and online communities.</p> <ul style="list-style-type: none"> • Resistance of growing from the local communities.
Bestbuy.com	<ul style="list-style-type: none"> • Specialized in its products. • One of the largest specialty retailers. • Leading U.S. retailer in computers, tablets and electronic devices. • Long-term relationship with suppliers 	<p>-International neglect and focus on intensive involvement to resolve disputes.</p> <ul style="list-style-type: none"> • The emphasis is on quality makes it's more expensive than Wal-Mart. • The brand popularity is lower than its competitors. 	<ul style="list-style-type: none"> •Expanding globally • Expanding into more different products • Increase of growth in electronic and computer product customers. 	<ul style="list-style-type: none"> •Online competitors • Need more skilled employees. • Focusing only on electronic products and computer gadgets. • Online sources of electronics like software are cheaper or even free.
Target.com	<ul style="list-style-type: none"> • Known after Wal-Mart for the cutting process. Differentiated retail product strategy that emphasizes quality over discount. •Enormous market share US top gift card seller. 	<ul style="list-style-type: none"> •Ignoring international issues and focusing solely on the United States Intensive engagement in conflict resolution. •The emphasis is on quality, which is why it costs more than Wal-Mart. •Brand awareness is lower compared to competitors. 	<ul style="list-style-type: none"> • The corporation expands into Canada by purchasing the Canada Zeller's chain. •The goal is to reduce operational expenses while boosting quotas. •As buyers respond positively to private label items, the quality of those products improves. 	<ul style="list-style-type: none"> • K-Mart and Wal-Mart compete fiercely for services and products since they share the same site. • Inflation drives customers to prioritise low costs over better interest quality. • As the government's tax collection climbed, so did the rates.
Macys.com	<ul style="list-style-type: none"> • Cost leadership • R & D •Good communication • Well known name •Loyal customers 	<ul style="list-style-type: none"> • No foreign markets • High amount of debt • Low market share 	<ul style="list-style-type: none"> • Global expansion • Online selling new products • Financial markets (raise money through debt, etc). 	<ul style="list-style-type: none"> • Tough competitors • Rates increased with the increase of taxes • Economy is slowing down • Price competition

SWOT Analysis of E-Companies:

Strengths and Weakness	Opportunities and Threats
Human resources.	Customer analysis: segments, motivations, unmet needs.
Customer service.	The cultural, political and economic ideology of society.
Better terms and conditions.	Social oppression.
Lower prices.	Current events.
Faster shipping.	Financial sources.
Larger selection of products.	Trends (new research).
Physical resources.	Market analysis: Oversize, growth, profitability, barriers to entry, cost structure, distribution, trends, success factors
Costs.	Online shopping cart software's which improved to be smoother, faster, and friendlier.
Uncertainty extends to fluctuations in economic sentiment.	Anyone could sell on social media without needing a website.
Shipping of products.	Competition from eBay and Amazon, which are big businesses, often undercut smaller businesses on price.
Use your credit cards.	Collect sales tax.
Excessive Charge backs. With security and fraud lurking in every corner.	Comprehensive changes in the industry that can impact your business.
Financial resources.	Identify all customers, categorise them into a specific group and evaluate performance, image and their goals.
Capabilities: Goal: To identify internal strengths, sickness, difficulties, limitations and uncertainties.	Social media is an excellent platform for free or low-cost promotions to increase product awareness.
Experience, including what has or has not worked in the past.	Environmental analysis: governments, Technology, economy, culture, information areas Goal: To identify external opportunities, tips, trends, and strategic mistakes.
Security.	Changes happens every single day and technology.
Employee capability.	Lower barriers for entry into ecommerce.
Profitability.	Live chat for customer support that increased support for customers.

Analysis and Results:

The world of study and market research needs to become more and more connected in order to transform academic knowledge into technical and business knowledge and use technology to achieve more productive products. In the following table you will find the result of a SWOT analysis of the leading online shopping companies.

Strengths	Weaknesses	Threats	Opportunities
Only online presence.	Cost strategy leadership.	Online security.	Electronic payment system.
Selling at zero margins.	Services high quality and efficient and products.	Lawsuits.	Have its own brand products and services.
As adds new categories to business, it risks damaging brand.	Acquisitions strategies.	Alliances.	Increase the number of services and our range of products through online stores.
Exchange rates.	Distribution logistic.	Legislation against rejection.	Open more in other pays.
They neglect the international level and focus only on the USA.	Economies chain champ.	Regional low cost retailers.	Physical presence.
Intensive involvement in the settlement of legal disputes.	Differential product underscores the quality strategy beyond reductions.	Alliances strategies.	Focus to reduce operational and operating costs and increase ratios.
Emphasis upon the quality makes its products more expensive.	Enormous market share nous.	Close competition	Private products labeled increase commendable as they are focused by the customers as well.
The low brand popularity.	Top gift card seller in us.		Retail market growth emergents.
Labor related lawsuits.	International largest retailer.		Increase acceptance of clean products.
High employee turnover.	Scale operations.		Tendency dining etiquette.
Little differentiation.	Competence information.		Shopping online increase.
Negative publicity.	Large systems in the range of internationals.		Growing mobile shoppers.
High fees.	Localization.		Become a retailer.
No further growth strategy.	System products. Operations payment		Grow product portfolio.

Key Success Factors for E-entrepreneurs

Generally	<ul style="list-style-type: none"> • Online discussion forum demands careful calibration. • Engagement of customers in product innovation. • International contacts are highly important. • Personalized services. • In retail sector the brick-and-mortar channel is more environmentally friendly when travel distances are small.
Customer Satisfaction	<ul style="list-style-type: none"> • Simple interface • More subcategory • Use more than one source • Pricing • Smooth distribution system. • Less bureaucratic. • Languages and cultures.
Categorized Customers	<ul style="list-style-type: none"> • Females and older individuals have less Internet experience. • Customers with more experience know what to expect from personalized services and how to use them for their own benefit.
Roles in Economy	<ul style="list-style-type: none"> • Entrepreneurs stimulated by industry-related parameters • The women face less or even no cultural challenges. • Social web is a tool for competition and interaction with customer. • Social web is a key tool for information and knowledge management.
Education and Infrastructure Improvements	<ul style="list-style-type: none"> • People need to be taught how to use this technology. • Security. • Internet and ICT infrastructures.
Social networks	<ul style="list-style-type: none"> • Social web technologies can be used as a tool for competition and interaction with customers all over the world. • Using social networks to acquire new customers. • Managers can find social paths leading in the efficient way to find their potential customers via social media.
Web security	<ul style="list-style-type: none"> • Hackers try to attack web application more than network and system layers. Then more protection for applications is needed. • With the rapid development of the Information, the computers contain more sensitive user data, and more security is required. Then, it is necessary to develop techniques to safeguard privacy.

Suggestions

To enhance the image of entrepreneurship in the net economy, entrepreneurs must consider customers and employees' satisfaction, particularly young and married customers. Organizations should provide products and services that meet their specific needs, including educational services, competitive pricing, and detailed advertising. To improve customer trust and loyalty, organizations should offer competitive pricing, provide flexible working hours, and offer job security and welfare measures. Management strategies should focus on price reduction, quality improvement, and customer satisfaction. To maintain international relations and maintain cordial relations with customers, businesses should consider effective supply chain logistics, cost leadership, customer delight, ethics, and values. E-enterprises should focus on products and services that cater to these customers, addressing barriers such as safety of payment, low trust, high shipping costs, refund policies, warranty and claims, and slow delivery. Lower prices, convenience, fast shipping, trust, brand awareness, and friend referrals are key reasons for success in online shopping. E-enterprises should design separate websites for different countries, considering their specific culture and needs, and ensuring they are innovative and customer-friendly. The first experience of online shopping is crucial, and the website should have a simple interface, more sub-categories, and less bureaucratic features.

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