

**MINISTRY OF HIGHER EDUCATION AND  
SCIENTIFIC RESEARCH**

**ECOLE SUPERIEURE DE COMMERCE**

**A Thesis Submitted in Partial Fulfillment of the Requirements for Master's Degree in  
Commercial Sciences, Specialty: Marketing & Communication**

**THE DIGITALIZATION OF  
RETAILING IN THE AUTOMOTIVE  
INDUSTRY**

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**Case Study: Renault Algeria**

**Submitted by:**

**Islam RAHAL**

**Supervised by:**

**Dr. Yahia BOUKERCH**

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## *Acknowledgments*

First, I would love to express my gratitude to my dear supervisor Dr. Yahia Boukerch for being there for me before, during and after this work preparation. Thank you so much for being such a source of inspiration, motivation and a reason that pushes me every day to become a better version of myself.

I also would like to thank my supervisor at Renault Algeria Mr. Saidani Hicham for the faith he put in me, for supporting me and always pushing me to learn and work harder.

To the marketing team at Renault Algeria: Thomas, Lynda, Amel, Acef and Rafik, thank you for the unforgettable experience.

A special thanks to my beloved teammates and associates within ELITE association, I name on behalf of them the head of the family Dr. Omar Hemissi.

My sincere gratitude to Team Marketing: Aghiles, Ryma and Ryna for the continuous support and for being a second family.

To my dear brother Mr. Gaoua Aghiles for being such a great friend and a person who never let me down.

To my dearest brothers Omar and Chihab eddine, to my sisters Romaissa and Fatima for being my everything.

Last but not least, all the credit goes back to the strongest woman on earth, thank you for being my mother.

## *Dedication*

*To my late father, may your soul rest in peace,  
To my mother who dedicated her existence to me.*

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# **General Introduction**

The world has witnessed many changes, and one of the most remarkable changes that affected the 2.0 generation is digitalization. In a world where digital swept all fields and domains, the result was a general transformation in the attitudes and behaviors. This transformation led to the appearance of new terms and concepts, for example, the concept of banking became e-banking, there was commerce and now a new concept occurred which is e-commerce, and this is exactly the definition of the concept 2.0.

More customers nowadays are connected through the internet. The number of connected people increases on daily basis. Internet is no longer a place only for entertainment and chat as it used to be, but it is now one of the most important markets. Hence this led to the appearance of many companies that sells products and services online, most notably, Amazon, Alibaba, Jumia, Facebook, few of this companies are amongst Fortune 500.

Algeria was not an exception, and the digital transformation started to spread after the appearance of the third generation of wireless mobile telecommunications technology. Algerian customers became more and more connected to the internet, essentially using their mobile phones which allows its users' to be connected anytime and anywhere.

This digital transformation pushed many companies in Algeria to invest in the electronic commerce such as Ouedkniss and Jumia were the first gates opened in front of Algerian internet users to e-commerce. Hence the beginning was not easy due to the technical and none technical obstacles these companies faced.

In 2017, Jumia Algeria received, on average, 20,000 orders per month, and the number of visitors reached 1,7 million visitors per month. These numbers were multiplied in 2020 especially during the pandemic that led to a remarkable increase in demand for online services.

Although hundreds of products and categories that are offered online in Algeria throughout different platforms, a specific category is highly neglected, which is cars spare parts and accessories despite the rude competition and the high market potential for this category of products.

This made everyone wondering about the reasons that prohibited investors from building e-commerce platforms that offer specifically this type of products, and if consumers will be ready to buy this kind of products online especially because of the complexity of the purchase criteria of car spare parts and accessories which basically depend on: product genuineness, recommendations and quality but also most importantly these kind of products are urgently needed where a delivery time might be considered an obstacle.

According to what was stated above, this research aims to answer the following main question:

***Should Renault invest in e-commerce platforms in Algeria since most consumers have become internet savvy?***

This main research question is divided into the following sub-research questions in which an attempt will be made to answer them in this dissertation.

### **Research Questions**

- What are the determinants of the intention to buy or not buy spare parts and accessories online?
- What is the purchase criterion that push consumers to engage in online purchase of spare parts and accessories?
- Does the type of platform used (website, mobile application) affect online consumers' satisfaction with regard to car spare parts and accessories?

Based on these research questions, the following hypotheses were proposed:

### **Hypotheses**

- ***Hypothesis 1:*** The online purchase of car spare parts and accessories is heavily dependent on consumers' prior online experience.
- ***Hypothesis 2:*** Consumers are more likely to engage in online purchase of cars spare parts and accessories if the purchase criterion is price because consumers go online to compare prices of different alternatives
- ***Hypothesis 3:*** Satisfaction is influenced by the medium of connectivity in which consumers who use a phone application are more satisfied than consumers who use a website.

### **Reasons of choosing the Research**

- **Personal Reasons:** Being passionate about the digital revolution and the electronic commerce implementation.
- **Professional Reasons:** Being held responsible for the e-commerce implementation within the host organization and the challenging environment.

### **Research Importance**

Despite previous research conducted in this field, e-commerce in Algeria is still facing endless challenges and obstacles and still growing slowly, what motivates any researcher to uncover the underlying reasons that led to the delay of this transformation.

### **Objectives of the Research**

This research aims to fuel Renault Algeria with the data required to help decision makers to make the right decision, whether it is worthy to invest in an electronic platform that sells car

spare parts and accessories in Algeria, and to have an overview of customer acceptance. In addition, help the organization to set an adequate digital business strategy.

### **Research methodology**

In order to answer the research questions, both primary qualitative and quantitative research will be conducted right after the documentary research that aims to acquire insights and an overview of the main subject which is: electronic commerce.

The quantitative research will be conducted in a form of an unstructured in-depth interview with the decision makers included directly in the process. This research is necessary and a starting point of the quantitative research. Before these interviews, an interview guide will be designed to discuss the topics of interest to the main research question. This qualitative research will be followed by a quantitative one, in which a questionnaire will be designed, tested, administrated to a judgmental none-probabilistic sample.

To test the hypotheses of this research, multiple tests and analyses are required. To test the first hypothesis, a binary logistic regression will be performed. To test the second hypothesis, *t* test will be conducted. Finally, to test the third hypothesis, simple linear regression will be carried out.

### **Research structure**

This Research is divided into three chapters. Two of these chapters will be dedicated to the literature review regarding e-commerce, whereas, the final chapter consists of an empirical research that will put the hypotheses into test. In what follows, the structure of each chapter is discussed.

- *First chapter:* which is entitled: *E-commerce: general overview* contains three sections. In the first section, a general overview of e-commerce, its main concepts, history and finally its advantages and disadvantages. The second section was dedicated to the Algerian case, a general analysis of the situation of e-commerce in the country, its legal framework and the struggles and barriers. Finally, the last section explains the e-commerce infrastructure and its components.
- *Second chapter:* which is entitled: *E-commerce adoption strategy and consumer acceptance*, devoted to the understanding of the electronic consumer behavior and the strategy that needs to be set. This chapter is divided into three sections, the first section explains the digital business strategy and its key success factors. The second section shows the electronic consumer behavior starting with acceptance, trust and e-customer experience. The last section discusses the digital customer relationship management.

- *Third chapter:* which is entitled: *Renault's investment in e-commerce platforms*, includes the case study of the research which is conducted based on the main research question that aims to determine whether Renault Algeria will invest in an e-commerce platform since Algerian customers are becoming more internet savvy. The third chapter contains three sections, the first section gives a general overview of the host company Renault Algeria and the automotive industry in the country. The second section is dedicated to the research methodology that explains the research design. And finally the last section presents the findings of the qualitative and the quantitative research.



# **Chapter I**

## **E-commerce: General Overview**

## **Introduction**

In the emerging global economy, Information technology (IT) has increasingly become a necessary component of business strategy and a strong catalyst for economic development. The strategic integration of IT in business has revolutionized relationships within organizations and those among organizations and individuals. Specifically, the use of IT in business has immensely enhanced productivity, encouraged greater customer participation, and enabled mass customization, besides reducing costs.

Switching completely to digital, or at least operating in both e-commerce and traditional commerce is no longer an option for those who want to survive and to compete in a world where digitalization is spreading faster than it ever was.

This chapter is divided into three sections. In the first section a general overview of e-commerce will be given beginning with providing different definitions, its main concepts and its different types. The second section which is entitled: E-commerce: The Algerian case, will address situational analysis of e-commerce in the country from different aspects, evolution, the legal framework, the struggles and barriers. Finally, the third section will discuss the infrastructure of e-commerce.

## section 01: Theoretical Foundation of E-commerce

The first section highlights a general overview of e-commerce, starting by giving the different definitions of this term. Then, discussion will progress to the history of e-commerce and its appearance worldwide. Finally, it's advantages and disadvantages.

### 1.1 E-commerce, Definition and Main Concepts

#### 1.1.1 Definition

Since its emergence, there have been numerous definitions of the term, according to (Turban, et al., 2018), E-commerce is the act of using internet or other networks while purchasing, selling, transporting or trading goods.

On another hand, the World Trade Organization (WTO) defines electronic commerce as "Production, distribution, marketing, sale or delivery of goods and services by electronic means. An e-commerce transaction can be between enterprises, households, individuals, governments and other public or private organizations" (World Trade Organization, 2020).

Furthermore, E-commerce is considered as the use of certain tools: internet, web, browsers and mobiles applications in order to make a business transaction. Specifically, to enable business transactions digitally between organizations, and between organizations and individuals (Kenneth & Carlo Guerico, 2017).

(Kalakota & B. Whinston, 1997, p. 28) places e-commerce into different perspectives:

- *A communications perspective* – the delivery of information, products or services or payment by electronic means.
- *A business process perspective* – the application of technology towards the automation of business transactions and workflows.
- *A service perspective* – enabling cost cutting at the same time as increasing the speed and quality of service delivery.
- *An online perspective* – the buying and selling of products and information online.

There has been a strong debate about the terms: e-commerce and e-business and the difference between both of the terms. Some argue that e-commerce is wider than e-business including all the electronic activities supporting the firm's market exchange and including the information system and the infrastructure. On the other hand, other argue that e-business is the one that includes the entire electronic activities the internal and the external ones including e-commerce (Kalakota, Robinson, & Tapscott, E-business 2.0: Roadmap for Success, 2000).

### 1.1.2 Main Concepts

**Digital Marketing:** Is a very common concept during the last century, it is one of the direct marketing forms. Its role is to link the customer and the seller online using different means such as platforms, emails, social media ... (Kotler & Armstrong, 2019)

**E-business:** “is the use of the internet technology to network and empower business activities, e-commerce, organizational communication and collaboration within a company and with its customers, suppliers and other stakeholders. IT-empowered business, commerce, and marketing have led to confusion over the concepts and definitions of e-business, e-commerce, and e-marketing” (HARSONO, 2018, p. 55).

**Web 4.0:** “is a new evolution of the Web paradigm based on multiple models, technologies and social relationships. The concept of Web 4.0 is not totally clear and unanimous in literature, because it is composed by several dimensions. In this sense, this study uses a systematic review approach to clarify the concept of Web 4.0 and explore its various dimensions, analyzing if they have elements in common. The findings indicate that the number of studies published from 2009 to 2017 on this field significantly increased, having reached a peak in 2014. Furthermore, we identified five dimensions associated with the Web 4.0 paradigm, in which the terms "pervasive computing" and "ubiquitous computing" are the most widely used in the literature” (Almeida, 2017, p. 7041).

**Cyberspace:** “is the nonphysical environment where EC is conducted by using computers and networks. The most important mechanisms are the Web, electronic marketplaces, social networks, and communication tools” (Almeida, 2017).

### 1.1.3 The Different Types of E-commerce

- **B-to-B E-commerce**

B-to-B e-commerce is a type of e-commerce where both transaction parts are companies. It is the sale of goods or services between businesses. This type shape around 80% of e-commerce and it continues to grow faster than the B-to-C e-commerce as the experts predicted (Andam, 2003).

- **B-to-C e-commerce**

“Business-to-consumer e-commerce, or commerce between companies and consumers, involves customers gathering information; purchasing physical goods (i.e., tangibles such as books or consumer products) or information goods (or goods of electronic material or digitized content, such as software, or e-books); and, for information goods, receiving products over an electronic network. It is the second largest and the earliest form of e-commerce. Its origins can

be traced to online retailing (or e-retailing). Thus, the more common B-TO-C business models are the online retailing companies such as Amazon.com, Drugstore.com, Beyond.com, Barnes and Noble and ToysRus. Other B-TO-C examples involving information goods are E-Trade and Travelocity. The more common applications of this type of e-commerce are in the areas of purchasing products and information, and personal finance management, which pertains to the management of personal investments and finances with the use of online banking tools (e.g., Quicken)” (Andam, 2003, p. 11).

### **1.2 E-commerce: History and Growth**

Back in 1970, exactly at the beginning of the electronic money transfer which is considered as the pioneering of e-commerce application, mostly among financial institutions whereby funds could be transferred electronically from an organization to another. However, this action was limited only to those financial institutions, and not extended to other organizations such as firms, companies and corporations. After the appearance of the electronic data interchange (EDI), routine documents were enabled to be transferred electronically. EDI was later extended to be used by other organizations rather than being held only by financial institutions, followed by the first steps of e-commerce appearance beginning with online reservation systems, and moving to online stock trading. Since its appearance in 1969 the United States, the internet played a major role in EC development and so was the appearance of the world wide web in the early 1990s. This enabled an important presence to both individuals and companies on the internet with both photos and texts. And since the internet was commercialized users began to use it worldwide, and the term electronic commerce was introduced by then and spread rapidly, a large number of dot-com (or startups) appeared. Today, companies’ presence on the web is no longer under question, not even in the developing countries. 1999 witnessed a remarkable shift from B-to-C to B-to-B e-commerce and from B-to-B to B-to-E, e-commerce, e-government, e-learning, and m-commerce in 2001.

In 2005, social networks, wireless applications and m-commerce started to draw attention, which resulted adding social commerce to e-commerce channels. Since 2009, the number of transaction using Facebook and Twitter keeps increasing remarkably (Turban, et al., Electronic commerce, A managerial and social networks perspective, 2018).

While reading about the history of e-commerce, it is necessary to cast light on the following concepts as (Turban, et al., Electronic commerce, A managerial and social networks perspective, 2018, pp. 39-40) mentioned:

- **“The Global Nature of EC:** EC activities can be seen between and within countries. In fact, the largest EC company in the world is Alibaba Group of China.
- **The Interdisciplinary Nature of EC:** From just the brief overview of the EC framework and classification, it can be seen that EC is related to several different disciplines. The major academic EC disciplines include the following: *accounting, business law, computer science, consumer behavior, economics, engineering, finance, human resource management, management, management information systems, marketing, public administration, and robotics.*
- **The Google Revolution:** During its early years, EC was impacted by companies such as Amazon.com, eBay, AOL, and Yahoo!. However, since 2001, no other company has probably had more of an impact on EC than Google. Google-related Web searches are targeting advertisements much better than its competitors. Today, Google is much more than just a search engine; it employs many innovative EC models, it is involved in many EC joint ventures, and it impacts both organizational activities and individual lives. Google’s companies are incorporated under the “Alphabet” brand. In 2016, Alphabet included Google, Calico, Google X, Nest, Google SCapital, Fiber, and Google Ventures.
- **Cyber Monday, Singles’ Day, and Prime Day:** An interesting evidence for the growth of online shopping is the volume of shopping during Cyber Monday in the United States and Singles’ Day in China (11/11). In 2016, Amazon introduced the *Prime Day*. On July 12, 2016, the daily sales were 60% more than on any other previous day.
- **Social Commerce:** The explosion of social media and networks, as well as Web 2.0 tools (e.g., wikis, blogs), resulted in new ways of conducting e-commerce by making it social.
- **EC Failures:** Starting in 1999, a large number of EC companies, especially e-tailing and B-TO-B exchanges, began to fail. Well-known B-TO-C failures include Drkoop, MarchFirst, eToys, and Boo. Well-known B-TO-B failures include Webvan, Chemdex, Ventro, and VerticalNet. (Incidentally, the history of these pioneering companies is documented by David Kirsch in his Business Plan Archive ([businessplanarchive.org](http://businessplanarchive.org)). A survey regarding failures of dot-coms from 1998 to 2005 found that 62% of dot-coms lacked financial skills and 50% had little experience with marketing. Similarly, many companies failed to have satisfactory order fulfillment and enough inventory to meet the fluctuating and increasing demand for their products. The situation today (2017) is about the same in many small and medium companies. As of 2008, many start-ups related to Web 2.0 and social commerce started to collapse. Does the large number of failures mean that EC’s days are numbered? Absolutely not! First, the dot-com failure rate is declining

sharply. Second, the EC field is basically experiencing consolidation as companies test different business models and organizational structures. Third, some pure EC companies, including giants such as Amazon.com and Netflix, are expanding operations and generating increased sales. Finally, the click-and-mortar model seems to work very well, especially in e-tailing (e.g., Gap, Walmart, Target, Apple, HP, and Best Buy).

- **EC Successes:** The last few years have seen the rise of extremely successful EC companies such as eBay, Pandora, Zillow, Google+, Facebook, Amazon.com, Pay Pal, Pinterest, VeriSign, LinkedIn, and E\*TRADE. Click-and-mortar companies such as Cisco, Walmart, General Electric, IBM, Intel, and Schwab also have seen great success. Additional success stories include start-ups such as Alloy.com, Blue Nile, Ticketmaster, Amazon.com, Net-a-Porter, Expedia, Uber (...)."

### 1.3 E-commerce: Advantages and Disadvantages

#### 1.3.1 The Advantages of E-commerce

With the increasing demand of products online, a large number of stores are transitioning to what it called e-store. In the U.S, more than 60% of people are purchasing goods online from the comfort of their home and this figure is increasing constantly. This percentage is the best example to show how tremendously e-commerce is expanding thanks to its benefits and convenience. And in this section, the benefits of e-commerce will be highlighted (Aydar, 2020).

- **Convenience & Easiness**

e-commerce is becoming one of the most preferable means of shopping through its easiness and convenience, people are allowed to buy products anywhere and anytime. The best thing about buying online is that it offers various options with the ability of electronic payment, which means transferring funds electronically. E-commerce saves customers time, money and efforts.

- **Offer Product Datasheets**

Online product catalogue offers consumers the ability to get descriptions and details about the products. Information is very important to the buyers no matter the nature of the product because it allows consumers to make their purchase decision.

- **Attract New Customers with Search Engine Visibility**

The concept of branding and relationships is very important in physical retail. And regarding the role that search engines play in the EC, which is attracting new customers and prospects to visit the website through search engine optimization (SEO).

- **Comprise Warranty Information**

Consumers should be aware of the conditions associated with their act of buying, and it is important to include the warranty information within the product description.

- **Decreasing Cost of Inventory Management**

Automating the inventory management in e-commerce through web-based system management is important and leads the organization to an easy, fast and flexible inventory management with a lower cost.

- **Track Consumers' Buying Habit**

Data flow is very important in e-commerce, retailers can track their consumers consistently, and they can monitor their habits and behaviors so they can customize and personalize their offers based on consumers wants. Most importantly, this can lead organizations to build a long-term relationship with their customers.

- **Competence**

E-commerce is known by its competence and effectiveness in conducting business transactions. Lower cost is needed in order to expand the business geographically, and less procedures, licenses and permits are required that can lead the organization to lower the cost using fewer employees.

- **Allow Happy Customers to Sell your Products**

Through reviews and product ratings, satisfied consumers can lead a company's sales to increase. It is always important to use clients' reviews, ratings to attract new customers.

- **Selling Products across the World**

Physical stores are always geographically limited, while e-commerce allows to operate worldwide, organizations can sell their products across the world without geographic limits. If we take Amazon as an example which operates worldwide while it is present physically only in 16 countries.

- **Stay open 24\*7/365**

One of the most enjoyable benefits that e-commerce offers is the limitless times of service, customers have the ability to access the store at the time they want.

- **Economy**

In e-commerce, investing huge amounts in physical stores, infrastructure and insurance is avoidable. The most important thing is to have a brilliant idea, unique products, and a well-designed and organized website, and this makes e-commerce more economical and affordable.

- **Boost Brand Awareness:**



Setting a good search engine optimization strategy can be beneficial to the less known businesses and brands. It is easier to boost the brand awareness through attracting the target audience directly using different promotion techniques.

▪ **Advertising & Marketing Cost**

E-commerce requires less investments in terms of advertising thanks to the availability of some free advertising channels (social media, Seo, ...). However, some of the channels are cost-effective (organic search engine traffic, pay-per-click, social media, ...). Nonetheless, e-commerce companies spend immensely on research and development. Amazon as an example invested \$23 billion on R&D in 2017 (DONNA, 2020)

▪ **Personnel**

E-commerce leads to a complete automation that can save the organization time, efforts and costs in terms of human resources.

### **1.3.2 The Disadvantages of E-commerce**

The disadvantages of e-commerce can be broadly classified into two major categories as (Aydar, 2020) mentioned:

#### **1.3.2.1 Technical Disadvantages**

- The sensitivity of system security,
- The instability of software development industry,
- Sometimes, a very specialized types of web servers and software are required,
- Sometimes, it is complicated to link the e-commerce website with existent applications and databases,
- Possibility of compatibility issues in terms of software/hardware as some e-commerce software may be incompatible with some operating system or any other component.

#### **1.3.2.2 Non-Technical Disadvantages**

- **Initial cost:** the cost of creating and building an e-commerce website/application is complicated in the beginning, and it is time and money consuming especially in case of mistakes or lack of experience.
- **User resistance:** users' resistance is always a big issue at the beginning, gaining consumers trust and convince them to switch from physical to virtual is not easy.

- **Security/ Privacy:** ensuring privacy and security is complicated. Especially after what happened in 2017 when Facebook leaked users' personal data to Cambridge Analytica and used it in political advertising and which made Facebook loses its credibility.
- Lack of the experiential aspect of physical buying in online shopping.

## **Section 02: E-commerce in Algeria**

### **2.1 Analysis of E-commerce Situation in Algeria**

Algeria is one of the largest countries worldwide, which has a population of approximately 43 million. Algeria is one of the wealthiest countries in Africa due to the country's gas and oil reserves. Hence, this made the Algerian economy heavily dependent on the petroleum and gas sectors. However, since 1994, the government is trying some economic reforms focusing on macroeconomic stability. Giving importance and attention to the non-oil sector is one of the reform objectives, such as e-commerce due to the influence this sector exerts on economic growth and the long-term benefits it has. "The country has one of the highest tele densities in Africa, with fixed-line penetration of around 8% and mobile penetration close to 100%. Meanwhile, the number of Internet users in Algeria has greatly increased, from 50,000 users in 2000 to Approximately 25,428,159 in December 2019, with a broadband penetration rate of 43.3 % according to Internet usage statistics for Africa" (Internet World Stats, 2020).

Developing e-commerce in Algeria besides designing effective platforms is the way for the country to join the information society that includes e-commerce as a main vital sector (Samira & Hu, 2015).

#### **2.1.1 The National Factors Perspective**

The telecommunication network is one of the most important infrastructure elements for the adoption of e-commerce. High speed and competitive internet access is essential for the growth of e-commerce in the country (Laisuzzaman, 2010).

##### **2.1.1.1 Telecommunications Infrastructure**

"In Algeria, telephone density, mobile phones, wireless communication, a nationwide IP backbone etc., must be seriously considered in the development of e-commerce" (Samira & Hu, 2015, p. 47).

During Algerian boom years, the government invested significantly in telecommunications infrastructure which is considered relatively well developed. The fiber optic national backbone network is one of those important investments that made Algeria one of the first African countries deploying FTTH (Fiber To The Home) (Samira & Hu, 2015).

Despite the huge investments and efforts, the government has put, the country is still suffering from a remarkable imbalance in terms of telecommunications infrastructure, geographically speaking. That is, a huge Sahara Desert and two mountain ranges, urban and rural areas. Hence, the access to the information is disproportionate from an area to another which will result an unbalanced diffusion of e-commerce across the country (Samira & Hu, 2015).

The regulatory entity for telecommunication in Algeria is the Ministry of Posts and Telecommunications which had a monopoly on all the telecommunication sector until 2000, before it comes to an end with the appearance of the new law No.2000-03. This law aimed to the reforming of the posts and telecommunications industry. The law opened the market to some new public and private operators with establishing the competition and service quality rules to guarantee universal service, and set up a legal system that can sustain an open market (Lancaster, 2010).

Algeria took a number of measures and actions in order to liberalize the telecoms sector, starting with the separation between post and telecommunications and creating Algeria Telecom alongside with separating the regulatory authority: The Post and Telecommunications Regulatory Authority (ARTP) which is in charge of regulating both the post and the telecommunications sector. It was established in 2000 and started operations in August 2001. It is the exclusive government entity that deals with telecoms licenses, introduce access networks and impose obligations on telecommunication service providers (International Telecommunication Union, 2020).

Entering the information society was no longer an option, for that reason the ministry of Education led a project to equip all Algerian Schools with computers by 2005 and to boost e-learning, and it was also the case for the Ministry of Higher Education and Scientific Research and the National Health Development Agency who developed a research network (Budde, 2020).

In 2009, AT declared officially the intention to invest \$6 billion in fixed- line and mobile operations from 2009 to 2014. This announcement came right after the set of a program by the Algerian government to invest \$150 billion on telecommunications infrastructure. The priority was to improve the network coverage and the internet speed (Lancaster, 2010).

In 2013, the government revealed a strategy to develop Information and Communication Technology (ICTs) in the country. This initiative is supposed to boost the use of ICTs for both the private and the public sector. What is called e-Algeria strategy, aims to boost the use of ICTs in public administration and businesses, developing incentive mechanisms and measures

to give citizens access to ICT equipment and networks, stimulating the development of the digital economy, strengthening high and very high-speed telecommunication infrastructure, developing human capacities, strengthening research, development and innovation, updating the national legal framework, recognizing the value of international cooperation, and establishing e-monitoring and evaluation mechanisms (Budde, 2020).

Furthermore, building an effective internet connection in terms of quality, availability and price is fundamental for e-commerce. Hence, Algeria kept working to develop the telecom infrastructure following some regulatory measures and policies that aim to deliver a suitable internet connection across the country. And with the appearance of fixed-wireless connections based on Long Term Evolution (LTE) which had been introduced in 2014, fixed-line penetration was in decline since 2015 due to the migration from the fixed-wireless to mobile LTE service (Budde, 2020).

Nevertheless, government continue on putting efforts to extend the fixed-line infrastructure to uncover areas as a part of the Universal Telecommunications Service (UTS) program. The country's relatively well-developed infrastructure includes a national fiber backbone which was augmented with a new subsea link to Valencia in April 2017.

"Algeria is also part of the 4,500km terrestrial Trans-Saharan Backbone network which connects the national network with other fiber networks in the region. Mobile penetration is growing steadily". Third generation (3G) licenses were issued slowly by the regulator. And while LTE licensees launched service in 2016. Despite this tardiness, the adoption of LTE services was so beneficial for the operators. These gains are used to extend rapidly the service to secure a national coverage by 2022 target (Budde, 2020)

## **2.2 The Legal Framework of E-commerce in Algeria**

Finally, Algeria has a legislation that organizes electronic commerce. The Electronic Commerce Act was published in Official Journal Number 28 of 16 May 2018. Electronic commerce is now exercised within the framework of Law No. 18-05 of 10 May 2018 and natural or legal persons already engaged in electronic commerce had a period of six months from the publication of this law in the Official Journal until 17 November 2018 to comply with the new law back then. This legislation sets out the conditions for the exercise of electronic commerce as well as the duties and obligations of the parties to the e-business contract. Electronic commerce is a free type of commerce, nevertheless, certain transactions are prohibited such as transactions related to gambling, betting, lotteries, alcoholic beverages, pharmaceutical products and products infringing intellectual, industrial or commercial property rights. A

summary of the most important points pertaining to the legislation of e-commerce is given in what follows:

### **2.2.1 The Prohibitions**

In the first clauses, this law mentioned the products and services prohibited from sale via e-commerce, given to their sensitivity and the nature of Algerian society and they include:

- Gambling, betting and lotteries.
- Alcoholic beverages and tobacco.
- Pharmaceutical products.
- Products infringing intellectual, industrial or commercial property rights.
- Any property or service prohibited by enforced law.
- Any good or service that requires an authentic act.

### **2.2.2 The Conditions for the Practice of E-commerce**

These conditions are one of the reasons that drives people to give up e-commerce. These conditions are therefore very strict and require several steps to obtain certification for the practice of this activity lawfully.

The e-commerce activity is subject to registration, as the case may be, in the Trade Register or the Crafts and Trades Register, and to the publication of a website or web page hosted in Algeria with an extension “com.dz”.

The e-provider’s website must be equipped with the tools to enable its authentication. The government is responsible for creating lists with the names of electronic buyers registered in the Trade Register or in the Trade Register of the Crafts, only the names in the list can carry out this activity. Thus, consumers should consult the list of e-suppliers, which is published periodically.

All electronic commerce transactions must be preceded by an electronic commercial offer and finished by an electronic contract validated by the e-consumer.

The e-supplier must present the electronic commercial offer in a visible, legible and understandable manner.

### **2.2.3 The Duties of E-suppliers**

Once the electronic contract is sent to the customer and its ratification, the real commercial step is taken. The e-supplier becomes responsible for the arrival of its products within the specified deadlines. That is why the law has established duties that must be respected.

- Detailed specifications of goods or services.
- The terms and conditions of delivery.
- Warranty and after-sales service conditions.

- The conditions for termination of the electronic contract.
- The terms and conditions of payment.
- The terms and conditions for the return of the product.
- The procedures for handling claims
- The terms and conditions of pre-order, if applicable.
- The specific terms and conditions of the trial sale, if applicable.
- The duration of the contract as applicable.

#### **2.2.4 Electronic Payment**

This point is perhaps the most awaited of all, and the most important among all challenges for the country to push its economy forward. And even this is the same point that represents a constraint for this law. Until now, the necessary algorithms for electronic payment have not been put in place, with the exception of a minority of large corporations (E.g.: Jumia). In addition, most Algerian sites remain unsecured.

The connection of the e-supplier's website to an electronic payment platform must be secured by an electronic certification system.

Electronic payment platforms, which is established and operated in accordance in clause 27 within the same official journal, is subjected to the control of the Bank of Algeria to ensure that they meet the requirements of interoperability, confidentiality, integrity, authentication, and data exchange security.

#### **2.2.5 Electronic Advertising**

Any advertisement with the direct or indirect objective of promoting the sale of goods or services through electronic communication.

#### **2.2.6 Conclusion**

The last clause, entitled "transitional and final provisions", concludes this text of law. Article 49 obliges persons and companies carrying on electronic business to comply with these provisions of law within a period not exceeding Not Six (6) months.

### **2.3 Struggles and Barriers of E-commerce in Algeria**

Algerian society is opening now more than ever to the world of new technologies and it is experiencing a remarkable development in terms of technology. More and more technological tools are now used by citizens. Nevertheless, the country is experiencing a considerable delay in development owing to administrative and technical barriers.

Nowadays, these barriers today began to dissipate and society started to adapt to different technological aspects (Internet, Smartphones, tablet computers, computers), access to Internet is easier than ever, offers for access are multiplying and the costs are declining considerably. Algerians started to perform several tasks using the Internet, such as online CV filling, online shopping, and through the various existing sites that offer services, selling products of all kinds (oued kniss, Guiddini, Jumia, Yassir...), job offers (Emploitic, Emploi Partner), rental offers (Lkeria.Com). There is even the sale of train tickets which is a first of its kind in Algeria. Indeed, a new transport ticket exclusively for large train lines have been set up allowing for an Internet reservation.

Also, many pages on Facebook are dedicated to the sale of multiple objects. But it must be said that the Algerian company has not invented anything, the sales sites via Internet exist all over the world, like the giant of online sales Alibaba Group or Amazon, the only difference in Algeria is in the payment and delivery methods.

Most e-commerce websites in Algeria are online shops including at least the following characteristics: an online electronic catalogue presenting all the products available for sale, their prices, their availability in stock, the time frame and shipping costs of each product and a search engine making it easy to find a product by brand, color or specificity. Despite the absence of online payment, electronic commerce websites continue to appear in Algeria.

Next, an overview of the current state of e-commerce adoption barriers in Algeria is provided, specifically from both the demand side (consumers) and supply side (retailers). As the most important barriers, Internet penetration rate and the problems with cross-border trade, international payments, security, consumer protection and other legal issues will be analyzed in details.

### **2.3.1 Barriers to Customers**

“The early stage of e-commerce adoption, consumers were mostly concerned with being unable to examine the product physically prior to purchase, credit card security, seller anonymity, shipping costs, after-sale services (return and exchange), and privacy of personal information” (Almoussa, 2013, p. 66). This study shows that the most important barriers facing consumers when shopping online is weak or no after-sale support, followed by high international shipping cost and fear of product non-arrival, all of which are more associated with cross-border online shopping.

Iglesias-Pradas et al., (2013) reports that the most mentioned barrier to potential consumers was the need to physically see the product before buying, followed by concerns about personal data, safety of e-commerce and distrust of payment systems.

Kuneva (2020) states that dispute resolution at a distance remains one of the main fears for EU consumers, and although, through the network of European Consumer Centers, there are mechanisms available for providing cross-border redress, only few consumers or businesses seem to know about them.

An attempt was made to count the main barriers mentioned in the references cited above and to project it on the Algerian case to discover the struggles that the Algerian customer is facing:

- Many customers have preference to shop offline (because they like to see and feel the product, are loyal to shops or due to force of habit),
- Lack of or slow internet access,
- Privacy concerns and misuse of personal data (consumers are often concerned with giving out their personal details over the Internet),
- No need to shop across borders (as it could be found on domestic market),
- Non-command of foreign languages,
- Longer delivery times and extra delivery charges,
- The difficulty of resolutions, complaints handling and redress,
- Lack of confidence and fear of scams and fraud,
- Uncertainty about their rights as consumers.

### **2.3.2 Barriers to Retailers**

MacGregor & Vrazalic (2005) performed an extensive literature review on e-commerce adoption barriers and, as most important in small and medium enterprises (SMEs), reported: high cost and complexity of e-commerce implementation, organizational resistance to change because of the fear of new technology amongst employees, lack of technical skills and IT knowledge amongst employees, lack of computer literate/specialized staff, concerns about security, lack or insignificance amount of e-shoppers, lack of suppliers and business partners to implement e-commerce,

The main barriers mentioned and that can be applied to the Algerian case are:

- High costs of developing and maintaining a web site,
- Fear of fraud and non-payment,
- Lack of IT skills,
- Language issues (retailers have additional costs arising from the use of different languages),



- Administrative and regulatory barriers related to fragmented regulations, because retailers have to deal with different national laws and regulations, and to make large costs to adapt to all these different legal contexts.
- Taxation.
- Logistics, transportation and delivery of goods

### **Section 03: E-commerce infrastructure**

Defining an adequate technology infrastructure is vital to all companies adopting e-business. The infrastructure directly affects the quality of service experienced by users of systems in terms of speed and responsiveness. The e-business services provided through a standardized infrastructure also determine the capability of an organization to compete through differentiating itself in the marketplace.

Mcafee & Brynjolfsson (2008) suggest that to use digital technology to support competition, the mantra for the CEO should be: “Deploy, innovate, and propagate” (p. 15): First, deploy a consistent technology platform. Then separate the firm from the pack by coming up with better ways of working. Finally, use the platform to propagate these business innovations widely and reliably. In this regard, deploying IT serves two distinct roles – as a catalyst for innovative ideas and as an engine for delivering them.

#### **3.1 E-commerce Infrastructure**

“Refers to the combination of hardware such as servers and client PCs in an organization, the network used to link this hardware and the software applications used to deliver services to workers within the e-commerce and also to its partners and customers”. Infrastructure also includes the architecture of the networks, hardware and software and where it is located. Finally, infrastructure can also be considered to include the methods for publishing data and documents accessed through e-business applications. A key decision with managing this infrastructure is which elements are located within the company and which are managed externally as third-party managed applications, data servers and networks. It is also important that the e-business infrastructure and the process of reviewing new technology investments be flexible enough to support changes required by the business to compete effectively. For example, for the media there are many new technologies being developed which were described from 2005 onwards as Web 2.0 and IPTV (television delivered over the broadband Internet) (tutorials point, 2020).

The manager in e-business should always be aware of technical concepts especially when talking to a third party (suppliers of software, suppliers of hardware, ....). It is also crucial that the manager knows the limitations of the infrastructure through being aware of the potential problems. Managers have as an option working with partners to ensure a good level of service and finally to set an adequate e-business infrastructure (tutorials point, 2020).

### 3.2 E-commerce infrastructure components

The *figure 1.1* shows the different components if e-business architecture, these components are strongly related to each other. The different components of this structure can be of different layers including a defined interface between each layer. This different layers can be understood once used by an e-business system user. For example, “An employee who needs to book a holiday will access a specific human resource application or program that has been created to enable the holiday to be booked (Level I in *Figure 1.1*). This application will enable a holiday request to be entered and will forward the application to their manager and human resources department for approval. To access the application, the employee will use a web browser such as Microsoft Internet Explorer” (Chaffey, 2009, p. 138) .

*Figure 1.1: E-commerce infrastructure components*

	Examples
I E-business services – applications layer	CRM, supply chain management, data mining, content management systems
II Systems software layer	Web browser and server software and standards, networking software and database management systems
III Transport or network layer	Physical network and transport standards (TCP/IP)
IV Storage/physical layer	Permanent magnetic storage on web servers or optical backup or temporary storage in memory (RAM)
V Content and data layer	Web content for intranet, extranet and Internet sites, customers' data, transaction data, clickstream data

*Source : (Cjaffey 2009)*

“Mozilla Firefox or Google Chrome using an operating system such as Microsoft Windows XP or Apple OS X (Level II in *Figure 1.1*). This systems software will then request transfer of the information about the holiday request across a network or transport layer (Level III in *Figure 1.1*). The information will then be stored in computer memory (RAM) or in long-term magnetic storage on a web server (Level IV in *Figure 1.1*). The information itself which

makes up the web pages or content viewed by the employee and the data about their holiday request are shown as a separate layer (Level V in *Figure 1.1*), although it could be argued that this is the first or second level in an e-business architecture” (Chaffey, 2009, p. 139).

Kampas (2000) describes an alternative five-level infrastructure model to which it refers as “the information system function chain”:

- *Storage/physical*. Memory and disk hardware components (equivalent to Level IV in *Figure*).
- *Processing*. Computation and logic provided by the processor (processing occurs at Levels I and II in *Figure*).
- *Infrastructure*. This refers to the human and external interfaces and also the network, referred to as ‘extra structure’. (This is Level III in *Figure*, although the human or external interfaces are not shown there.)
- *Application/content*. This is the data processed by the application into information. (This is Level V in *Figure*)
- *Intelligence*. Additional computer-based logic that transforms information to knowledge. (Kampas, 2000, p. 16)

### 3.2.1 Managing E-commerce Infrastructure

Chaffey (2009) Mentions some important key management tools for e-commerce infrastructure:

### 3.2.2 Which type of E-commerce Applications to Develop?

A large number of business applications are prospecting continuously over the internet. The issue basically is to indicate the purpose and the reason of the application. E.g. Supply Chain Management, e- procurement, secure online ordering, customer relationship management.

#### ▪ Which Technologies to Use?

E-commerce technology provides many services that professionally helps the business to take a full advantage of internet advancement. The good use of these technologies can improve the business from different perspectives (cost saving, time management, customer retention, ...).

#### ▪ How to Achieve Quality of Service in Applications?

An important aspect in business-to-business e-commerce scenarios is how to meet response time and throughput requirements of applications in spite of execution taking place across corporate boundaries and, in the future, via the Internet instead of using leased lines. Given the unpredictable variations of available bandwidth in today ‘s Internet, providing Application Quality of Service guarantees for these requirements is a complex task. Some of the

requirements to achieve the quality of service are business fit, security speed, availability and errors.

- **Where to Host the Applications?**

Includes basically two options, internal host or external.

- **Application Integration**

This particular issue deals with the integration of the e-commerce solutions with:

- Legacy Systems,
- Partner Systems,
- B-TO-B exchanges and intermediaries.

- **Which Access Platforms to Support? Which Development Technologies and Standards to Use?**

This may include the mobile access, interactive digital TV, etc.

E.g. CGI, Perl, Cold Fusion, ActiveX

- **How to Manage Content and Quality?**

In e-commerce applications, the evaluation of quality is directly linked with the application performance and correct functioning. As well as the quality of the content and data and how it is uploaded, up to dated, easy to find and easy to interpret.

- **How to Manage Employee Access to Internet?**

Mentoring employee's internet usage and access is crucial for the organization to assure an effective use for the internet tools and avoid any waste of time or illegal use.

- **How to Secure Data?**

In e-commerce, security is a very sensitive matter for both organization and consumers. A security issue can lead to a deletion of content or data. So organization should deal effectively with security matters.

### **3.3 The E-commerce Website**

Selling online requires having a virtual platform accessible by both the seller and the customer.

This platform can be of different forms, namely:

#### **3.3.1 An Online Marketplace**

An online market place is an online platform to sell products and services by multiple third parties, in which the transactions are processed by the marketplace operator. Online marketplaces are the primary type of multichannel ecommerce and can be a way to streamline the production process (Eg: Facebook Marketplace) .

### 3.3.2 A Mobile Application

Since mobile phone becomes the most used screen for customers, through its convenience and easiness, especially when it comes to online shopping, Today, mobile is the most important touchpoint for retailers to win, serve, and retain customers. Mobiles nowadays allow customers to be connected to the internet whenever and wherever, hence shopping can be done conveniently.

### 3.3.3 An E-commerce Website

Is one of the forms of e-commerce platforms, the most basic and the most commonly used. Composed of a set of related web pages located under a single domain name.

Austin (2020) said that developing an e-commerce website is becoming easier thanks to the digital revolution, but it is so important and necessary to have an overview about the steps to follow before, while and after developing a website.

- **Start with a Strategy**

Setting a good strategy before starting an e-commerce is a very important key toward success. Even small business needs to have a clear and well defined strategy that includes every single detail about the business.

It is also important to have a vision and to anticipate the needs and the challenges when the business grows. The strategy should include also the details about the design, the delivery, the payment, the storing ...

- **Choose the Solution to Build the Website**

There are many options when it comes to developing the website which can be done internally or externally. One of the easiest way are the online platforms that offers the ability to design a website in only a short time, those platforms contains many tools to create and manage the website. Nonetheless, this solution is risky and unsecured.

- **Choose a Domain and Platform for the E-commerce Website**

The domain name is the website name. It is the address that users use to access the website. A domain name is used for finding and identifying computers on the Internet. Computers use Internet Protocols (IP) addresses, which are a series of number.

- **Creating a Visual Identity**

It defines the design of the e-commerce site, the visual identity of the project and make sure that it highlights the key information of the activity.

The graphic chart includes: logo, shapes, fonts, color codes, images and buttons. It is important to have a unique design specific to the brand, to attract potential consumers and improve the conversion rate. A website with a web design that seems not to have been updated

since along time will not give the consumers that sense of security. Consumers expect a level of professionalism in Web design, currently offered by e-merchants.

- **Creating the Website Content**

Web content contain different forms: textual, visual or aural. The content is a part of the user experience on a website. It may include—among other things—text, images, sounds, videos, and animations.

- **Hosting the Website**

Web hosting is the service that allows the website creators to post it online in the internet. A web host, or web hosting service provider, is a business that provides the technologies and services needed for the website or webpage to be viewed in the Internet. The host can be internal or external. The websites are mainly hosted (stored) on special computers that are called servers. When a user wants to visit a website, all they have to do is to type the website address linked to an IP address which in turn is linked to the server host and the webpage will be delivered through the browser.

- **Website Testing**

It is a very important step in launching a website or a mobile application, it aims for inspecting the potential bugs before the website it will be accessible for the public. Web Testing checks for functionality, usability, security, compatibility, performance of the web application or website.

- **Launching and Promoting the Website**

Website promotion is the continuing process used by webmasters to improve content and increase exposure of a website to bring more visitors. Many techniques such as search engine optimization and search engine submission are used to increase a site's traffic once content is developed. Besides to advertising, and mentioning the website in the back of company's official documents.

## **Conclusion**

E-commerce is the process of buying and selling goods and services using the internet. It is different than e-business where some argue that e-commerce is wider and it includes e-business, while others believe it is the opposite.

There are two major types of e-commerce, the first one deals with companies and called B-TO-B e-commerce, while the second involves costumers, which is the B-TO-C e-commerce.

The pioneering of e-commerce applications can be tracked to the early 1970s when money was transferred electronically. A major milestone in the development of EC was the appearance of the World Wide Web (the “Web”) in the early 1990s. Today, all companies in the developing countries have presence on the Web.

E-commerce has many benefits beginning with its easiness and convenience, decreasing the coast of inventory management, keeping an eye on the consumer habits through data, and allows the company to sell across countries. As it has its disadvantages such as: the lack of security, the initial coast, the fast changes and connectivity problems.

The Algerian market has witnessed an impressive take off in e-commerce last two years due to investing in the telecommunication infrastructure and the new legislation that organizes electronic commerce activities. Even though there still some barriers and struggles that obstruct this revolution for both, customers and suppliers.

An e-commerce infrastructure refers to the combination of hardware such as servers and client PCs in an organization, the network used to link this hardware and the software applications used to deliver services to workers within the e-commerce and also to its partners and customers, composed of different elements. An e-commerce platform can be shaped in different forms, an online marketplace, a mobile application and mostly a website.

**CHAPTER II:**  
**E-commerce adoption strategy and consumer  
acceptance**



## **Introduction**

It is crucial for each organization counting adoption e-commerce to start with a digital business strategy. Likewise, for other business, selecting the right business strategy is the key success factor of the digital business strategy within a competitive environment.

The digital business strategy allows the organization to optimism to take the right decision and to survive within a rash competition environment. In this chapter, a general overview about the different digital business strategies is given.

Developing an e-business strategy requires a fusion of existing approaches to business, marketing, supply chain management and information systems strategy development. In addition to traditional strategy approaches, commentators have exhorted companies to apply innovative techniques to achieve competitive advantage.

Considering the difference in terms of consumer attitudes towards offline and online shopping, studying deeply the consumer digital behavior is crucial in the post adoption stage. Besides to predicting consumers' acceptance of e-commerce and their engagement to conduct online transaction then moving to creating and managing a relationship with customers specifically -

## Section 01: e-commerce marketing strategy

### 1.1 Digital business strategy

Business strategy development requires both existing approaches to business, marketing and supply chain management and information systems strategy development. In addition to the traditional strategy approaches, specialists advise companies to apply innovative techniques to achieve competitive advantage. The dot-com platform contains around 2000 articles that talk about innovation which shows the importance of innovation in the digital business strategy. Switching to digital was so fast for many companies even though if it was not desirable nor necessary and it has been made gradually to digital business practice using the traditional strategy approaches which has to be replaced later. At the same time, there have been many start-ups managed to make a digital business strategy such as eBay, Lastminute.com and Zopa.com. The success of these last ones was thanks to applying and establishing the principles of the business digital strategy, planning and risk management (liferay, 2020).

#### 1.1.1. What is Digital Business Strategy?

“Strategy is a mediating force between the organization and its environment: consistent patterns in streams of organizational decisions to deal with the environment” (MINTZBERG, 1979, p. 25)

A digital strategy is the use of technologies to business models in order to the business performance (liferay, 2020).

Lynch (2000) sees that the strategy is a sense of purpose within an organization. However, he also mentioned that the sense of purpose alone is not enough to be called a strategy, it requires also plans or actions.

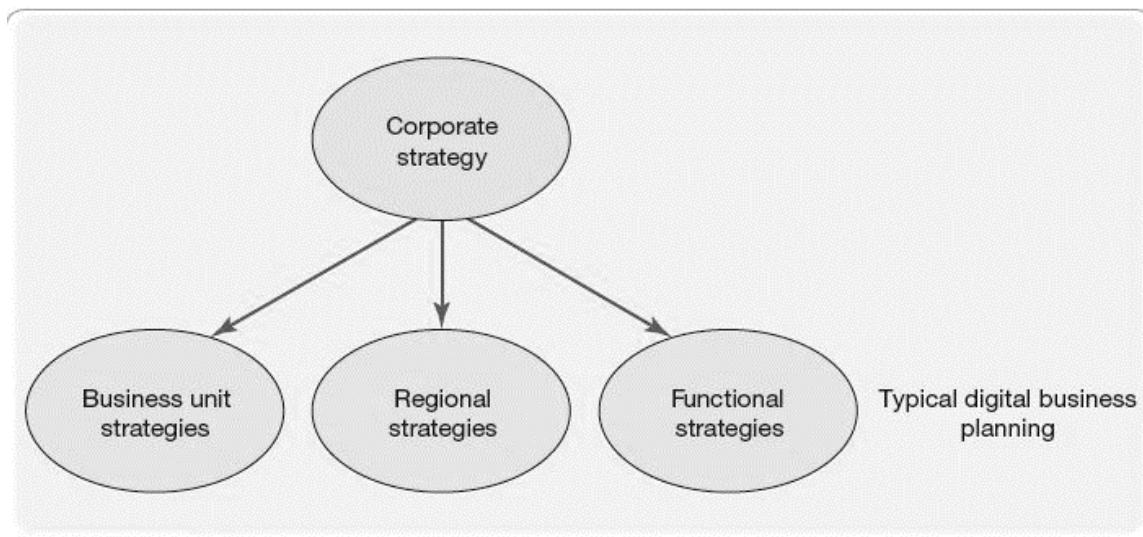
CHAFFEY (2015) said that digital business strategy is not much different from the corporate strategy and the marketing strategy, and it can be summarized in what follows:

- Based on current performance in marketplace,
- It defines the way the organization meet the objectives,
- Allocates resources to meet the goals,
- Select the preferred strategic competition options,
- Provides a long term development plan,
- Identify competitive advantages.

### 1.1.2. The Digital Business Strategy and the Different Levels of Strategy within an Organization

Johnson & Scholes (2006) note that there are different levels of strategy within an organization, especially the large one. These levels are summarized in the figure (*figure1.2*) to follow. Starting with the corporate strategy: which is considered as the overall purpose of an organization. The business unit strategy: which specifies how to compete successfully in a well-defined market in addition to the operational strategies that aims to achieve the corporate and business unit strategies. Next, functional strategies which defines the way the corporate and business unit strategies will be operationalized in different functional areas or business processes. Functional or process strategies refer to marketing, supply chain management, human resources, finance and information systems strategies.

Figure 2.1: Levels of Strategy



Source: Johnson & Scholes (2006)

### 1.1.3. Where does digital business strategy fit?

This figure does not show the level digital business strategy should be situated since it differentiates from an organization to another, it is discussed and agreed on. In general, organizations incorporate the business strategy within the functional strategy, for example the marketing plan, the logistics plan or as part of the information systems strategy. The bad thing about this approach is that digital business strategy may not be discussed at a higher level within the organization planning. “A distinguishing feature of organizations that are leaders in digital business, such as Cisco, Dell, HSBC, EasyJet and General Electric, is that digital business is an element of corporate strategy development and that transformation to apply digital platforms and media is prioritized and resourced” (Chaffey, 2009, p. 185).

#### 1.1.4. Digital Business Strategy Struggles

A digital business strategy may face some of these problems if it was not well defined as (Chaffey, 2009) mentioned:

Missed opportunities related to the lack of evaluation of opportunities, or the insufficiency of resources. These will result losing the competitive advantage to the competitors,

Inappropriate directions of the digital business strategy,  
The waste of resources because of the duplication of digital business development in different functions.

To avoid these problems, (Rowley, 2002) suggested aligning the business digital strategy with the corporate strategy and it should be supportive for the marketing and supply chain strategy.

#### 1.2 E-commerce Marketing Strategies

(West, Ford, & Ibrahim, 2010) described marketing strategy as the way that focus on bringing the strategic performance of a firm by using the sub-strategies which includes the growth of the segment, the development of existed and new products, expert delivery preparations market forecasting, the after sales service and the market shares evaluation.

E-commerce is a way that provides the capability of selling and buying products, services and information on the internet. E-commerce marketing strategy is the design of marketing strategy that capitalizes on the organizations electronic or information technology capabilities to reach specified marketing objectives (Yasin, Rehman, & Akram, 2011, p. 97). According to (Kotlyarov, 2012), e-commerce marketing strategies lays down on four main principals bases: Affordability, Awareness, Accessibility and Availability.

- **Affordability**

Affordability of the e-commerce marketing strategy means the degree that the products can be affordable by the bottom of pyramid (BOP) consumers.

- **Accessibility**

Which means whether the e-commerce services will be accessible for the BOP consumers or not, BOP consumers should have the opportunity to use and acquire the e-commerce services.

- **Availability**

Will the service be available for the BOP consumers? And is there an alternative way in case of unavailability.

- **Awareness**

Is the degree how BOP customers are aware of e-commerce services.

The choice of electronic commerce marketing strategy will depend on four main variables: the nature of customer's interaction with the product and seller, the current capabilities of the business; the capabilities that are or will become commodity operations, in which competitive advantage cannot be sustained; and the trade-off between time and control. Companies use different e-commerce marketing strategies, some use electronic catalogues which is mainly used to attract and build a relationship with customers. Search Engine Optimization (SEO) is also an important strategy to boost the online presence and enhance the brand image. In another way, Payment Gateway strategies are also very important in building customer relationship and trust in an online marketing context. In what follows, different e-commerce marketing strategies are explained.

### **1.2.1 Customer Retention**

Kotler P. (2011) defined customer retention as the activities taken by a firm in order to reduce client defections. While (Onsongo, 2016) concluded by saying that the major step to achieve customer retention begins with the first contact with the customer within the firm and then goes throughout the whole time of the experience. Since the cost of customer acquisition is becoming more and more expensive, retaining customers is now very important. Retention strategy should start from the first day a customer interacts with the service provided by the company.

The most important aspects in customer retention are loyalty of customer to the company, brand image and brand trust which stands for creating a long term customer commitment through satisfaction. Retaining customers requires adopting specific strategies based on customer relations, relationship marketing and customer service. It has also been noticed that retained customers are most likely ambassadors that spread word-of-mouth to their friends, relative and social circle. (Sackitey, 2011).

Lopez, Hart, & Rampersad (2007) study showed that acquiring new customers costs five times expensive than retaining the existent ones. The study suggests that the improvement of the customer retention strategies is more profitable than increasing the market shares.

According to (Kotler & Armstrong, Principles of Marketing 13 ed, 2011) companies are recognizing more and more the importance of retention, by keeping and maintaining the actual customer because they form the companies' association wealth. However, effective organizations know exactly the effort needed to put in customer retention programs and the desired output.

Using the retention strategy in e-commerce is focusing to implement it and adopt it with actual customers as a target.

### **1.2.2 Social Enterprise Strategy**

Social enterprises describe the primary purpose of business is to gain social and environmental objective. Thus social enterprises are founded on a societal problem with a purpose of solving social or environmental problem rather than creating profits. The surplus generated from these enterprises is reinvested most of the time back in the business or used for social causes rather than enriching the owners or the shareholders (Chell, 2007).

Social Enterprise Strategy in e-commerce simply is shifting for a social reason.

### **1.2.3 Bottom of Pyramid Strategy**

The bottom of the pyramid (BOP) refers to markets that serve some of the poorest individuals on the planet. It is the group of consumers who earns the minimum for living, estimated by the World Bank categorization of consumers who earns \$ 2500 per year.

According to (Rivera-Santos & Rufin, 2010), the BOP has attracted a lot of interest for marketers, strategic managers, government and non-governmental organization, because essentially it allows to conjoin the attractiveness of social gains and profits realization.

BOP market is not vast homogenous as it seems, it is made up of different segments with different needs. Choosing this strategy for an organization requires understanding which model of marketing to adapt to obtain economic and societal gains. A number of unique features characterize the BOP which poses distinct challenges for both domestic and international market, because of some different factors the characterize the BOP: the younger age demographic, gender discrimination, the nature of BOP rural and urban locations and dwelling sizes. (Chikwech & Fletcher, 2012).

The Bottom of the Pyramid strategy on e-commerce focus essentially on the BOP as a target.

## **1.3 E-commerce Strategy, Success Factors**

For the purpose of this research, we gathered the most important success factors for e-commerce that needs to be defined in the e-commerce strategy mentioned in several studies.

### **1.3.1 Commitment**

Many studies (Pratt, 2002; Rao et al., 2003; Feindt et al., 2002; Poon and Swatman 1999; Taylor and Murphy, 2004) identified owner's commitment to grow the e-commerce business as a critical success factor. The motivation to growth the business by the owners can be noticed from their readiness to adapt to market changes and the reinvention of their business strategy continuously, but also to their flexibility and opening to new ideas, technologies and business

opportunities. Owners also needs to be prepared to strategic partnerships and venture capitalists when needed in order to provide the appropriate technology, funding, management expertise and contacts to grow the business rapidly.

### **1.3.2 Content**

The website main use is that it is a point for gathering and spreading information related to the marketing, sales and other functions of the organization. Wen content must be accurate, informative, updated, easy to understand and relevant to users'. In addition, offering a suitable range of products by e-retailers is a must, accurate and relevant information about the product make it easier to customers to compare prices and characteristics (Rao, 2003).

### **1.3.3 Convenience**

Convenience factor in this case simply means usability, and it refers essentially to the development of user-friendly interface and design on website. E-shoppers can deploy navigation convenient tools such as menus, site maps and search engines. Multimedia (pictures, animations, games, audio and videos) can be useful most of the time. (Rao, 2003) also focused on the importance of customization capabilities such as zooming, product configuration and item comparison tools to demonstrate a product or a service.

however, (Cao, 2005) emphasized on the important role that web designers must play to strike a balance between an attractive, easy and fast loading design because the system response time was inversely related to user satisfaction.

### **1.3.4 Control**

Control factor role is the evaluation of the system the retailer has put in place to track and respond to e-shoppers queries, handle complains and feedbacks, analyse product returns, update the content and control risks (Kearney, 2003).

“Online retailers must conduct operational audits regularly to measure and correct any lapses in customers', expectation and perception of service quality for key business processes and services provided by third-party vendors”. SERVQUAL is a well-known instrument for this purpose. It measures the e-merchant's reliability, responsiveness and empathy in delivering the services to meet customers' needs (Lee & Kozar, 2006).

### **1.3.5 Interaction**

In digital, consumer always expect a high interaction with the retailer, a prompt and responsive customer services is a must, round-the-clock help line, real-time chat, in-house mailing lists and loyalty programs are also an important key factor for a positive interaction. Enforcing customers' privacy, security measures and refund policy are principals. Transparency with

customers and well performance on these activities is proven to be very effective in earning consumers' trust and loyalty (Lee & Kozar, 2006).

### **1.3.6 Community**

This factor emphasizes on the interactions among like-minded people and organizations in online communities that allows customers to exchange relevant information among each other. It can be through applications such as blogs, social media, peer-to-peer auctions and reviews. A large online community is positive in terms of returns, brand image, and profitability. It can also be extended to the real world through organizing recreational activities and events (Rao, 2003).

### **1.3.7 Price Sensitivity**

Customers tend to expect lower prices on the web (Feindt et al., 2002). After factoring in the shipping and handling charges, the same product with the same characteristics cannot be sold for a significant higher price than the one sold in the traditional stores in a competitive environment. A study made by (BizRate, 2006) showed that the competitive environment forced e-retailers to except free or discount the shipping of a product as a cost of doing online business. While the case for premiums and products that are not widely available is different and it can be charged some extra costs.

### **1.3.8 Brand Image**

On the web, the next shop is very close and easy to find in an atmosphere where customer base is bounded only by the language used on a website and the regions where orders can be delivered. Building a unique and a distinctive brand is essential, starting with the name and moving to the brand identity for e-merchant in order to exist in a competitive environment. Brand name was defined by (Ries & Trout, 1993) as the hook that hung a business on the prospects' minds. The mental position: how a business is well defined is a key to success.

Lee & Kozar, (2006) said that customers are always prepared to pay more to retailers with high reputation and a favorable brand image.

### **1.3.9 Partnership**

Partnership is essentially important to small business because of the scarcity of resource, business partners and suppliers leverage brand awareness, improve the marketing effectiveness, launch customized products, take advantage of new market opportunities and streamline their operations. Partnerships and joining business communities maybe worthy for small businesses he membership may lead to new business (Feindt, Jeffcoate, & Chappell, 2002).



### **1.3.10 Process Improvement**

Business Process Re-engineering (BPR) uses information technology to change and automate organizational process aiming for achieving better operational efficiency, and e-commerce needs readiness to cope with the rapid changes and transitions. While among SMEs it can be complicated because of the financial constraints. Content management and integration of cross-channel operations are typical processes that offer great scopes for re-engineering (Feindt, Jeffcoate, & Chappell, 2002).

### **1.3.11 Integration**

Integrated Electronic Data Interchange (EDI) systems are able to deliver ultimate service quality, performance and productivity that supports high volume business. The lack of the necessary technical expertise and resources within small enterprises is a problem unless they have support from technologically advanced partners. “integration starts with inter-organizational systems, followed by selected local integration and, finally, full integration” of external and internal systems” (Jeffcoate, Chappell, & Feindt, 2000, p. 191).

## **Section 02: Electronic Consumer Behavior**

Consumer behavior is the study of the way customers, individual or groups select, buy, use and dispose ideas, good and services aiming to satisfy their wants and needs. It mainly refers to understanding the actions and the motives of the consumer within the market place (Chand, 2020).

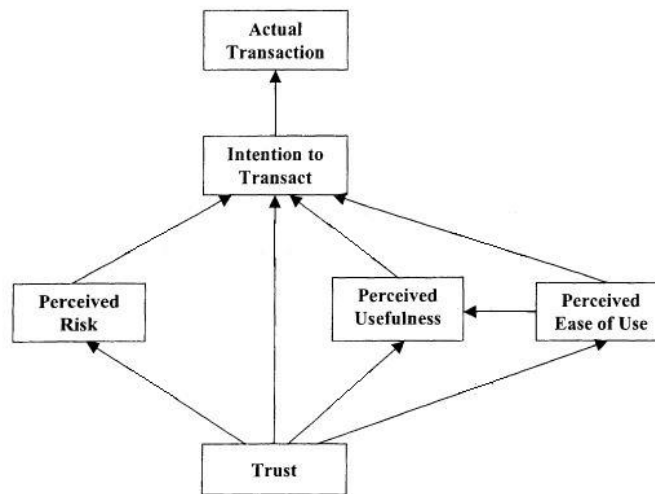
Since the immense expansion of internet retail shopping recently, and the influence it had on the shopping process for many consumers, online buying behavior appeared as a type of consumer behavior. Mainly it means the process a customer follows while browsing a website of an e-retailer in order to search, select and purchase goods and services aiming to fulfill his needs and wants (Bashir, 2013).

### **2.1 E-commerce Consumer Acceptance and Intention to Transact**

Electronic commerce acceptance is mainly described as the consumer's engagement in electronic retailing toward the web retailers. Hence, online transactions can be considered as instances of interactive marketing (Stewart, Pavlou, & Ward, 2002).

Drawing from both the marketing and consumer behavior sides, consumer-retailer exchange relationships typically involve several activities along the process shown below (Pavlou & Stewart, 2020).

Figure 2.2 : The transaction process

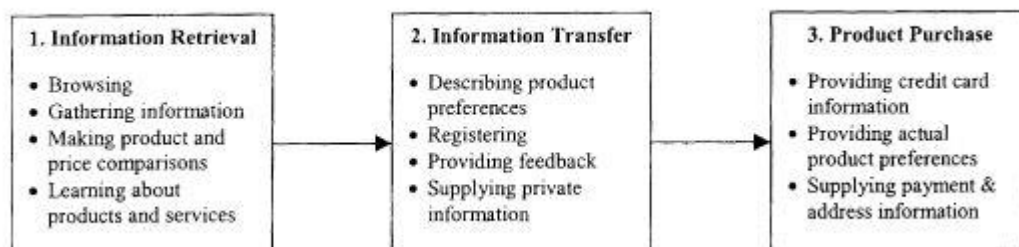


source : (Pavlou & Stewart, 2020)

Consumer-retailer exchange relationships typically involve several activities. The first step includes mainly the basic data exchange from the retailer to the consumer: browsing, gathering information, and making product and price comparison. The Second step generally includes consumer providing some of his personal data by registering an e-mail address, describing product preferences, and finally providing feedback. This step also includes an automatic information exchange captured through data intentionally or involuntarily. Finally, the last step involves provisions of privacy and monetary information, such as credit card information, purchase preferences, payment and address information in order to complete the purchase of a product (A. Pavlou, 2003)

The figure below shows in a simple way the consumer online transaction process.

Figure 2.3: Online transaction process



Source: A. Pavlou

### 2.1.1. Intention to Transact

Zwass (1999) defines intention to transaction as the consumer's intent to engage in an on-line exchange relationship with a web retailer. The kind of the relationship can be: sharing business information, maintaining business relationships and conducting business transactions. Based on

the online transaction process mentioned in the above, B-TO-C e-commerce acceptance necessitates that the consumer intent to use the retailer's website in order to be well informed about the product and or the service, and then complete the process with an act of buying.

Although, since the remarkable increase in the number of internet users, but still, a recent study showed that a huge number of e-consumers abandon their shopping carts before purchase (Bizrate, 2020).

This poses a serious problem for e-retailers, especially if the objective behind the website is to sell, so the e-retailer prefers buyers and not surfers. problem for Web retailers, since they prefer buyers and not just browsers. "However, as is true of traditional shopping, even if consumers finally decide not to purchase, their initial intentions when engaging in information exchange are typically to complete the ongoing transaction process if everything occurs according to their confident expectations" (Hoyer & MacInnis, 2002, p. 128).

### **2.1.1 The Difference between Online and Offline Transaction**

In contrast to traditional consumer behavior, on-line transactions have some unique dimensions: the extinctive of technology for transactions, the distant and the impersonal environment and the implicit uncertainty of using open technological infrastructure for the transaction. Specifically, consumers have to engage actively in technology use to interact with retailers' platforms. The distance and the separation between the consumer and the retailer increases fears of web retailer opportunism arising from product and identity uncertainty.

These major difference reduces consumer perception control toward on-line transactions, "In terms of Web retailer opportunism and related risks, theories regarding trust and risk in B2C e-commerce are employed. In terms of technology use for on-line transactions" (A. Pavlou, 2003, p. 105).

There is a general consensus that both traditional and online merchants prefer the low-cost internet infrastructure to increase their consumer reach. However, consumers have not adopted B-TO-C e-commerce to the expected degree because of risk concerns and trust related issues which will be dealt with in what follows. "Therefore, uncertainty around consumer transaction intentions is fundamental in predicting acceptance of B2C e-commerce" (A. Pavlou, 2003, p. 106).

## **2.2 E-consumer Trust**

### **2.2.1 E-consumer Trust, Definition**

Trust is the key feature in every economic or social interaction. Every type of interaction requires the element of trust, particularly for the interactions conducted in an environment of e-commerce (Ba & Pavlou, 2002).

Trust has always been considered as a catalyst in consumer-marketer relationship in it is a key for a successful transaction (Schurr & Ozanne, 2005). It has always been a main element in influencing consumer behavior and it has been given a significant importance in uncertain environments such as the internet-based-e-commerce (Moon & Kim, 2001).

Lack of trust has always been considered as one of the main obstacles for consumers not engaging in e-commerce (Keen, 1999). Gefen (2000) agreed that building consumer trust in online retailing is essential for the growth of B2C e-commerce. Jarvenpaa & Tractinsky (2000) confirmed that trust has a direct impact on consumer purchase intention.

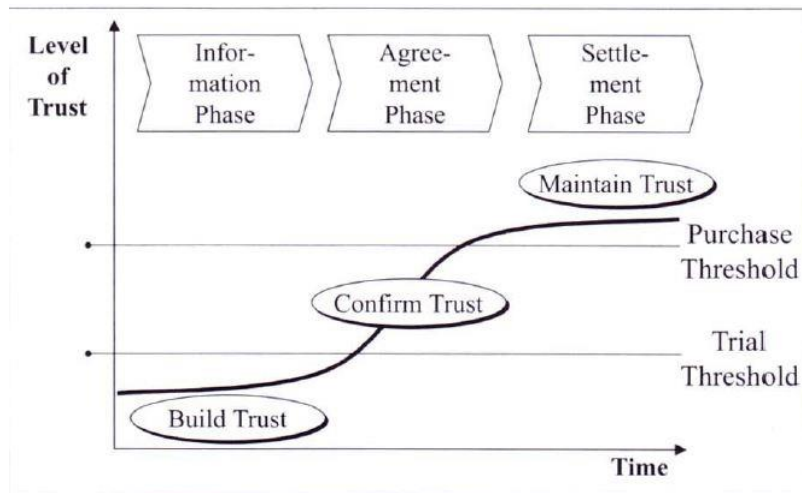
Pavlou (2003) shows that trust is a key in the acceptance of internet technologies. said that trust is fundamental in consumer-marketer communication. And finally, (Keen, 1999) assured that trust is the foundation of e-commerce and it should be discussed in the e-commerce strategy. All this confirms that trust is crucial for the grow of e-commerce.

"Trust can be described as the belief that the other party will behave in a socially responsible manner, and, by so doing, will fulfill the trusting party's expectations without taking advantage of its vulnerabilities" (A. Pavlou, 2003, p. 106). Trust in e-commerce is defined by (McKnight & Chervany, 2002) as the belief that allow consumers to become willingly vulnerable to a specific web-merchant after having after taking retailers' characteristics into consideration. this definition shows the construct of trust as a salient belief which includes goodwill trust (benevolence) and credibility (honesty, reliability and integrity. this definition shows two inseparable facets of e-commerce. First is about the traditional view of trust in a specific party (web merchant), secondly, "implicitly encompasses trust in the integrity of the transaction medium" (A. Pavlou, 2003, p. 106).

### **2.2.2 Trust levels in Online Transactions**

All the previous definitions have confirmed that trust is a key factor that determines the success and failure of e-commerce transactions. The process of an online transaction consists of a variety of phases, first the information, moving to the agreement and finally the settlement phase as shown in the figure below. The figure illustrates the levels of trust during an online transaction, the information phase mainly means the activity of browsing through an online store. Secondly, in the agreement phase, customers show their interest and agreement by choosing a product, accepting the price and the terms. The payment and delivery of the product are included in the settlement phase (Petrovic, Ksela, Fallanbock, & Kittl, 2003).

Figure 2.4: Trust levels in Online Transactions

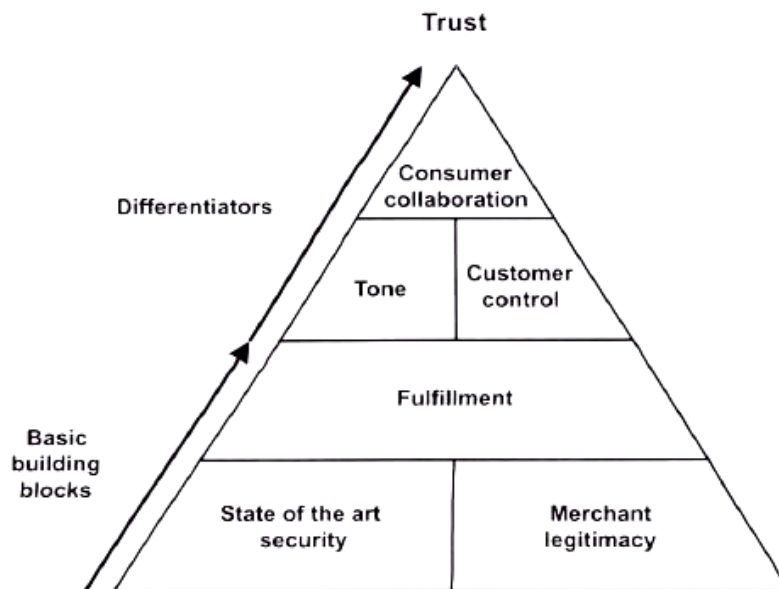


Source: (Petrovic, Ksela, Fallanbock, & Kittl, 2003).

### 2.2.3 The Trust Pyramid

Building trust that leads to satisfied customers is one of the most complicated crucial task. Petrovic, Ksela, Fallanbock, & Kittl (2003) mentions six major elements combined in a “trust pyramid” shown in the figure below

Figure 2.5: The Trust Pyramid



Source: Petrovic, Ksela, Fallanbock, & Kittl (2003)

- **State of Art Security:**

Using the most reliable security measures is very important. And it should be communicated simply in an understandable language to the consumer

- **Merchant Legitimacy**

Brands plays a crucial role online since they can help the consumers makes their choice especially when they have limited information about the product characteristics. Familiar names with a reputable performance records can be a key to build trust.

- **Fulfilment**

The order fulfilment is a requirement of trust building in e-commerce. customers want to place and order and receive it efficiently without any major problems, and e-retailers delivers a promise that is needed to be kept. Not clearly defined costs as an example can have a negative impact, so it is very important the retailer explains all the conditions and make sure that the right buyer gets the right product in time.

- **Tone and Ambiance**

The trust building is more than just the technical features of a website. How sensitively personal information are treated is so important to consumers. If security is not guaranteed, consumers will never go through the purchase. An Easy-to-read privacy statement should be posted on the website that explains how personal data is collected and handled.

Design and content, are some other essential elements that have an influence on the consumer.

- **Control**

A smart approach for the company is to ask always the consumer for permission to get personal data so the consumers feel the control the data they give about themselves. Thus, to feel in control of the buying process is appreciated by consumers.

- **Collaboration**

An important way to build trust is through the word of mouth, encouraging customers to contact and inform each other about the company's product and service offering is crucial to build trust. Because when consumers are considering whether to purchase or not, an advice from a third party is often highly valuable.

### **2.3 E-customer experience**

Digital customer experience is the sum of digital interactions between the customer and the e-supplier and the resulting impressions the customer have at the end. Some of the elements for a better digital consumer experience are: Color, sound, navigation, clarity of text and images and the ease of use (Liferay, 2020).

These elements contribute in driving a user's emotional response to the value offered and the comfort and enjoyment of achieving it. A well-conceived and designed digital experience facilitates a satisfying successful customer experience (Scott & Lucina, 2020).

### 2.3.1 Digital Customer Experience vs. Customer Experience

There is a remarkable confusion over the terms Digital Customer Experience (DCX) and Customer Experience (CX).

The DCX refers to the interaction between the buyer and the organization through the use of digital channels and the perception that the customer walks away with. It specifies that organization aim was not just to put information available, but it has created a channel through which customers can communicate with the organization. While the customer experience on the other hand is the overall impression of the interaction with a brand or a company service in a marketplace. So mainly what makes the difference between both of the terms (DCX and CX) is the channel (Scott & Lucina, 2020).

### 2.3.2 The Importance of Adoption a Digital Customer Experience Strategy

Jadnanansing (2020) defined many important reasons why an organization should focus on the digital customer experience:

- **The Digital Transformation**

The majority of customers has either completed the transformation into a digital business or in the process of doing so. And thanks to digital advance, companies now are able to deliver a much better experience in digital through its easiness and convenience.

- **New and Improved Ways of Measuring Customer Feedback**

One of the benefits of digital commerce is the easiness of getting customers' feedback with details much greater than ever with traditional interaction methods. Collecting qualitative and quantitative data is much easier (click paths, forms, social media, ...).

- **Service Customization**

The digital customer experience allows aligning the service to the needs of individuals. This ensure that the company propositions provide solutions for the potential customers and offers them a greater value and satisfaction. Through the registration of the buying and the browsing process and the website traffic allow the company to have a detailed data about the customer needs, wants and preferences.

- **The Digital Saturation**

Since the explosion of in terms of numbers of offers available online has created a rude competition, offering a unique digital customer experience is no longer an option. Knowing the customers and offering customized options is a must.

### 2.3.3 How Can the Digital Customer Experience be improved?

Freshdesk (2020) mentions different ways to improve the tools that helps improving the digital customer experience:

#### ▪ **The website**

The first important thing while improving a digital customer experience is reducing the hundreds of bugs and slow load times in a website.

A study recent by Mckinsey shows that Auto-anything cut the load time in half, and engendered a 13% increase in sales and 9% increase in conversation rate. The same study also shows that Edmunds.com reduced their load time by seven seconds and saw a 17% increase in page views and a 3% increase in ad revenue.

To get started on speeding up the website in order to take the digital experience to a next level, it is possible to:

- Reduce redirects
- Reduce image sizes
- Minify and combines files
- Reduce the number pf plugins installed on the website
- Choosing a powerful web host

#### ▪ **Tools and Technology**

For a well-designed and an agile work environment, adopting the right tools and technologies is necessary. Cloud and Software as a service (SaaS) are in integral part of digital customer experience.

One of the technological tools that improves the digital customer experience are:

- Live chat and chat bots: Live chat is a feature can be included in a website that redirect the customer to a Facebook Messenger, WhatsApp or another messaging platform to be in a direct contact with the e-supplier. Chat-bot is a live automated chat having automatic intelligent answers to basic queries and facilitates agent hand-off when it is needed.
- Self-service: self-service refers to the repository of knowledge base, frequently asked questions (FAQs), solution articles.
- Helpdesk: the help desk is an essential customer service tools that helps interacting with customers who needs an aid. This interaction aims to build a trust a provide a support system to resolve issues rapidly.



## Section 03: Digital customer relationship management

In this section, a general overview about customer relationship management will be given then moving to defining the digital customer relationship management and its main concepts.

### 3.1 Customer Relationship Management, a general overview

It has been confirmed over and over again in several studies that devolving a relationship between customers and organizations is beneficial for both parties. Even though, building a meaningful relationship with customers appears to be complicated. and that is why examining in depth all the aspects of Customer Relationship Management (CRM) is necessary (Peelen & Beltman, 2013).

#### 3.1.1 The Definition of CRM

In 2000, the meta group defined CRM as "the automation of horizontally integrated business processes involving front office customer contact points (marketing, sales, service and support) via multiple, interconnected delivery channels" (Agrawal, 2003, p. 75). This description shows the IT side of CRM. Through technology, the contact between the customer and the organization employees from different department is possible via internet, telephone and face-to-face channels.

On the internet, machines somehow managed to replace people by creating a human-machine interaction. The importance of IT is only supportive in telephone and face-to-face contact This definition suggests that a company is engaged in CRM if customers are recognized during contact via internet, telephone or personal contact. A customer who ordered a book from an online bookstore for example can contact the supplier afterward to ask for more additional information while the operator is able to check in the system that the purchase has been really completed. (Peelen & Beltman, 2013).

Another definition suggests that CRM is "a process that addresses all aspects of identifying customers, creating customer knowledge, building customer relationships, and shaping their perceptions of the organization and its products" (Payne & Frow, 2005, p. 81). This definition does not even mention the role of technology; it shows the CRM more on the marketing side. Besides, this definition emphasis on creating and maintaining a good relationship with the customers to give them the impression that the organization aim is to satisfy the customers and not just to close a deal and that the interest goes deeper than the purchase and sale.

### 3.1.2 The Importance and the Objectives of CRM

Gronroos (2002) shows that one of the benefits an on-going relationship with customers provides are: a sense of security, trust and feeling of control. (Xu & Walton, 2005) mentioned the main reasons why companies implement CRM are:

- Improve Customer Satisfaction,
- Retain Existing Customers,
- Provide Strategic Information,
- Improve Customer Lifetime Value.

In another way, Gummerson (1994) explains that customer relationship is the key to generate and maintain a successful market share. Gummerson also mentions that the benefits are:

- Retention:

Since CRM is a way that provides the organization relevant information about the customer (names, preference, habits and expectations), a one-to-one relation can be enabled in order to assure the customers coming back.

- Intimacy and Profiles

Through the repetitive use of IT, a feeling of intimacy will be created with the customer.

### 3.1.3 CRM building blocks

Peelen & Beltman (2013) defines the steps an organization should follow for the integration of CRM within an organization as follows:

- **A business strategy:**

Functional strategy is not enough for building relationships, hence, it requires a business strategy. Because it affects the whole organization: Marketing, IT, service, logistics, finance, research and development, human resource (HR), management, etc. CRM business strategy defines the way that the organization find and maintain customers and how to build a relationship. It specifies the extent to which both customer and organization adapt their behavior toward each other to intensify the relationship.

- **Customer-Centric Organization**

Customer-centric process has implications for leadership, culture, employees, internal communication, processes and control. A customer-centric organization is organized around customers, not around functional processes. The interactions with customers is the determinant of what has to be done. Employees need to have the right mindset and qualifications to adapt with the strategy.

- **The Individual Value Proposition**

The large data collect enables the organization to offer more customized than standardized services in order to deliver an individualized value proposition.

The context of customer experience has to be taken into consideration. It is so fruitful for a customer centric organization to find a fitting way to co-create with some or all the customers.

- **Customer knowledge**

The essential starting point if CRM is to know the customers. It is highly essential to know the customer in order to develop a relationship and to design customized offers. Identifying and having the essential data about existing customers and prospects profiles and preferences as well is a must, because this data is crucial for building the customer relationship.

- **Communication**

It is important to translate the relationship strategy into a framework that enables a customer-supplier contact. In building a network of channels where the dialogue with customer takes form, it is extremely important to focus on the quality of the interaction. It is also important to increase the reach with the minimum cost possible.

### **3.2 Digital Customer Relationship Management**

Digital Transformation forced companies and industries to re-adapt with the environment and re-evaluate the ongoing operations. In marketing, the sentence: "The customer is a king" was widely spread and customer centricity appeared as a key to the new markets, CRM is becoming more and more important for a customer-centric strategy. And since customer begun to use the digital channel widely, it is so important to have a customer relationship management strategy for this specific category of customers, which led to the appearance of the term electronic CRM (e-CRM).

#### **3.2.1 Digital CRM Definition**

Today's changing customers led to the appearance and the spread of new business models, new technologies and greater need for transparency. Developing the CRM traditional capabilities is a must to align it with the digital transformation and the digital CRM. Digital CRM is a strategic guidance for building a long term profitable relationships with the customers by providing personalized and context-based interactions throughout the customer journey. The digital CRM allows the e-suppliers to cast the lights on the customers' mindset, capabilities, wants and behavior in order to enhance the experience of each individual (Deloitte, 2019).

Furthermore, the process of relationship building is internally transparent, resources are allocated based on data insights collected from the different platforms. The use of KPIs to track the progress of customer-based actions and strategies is important. Digital CRM provides the

structural foundation for building and managing the capabilities and processes required for interactions from strategy to operations. It is driven from an inside out (company) orientation and therefore different from the concept of customer experience management, which focuses on the outside, i.e. human/company interactions. There is, however, some overlap and the distinction between the two concepts is still fairly fuzzy. Companies need to be aware of both the customer and the company perspective and combine them to meet the customer's expectations (Deloitte, 2019).

### **3.2.2 Digital CRM Success Factors**

Deloitte (2019) mentions a six essential key that determines the succes of a digital customer relationship management system as follows:

- **Understanding**

Understanding the CRM value drivers and obstacles from various perspectives. Management is supposed to address functional and technological factors strategically to ensure a unique customer journey design.

- **Developing**

Developing a tool to measure the individual customer value for a better allocation for resources for relationships building focusing on high value customers. Besides to developing analytical tools aims to gather insights serving in personalizing the customer journey

- **Aligning**

Aligning the operating model with the customer journey. It is important to have a cross-functional and flexible way of working from the top management level to the operational in order to align the strategies and the actions with the market changes.

- **Leverage**

Leverage the CRM technology to the fullest extent is always beneficial. automated analytical tools, insights generation and personalization, etc. A data governance model needs to be established to collect relevant data.

- **Integration**

Integrating the legal knowledge to the employees is important to assure a high performance concerning CRM day-to-day operations in order to leverage the potential of CRM to the fullest performance while making sure to avoid illegal operations.

- **Ensuring**

Ensuring a proper measurement of the performance of the customer relationship management system is crucial in order to identify the positive aspects and to diagnose the negative ones.

## **Conclusion**

The Digital Business strategy is the link between the organization and the environment, in another way, is the planning to an optimum use of the organization resources in order to deliver a good service to the online customers.

The digital business strategy is composed of three different levels: Business unit strategies, Regional strategies and Functional strategies.

There are different e-commerce strategies: customer retention, social enterprise strategy and bottom of pyramid strategy, and each one of the strategies have its own characteristics.

Commitment, Convenience, Control, Interaction, Communication, Brand Image, Process improvement, Integration and Price are the essential success key factors to each digital business strategy.

Designing a digital business strategy requires a deep understanding of the consumer behavior in an online environment. Consumer acceptance and intention to transact are crucial.

Consumer trust, is a key success element for a business especially in a digital environment, besides to providing a unique customer experience that allows the organization to create a long term relationship with the customers.

## **CHAPTER III:**

# **Renault's Investment in E-commerce Platforms**

**Introduction**

The industry of car spare parts and accessories in Algeria is becoming more and more competitive. The demand is so important and each of the suppliers is trying to attract customers based on price, quality and products genuineness.

And since customers are becoming more and more internet savvy, digitalizing the retail of this category of products could be an opportunity, yet, a risky one. And examining the likely profitability of this opportunity is exactly the aim of this research.

Since none of the direct and indirect competitors has not already invested in electronic platforms to sell car spare parts and accessories. Renault Algeria has the intention to penetrate the online market provided it would generate an above average ROI. The investment is risky, and that is why it needed conducting a research to test consumer acceptance and intention to buy online, in addition to discovering the market potential and its characteristics.

This chapter will be divided into three sections containing the following:

- First section: a general overview of the automotive industry in Algeria generally and in particular light will be casted on Renault Algeria, its history and organizational structure.
- Second section: explain how the way how the research will be conducted by presenting the research design.
- Third section: shows the different tests and analyses performed in order to analyze the collected data, confirm or reject hypothesis and answer the research questions.

## Chapter 03: Renault's investment in e-commerce

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### Section 01: General overview of the company

#### 1.1 The automotive industry in Algeria in 2020

Algerian automotive industry collapsed in the first half of 2020 with production and commercial activities closed for over two months, economic crisis due to a decrease in oil prices. Sales decline by over 86% which is the lowest fall in 40 years.

The Algerian automotive industry was struggling to recover after the sharp fall reported during the last years. This fall was generated by the government strategy to build up a local production, banning the vehicles import and to increase employment.

The market is now heavily concentrated in which the bulk of new cars are manufactured by those companies who decided to establish local facilities.

2020 represents however a huge step back, with the market sharply declining by the economic crisis generated by COVID-19 restrictions and by the fall of oil prices.

The sales in the first half of the 2020 have been really low, at the lowest level in the last 40 years. Total sales have been only 10,355, a decline by 86%.

The market leader was Renault, reporting 2,847 car sold, 92.2% less than last year, and the challenger Volkswagen which reported a decline of 63.9%. **(internal document)**.

##### 1.1.1 The Economic Environment

The economy has been severely impaired in the first half of the year, as the combined weight of pandemic-related containment measures and low oil prices dragged on activity. Oil production for May tumbled following the latest round of OPEC+ cuts that came into force early in the month, adding further pressure on the struggling energy sector.

Consequently, government revenues will be particularly hit hard, with a fear that lower public spending will reignite the year-long anti-corruption protests that had been halted by the arrival of Covid-19 earlier in the year.

“This comes amid an easing of lockdown conditions in June, with the resumption of some economic activities and the reopening of certain small businesses boding well for household spending” **(internal document)**.

##### 1.1.2 Market Trends in the Mid-term

In the last six years, the automotive industry in Algeria has dramatically changed, losing over 70% of volumes, due to the government decision to block the import of vehicles and push all car makers willing to sell in the country, to establish local facilities.

While the purpose was not original, the approach has been so tough to create a very shortage of products and prices skyrocketed, with the market collapsing from all-time record of 429,960



## Chapter 03: Renault's investment in e-commerce

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light vehicles sold in 2013, to a plummet of 101,979 units sold in 2017. At that point in time, when the first plants have been able to start a growing production, the market approach the recovery, growing to reach 127,300 units in 2018.

However, in 2019 the market did not hold the recovering trend, registering 125,121 units, down 1.7% from the previous year (**internal document**).

### 1.2 Overview of Renault group

The Renault group is an international company, with French roots, with a history of 120 years. Present in 128 countries, specialized in: designing, manufacturing, and marketing passenger cars and utility vehicles sold under three brands: Renault, Dacia, and RSM. Thanks to the unique strategic Alliance with Nissan, Renault is the 4th largest car manufacturer in the world. Today more than 120,000 employees around the world working for Renault, all driven by the same passion: Automobile.

Renault Algeria is a subsidiary of Renault Group, a leader in the Algerian automotive market for 12 years, with more than 700 employees in Algeria, committed to the performance of the company, open minded and passionate, to market vehicles and offer quality after-sales service. In 2018, Renault sold more than 600,000 in Algeria, Morocco and Iran, combined.

#### 1.2.1 History

##### **Louis Renault:**

Born February 12, 1877 in Paris and died October 24, 1944 in Fresnes prison near Paris. He is a French inventor, racing driver, and pioneering business leader, emblematic founder of the French automobile industry with the Renault industrial empire. With his company, he made an intensive contribution to the war efforts during the 1914-1918 conflict.

On March 27, 1999, following an agreement signed between Renault and Nissan, Renault acquired a stake in Nissan. The binational Renault / Nissan group was the 3rd largest automotive group in the world in 2016.

Renault Group is an international multi-brand and multi-category group that brings together the Renault, Dacia, and RSM brands.

Renault is strengthening its potential to penetrate new markets and develop its profitable growth strategy. Present in 127 countries, the Group sold nearly 3.2 million vehicles in 2016. With a renewed range and the development of its international activities.

Renault Group is also preparing vehicles of the future, electric, connected, and autonomous. With a new team in Formula 1 and a strong commitment to Formula E, Renault is making motorsport vehicles for innovation and brand awareness.

## Chapter 03: Renault's investment in e-commerce

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### 1.2.2 Renault Algeria:

**1922:** Renault has been present in Algeria since 1922 through the Algerian Company of Automobiles Renault SADAR, which distributes its models

**1959:** Pierre Dreyfus, then CEO of Renault, laid the foundation stone for the CARAL assembly plant, Automobiles Constructions Renault in Algeria, in the town of El Harrach in 1959.

**1969:** CARAL and SADAR merge and mainly produce Renault 4, Renault 8 and Renault 4 van until their nationalization in 1969

**1987:** The public company SONACOME imported and distributed private vehicles and small utility vehicles from 1969 to 1987. Renault returned in 1987 in the form of a liaison office, after the end of the Vehicle Import Authorization contracts.

**1997:** Renault Algeria SPA was created in 1997. The company became operational during 1998 and moved to its historic headquarters in El Biar.

**2011:** Renault Algeria inaugurated its new headquarters in 2011 in Oued Smar, where it will now have a full branch.

**2012:** Renault, SNVI and FNI sign the Renault Algeria Production industrial project agreement on December 29, 2012, in the presence of the presidents Mr. Holland and Mr. Bouteflika

**2015:** In December 2015 Renault celebrates 10 years of leadership in the Algerian market with an exceptional year with more than 35% market share.

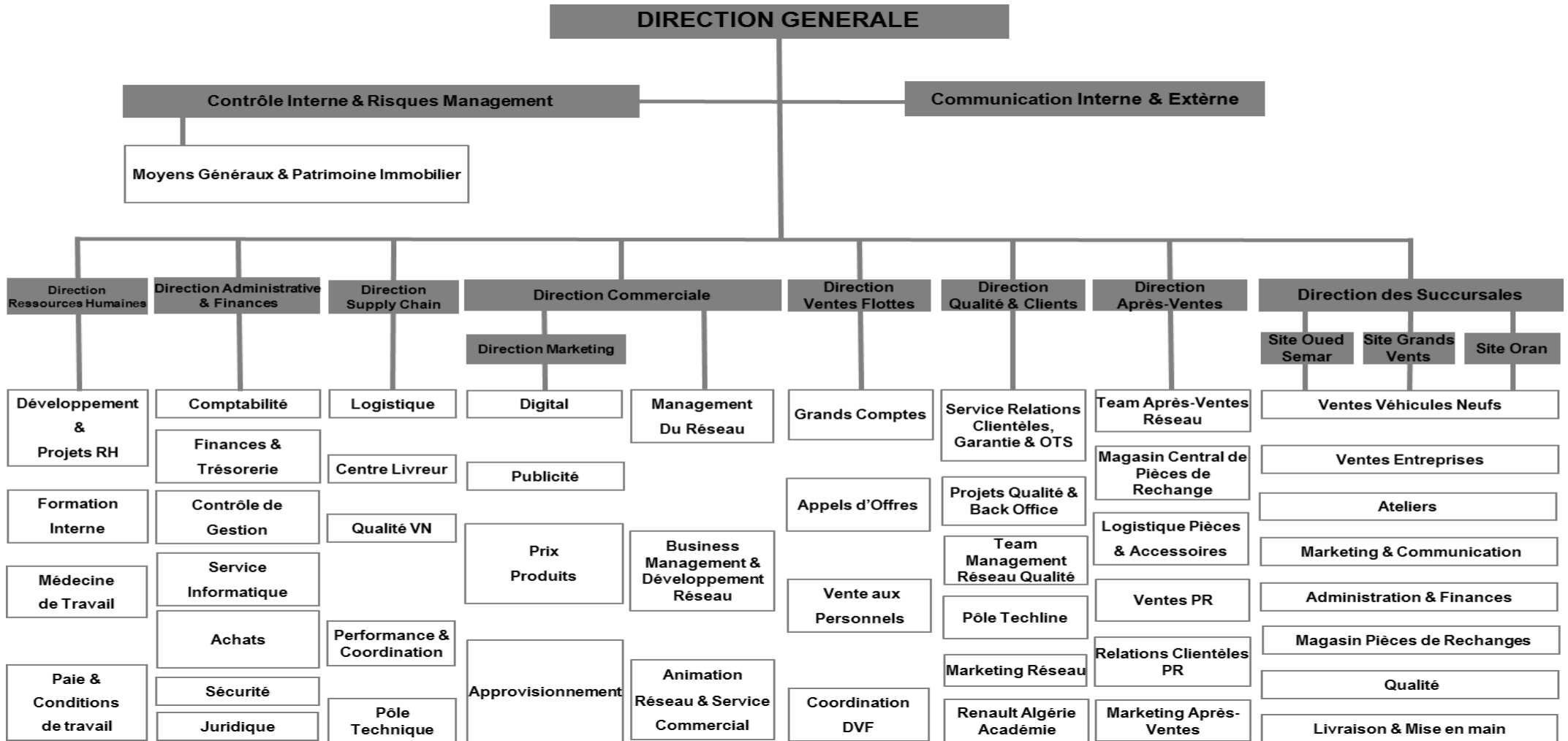
#### 1.2.2.1 Renault Algeria Organizational chart

The following figure ( *Figure 3.1*) shows Renault Algeria's organizational chart.

The host department was the marketing after-sales services department, which has as a mission to conceive the after sales strategy and sells car spare parts and accessories, all in order to improve customers' satisfaction.

# Chapter 03: Renault's investment in e-commerce

Figure 2.1: Renault Algeria Organizational Chart



Source ; internal document

## Section 02: Research Methodology

In this section, a general presentation about the case study and the research conducted within Renault Algeria will be given. The research was conducted because of the management decision problem which was as to whether launch an e-commerce website that offers the different after sales products (Accessories, spare parts, oils, ...), managed by the Aftersales Marketing Department. The challenge marketing had was to understand the Algerian consumer perception toward the electronic commerce in the automotive industry, and to measure the consumer acceptance, and finally moving to the variables that affects consumer decision in an electronic environment in order to decide whether to launch the website or not and to set the digital business strategy.

Regarding the difficulty of making such a decision, first of its type in the country, with the absence of reliable data about the e-commerce sector in the country. Decision makers needed a detailed study from which the main Research question emerged

*Should Renault invest in e-commerce platforms in Algeria since most consumers have become internet savvy?*

### Research Questions

- What are the determinants of the intention to buy or not buy spare parts and accessories online?
- What is the purchase criterion that push consumers to engage in online purchase of spare parts and accessories?
- Does the type of platform used (website, mobile application) affect online consumers' satisfaction with regard to car spare parts and accessories?

Based on these research questions, the following hypotheses were proposed:

### Hypotheses

- *Hypothesis 1:* The online purchase of car spare parts and accessories is heavily dependent on consumers' prior online experience.
- *Hypothesis 2:* Consumers are more likely to engage in online purchase of cars spare parts and accessories if the purchase criterion is price because consumers go online to compare prices of different alternatives
- *Hypothesis 3:* Satisfaction is influenced by the medium of connectivity in which consumers who use a phone application are more satisfied than consumers who use a website.

## **2.1 Research Design**

The research was simply divided into three major phases. First, since the study was conducted by a team who lacks expertise in this area, a documentary research was needed, starting by gathering and analyzing secondary data (articles, books, academic research, official newspaper ...) which was summarized and presented in the theoretical part. Besides to consulting different specialist from inside the company (Digital team, the regional After Sales Director, The Digital manager of Renault France) and from outside the company (Guiddini CEO, Jumia Commercial representative, Dash CEO, ...).

Secondly, and after collecting the essential data concerning e-commerce, a qualitative research was conducted in form of depth interviews in order to understand the reasons, the motives and expectations from launching the e-commerce platform.

Finally, moving to the quantitative research in form of a survey administrated to Algerian adult customers in order to measure and uncover customers' behavior, perception and preference towards an e-commerce platform.

### **2.1.1 Qualitative Research**

This phase purpose is to deeply understand the objectives behind creating the electronic commerce platform that decision makers have set. Four decision makers were interviewed using unstructured depth interviews based on an interview guide given in appendix (A).

- The first question aims to understand the commercial objectives set by the decision makers, and to understand the reasons behind creating the website.
- The second question emphasizes the non-commercial reasons.
- The third question is about the Key Performance Indicators (KPIs) that determine the success of the platform.
- The fourth question seeks to identify the expected difficulties in the process.
- In the last question, an attempt was made to know the strategies the decision makers are going to adopt to involve consumers and commercial agents.

The qualitative interviews were not conducted randomly since the number of employees and managers involved in the project is very limited. Our interviews were specifically addressed to:

- The Marketing Manager,
- The Digital Manager,
- The Head of Accessories Product Line,
- The Head of Spare Parts Product Line.

### 2.1.2 Quantitative Research

In this phase, a survey was carried out in which a questionnaire was administered to the customers. that contains different questions that was organized in two categories:

- Customers who have a car and have the habit of buying the spare parts and accessories.
- Customers who do not have a car.

For the first category, the questions aim to measure the customers online and offline behavior toward buying the products that the company intends to offer online. While for the other category, the goal is to have an insight into the electronic consumer behavior.

#### 2.1.2.1 The Questionnaire Pilot-Testing

In order to assure its coherence and convenience, the questionnaire was tested on a sample of 15 respondents, the questionnaire contained:

- Multiple choice questions,
- Single choice questions,
- Scale questions,
- Dichotomous questions.

This test allowed the editing, addition and removal of some questions based on the respondents' comments. Some of the modifications are to be mentioned:

- Rephrase some questions so it can be understandable by respondents with different status and positions,
- Change the order of questions.

#### 2.1.2.2 The final questionnaire

After the test, the final questionnaire was launched which includes the following questions:

**First section:** customers who dispose a car and are used to repair their cars by themselves:

- First question aims to know the brand of the vehicle of the respondent,
- Second question: the car year,
- Third question: a scale that aims to determine the car spare parts purchase criteria,
- Fourth question: a scale that aims to determine the car accessories purchase criteria,
- Fifth question: the way that customers prefer buying the spare parts for their vehicles,
- Sixth question: the way that customers prefer buying the accessories for their vehicles,
- Seventh question: the respondent connectivity to internet,
- Eighth question: respondent connectivity frequency,
- Ninth question: Whether the respondent has already bought products online or not, if not the respondent goes directly to the eighteenth question,

- tenth question: Whether the respondent has already bought spare parts online,
- eleventh question: Whether the respondent has already bought accessories online,
- twelfth question: a scale that measures the respondent satisfaction while his online purchasing experience,
- thirteenth question: aims to detect the most used Algerian platform,
- Fourteenth question: aims to detect the most used type of platforms (a website, a mobile application, an online marketplace),
- Fifteenth question: aims to know whether consumers prefer websites or mobile application,
- sixteenth question: the reason for their preference,
- seventeenth question: aims to detect the most used platform,
- Eighteenth question: Whether customers have used their credit cards to pay for an online service,
- Nineteenth question: Whether customers will be interested in buying car spare parts online,
- Twentieth question: Whether customers will be interested in buying car accessories online,
- Twenty first question: Whether costumers prefer home shipping or physical store,
- Twenty second question: Aims to determine the time customers are ready to wait the product to be delivered,
- Twenty third question: Whether customers prefer online or hand to hand payment,
- Twenty Fourth question: What customers see as an obstacle,
- Twenty fifth: the respondent sex,
- Twenty sixth: the respondent age.

**Second section:** The only difference between the first section and the second section is in term of specific questions that cannot be answered unless the respondent is already aware of the car repairing and maintenance, the second question is dedicated to respondents who does not own a car.

### **2.1.2.3 Sampling**

Because of the absence of sampling frame, the method of sampling used in this research is a none-probabilistic sampling technique. In particular, a judgmental sampling technique was adopted. Overall, 230 copies were received.

### **2.1.2.4 Preliminary analysis:**

#### **▪ Logistic Regression**

Logistic regression a regression analysis appropriate when the dependent variable is binary. It is a predictive analysis used to describe the relationship between one dependent binary variable and one or more nominal, ordinal or ratio independent variables

### ▪ Student Test of two Independent Samples

The Independent Samples  $t$  Test compares the means of two independent groups in order to determine whether there is statistical evidence that the associated population means are significantly different. The Independent Samples  $t$  Test is a parametric test.

### ▪ Simple Linear Regression

Simple linear regression is a statistical method that allows us to summarize and study relationships between two continuous (quantitative) variables:

- One variable, denoted  $x$ , is regarded as the predictor, explanatory, or independent variable.
- The other variable, denoted  $y$ , is regarded as the response, outcome, or dependent variable.

## Section 03: Interview and Data Analyses

### 3.1 Interview analysis

The answers were identical since they all worked on the same vision, where the objective behind creating the platform was to increase sales and being the first car company in Algeria who owe an e-commerce platform to market its products. The key performance indicators that decision makers set are related to: sales, brand image and data collection. The main thing the team working on the project considered an obstacle is consumer acceptance, and the high prices in comparison to competitors since the company sells only genuine products with high quality standards. And finally, the process of implicating the sales force and the customers in the process will need a marketing campaign for customers, while training the sales force to use and to promote the platform.

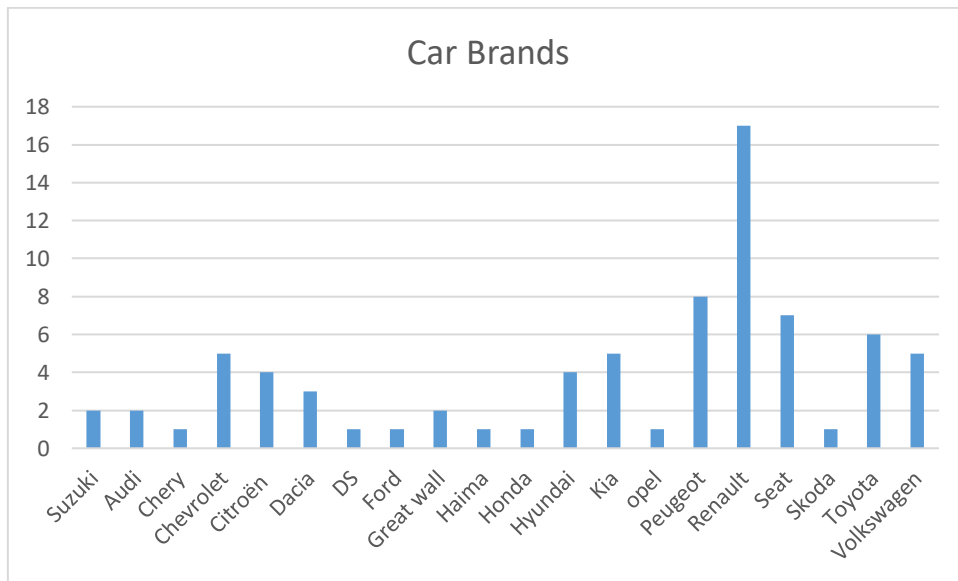
### 3.2 Descriptive Analysis

In order to gather answers from different categories of respondents, the questionnaire was divided into two sections. The first section was directed to respondents who own a car and used to buy car spare parts and accessories, and the second section was targeted to respondents who do not own a car.



- **The Car Brand**

Figure 3.2 : Car Brands

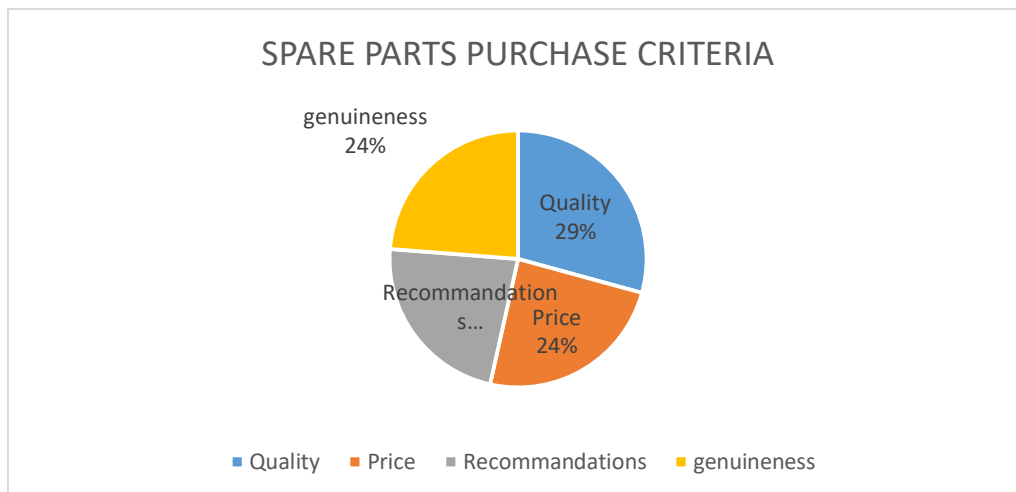


, source : Excel

This figure shows the respondents car brand. Apparently, the majority of the respondents are already the company clients (Renault), followed by Peugeot and Seat car users.

- **Spare Parts Purchase Criteria**

Figure 3.3 : Spare Parts Purchase Criteria

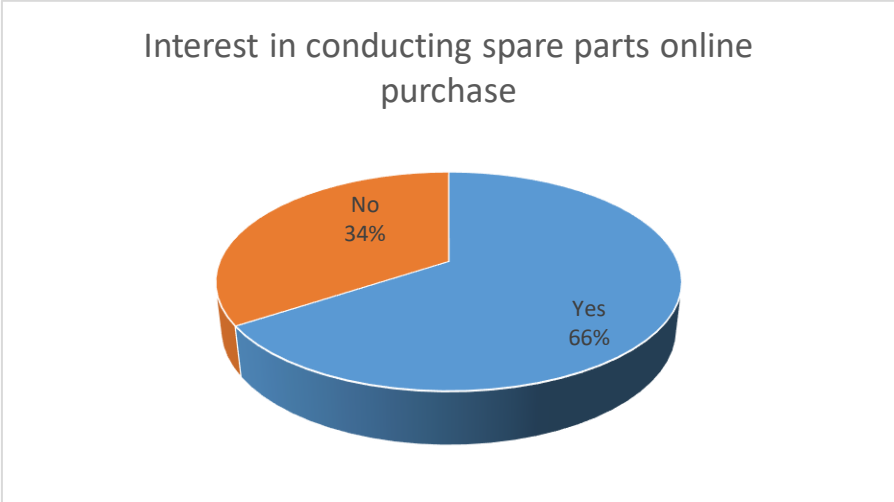


, source :Personal effort using Excel

From this figure, it is obvious that all of quality, Price, genuineness and recommendations are considered while the purchase of spare parts, but most importantly quality

- **Interest in Conducting Future Spare Parts Online Purchase**

Figure 3.4: Interest in conducting spare parts online purchase

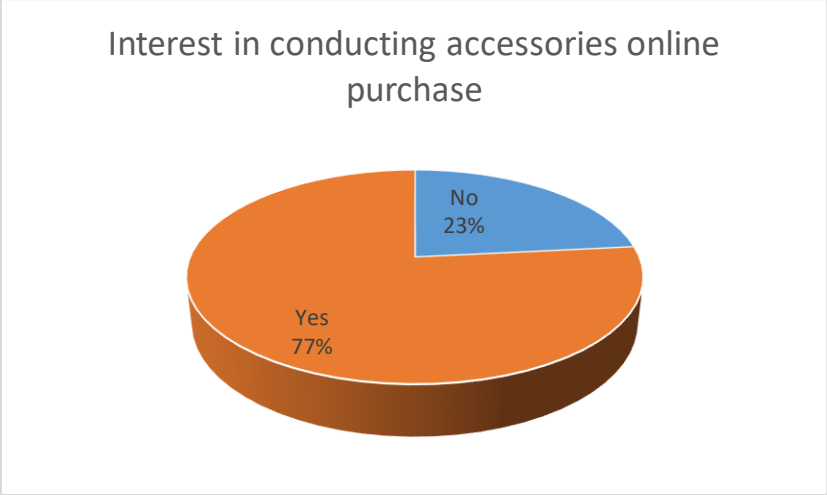


, source : Personal effort using Excel

66% of the respondents are interested in using the platform and purchasing spare parts online, the other 34% are not ready yet to purchase this category of products online. Most likely because of trust, delivery time, or product quality.

- **Interest in Conducting Future Accessories Online Purchase**

Figure 3.5: Interest in Conducting Future Accessories Online Purchase

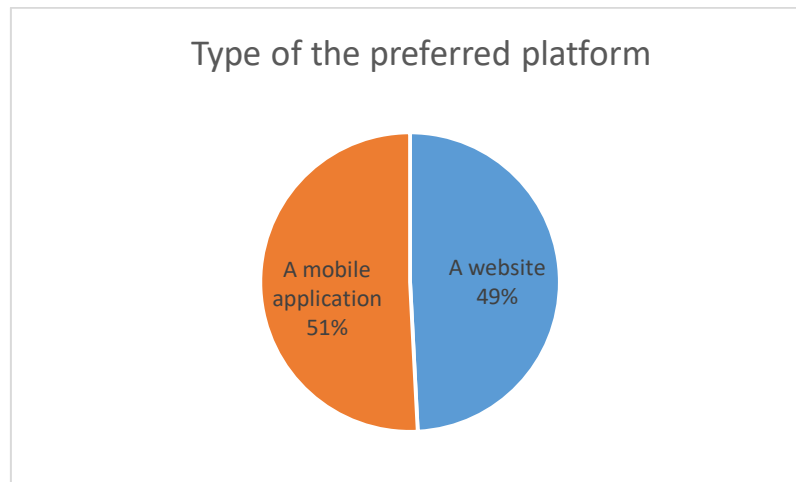


source : Personal effort using Excel

77% of the respondents are interested in using the platform and purchasing car accessories online, the other 23% are not yet ready to purchase this category of products online. This percentage is somehow greater than the percentage of respondents who are ready to purchase spare parts because of the less sensitivity of this category of products and because mainly it is not urgently needed.

- **The Type of the Preferred Platform**

Figure 3.6: Type of the preferred platform

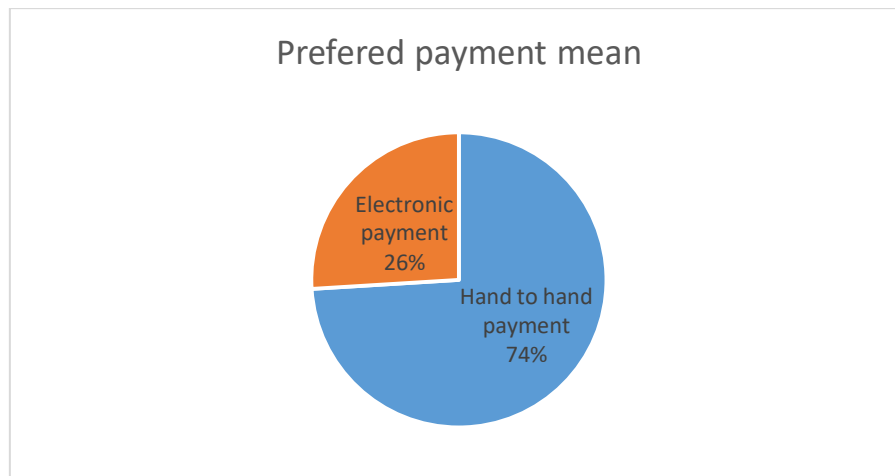


, source : Personal effort using Excel

The percentage of respondents’ preference toward using a mobile application or website to conduct online purchase of spare parts and accessories is nearly the same. This is due to the use of different tools (mobile phones and computers).

- **Preferred Mean of Payment**

Figure 3.7: Preferred payment mean



, source : Personal effort using Excel

This figure shows that it is obvious that the respondents’ preferred mean of payment is the hand to hand payment, due to the lack of trust and the inefficient banking system.

### 3.3 Logistic Regression

The logistic regression was conducted to test the first hypothesis claiming that:

*The online purchase of spare parts and accessories is heavily dependent on consumers' prior online experience.*

#### 3.3.1 Spare parts

*The online purchase of spare parts is heavily dependent on consumers' prior online experience.*

##### ➤ Block 0

- **Classification Table**

Table 3.1: Classification Table, source: Personal effort using SPSS

	Observed	Predicted		
		Interest in conducting future spare parts online purchase		Percentage Correct
		Yes	No	
Step 0	Interest in conducting future spare parts online purchase	Yes 22	No 0	100,0
		13	0	,0
	Overall Percentage			62,9

a. Constant is included in the model.

b. The cut value is ,500

The overall percentage of cases correctly classified is 62.9%. which means that 62.9% of people who have a satisfactory prior experience are likely to purchase spare parts online.

##### ➤ Block 1

- **The Omnibus Coefficients**

Table 3.2: Omnibus Test of Model Coefficients, source Personal effort using SPSS

		Chi-square	df	Sig.
Step 1	Step	6,424	1	,011
	Block	6,424	1	,011
	Model	6,424	1	,011

The omnibus coefficient table evaluate the performance of the extracted model. The model is significant at alpha 5%.

Because the model generates a Chi-square value of 6.42 (sig= 0.011) which means that entering the independent variable to the regression equation improves the predictability of the model. Which means that everyone who has a satisfactory experience from a prior online purchase is likely to buy cars spare parts online.

- **Hosmer and Lemeshow Test**

Table 3.3: Hosmer and Lemeshow Test, Source :Personal effort using SPSS

Step	Chi-square	Df	Sig.
1	4,847	3	,183

The table of Hosmer and Lemeshow tests is a measure of poorness of fit of the model. Therefore, the significance of the value of this test should be larger than 5% to indicate that the model is not poor. The significance of this test (0.183) is larger than 5% which supports the value of Omnibus Test in the *table 2*. Overall, the model is satisfactory.

- **Model Summary**

Table 3.4: Model Summary, source: Personal effort using SPSS

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	39,756 <sup>a</sup>	,168	,229

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than ,001.

The Cox & Snell R square and Nagelkerke R square explains the variation in the dependent variable (Interest in conducting future spare parts online purchase) that is explained by the variation in the independent variable (Prior online experience satisfaction). Therefore, variation between 16.8% and 22.9 % is explained by the model.

- **Classification Table**

Table 3.5: Classification Table, source : Personal effort using SPSS

	Observed		Predicted		
			Interest in conducting future spare parts online purchase		Percentage Correct
			Yes	No	
Step 1	Interest in conducting future spare parts online purchase	Yes	21	1	95,5
		No	10	3	23,1
	Overall Percentage				68,6

a. The cut value is ,500

The ability of the model to predict the correct classification of respondent to buy or not buy spare parts online is given in the classification table. According to this table, the overall percentage of correctly classified respondent is 68.6%. Which is an improvement from 62.9% in block 0.

- **Variables in the Equation**

Table 3.6: Variables in the Equation, source : Personal effort using SPSS

Variables in the Equation									
		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
								Lower	Upper
Step	achat_enligne_satisfaction	-,759	,357	4,517	1	,034	,468	,233	,943
1 <sup>a</sup>	Constant	2,930	1,655	3,136	1	,077	18,730		

a. Variable(s) entered on step 1: achat\_enligne\_satisfaction.

The importance of the independent variable (Prior online experience satisfaction) is determined by the beta value from the table 6.

Based on Wald value which equals 4.517 (sig=0.034) the independent variable significantly contributes to the online purchase of spare parts.

- **Casewise List**

Table 3.7: Casewise List, Source : Personal effort using SPSS

Casewise List <sup>b</sup>						
Case	Selected Status <sup>a</sup>	Observed	Predicted	Predicted Group	Temporary Variable	
		Interest in conducting future spare parts online purchase			Resid	ZResid
54	S	N**	,085	Y	,915	3,291

a. S = Selected, U = Unselected cases, and \*\* = Misclassified cases.

b. Cases with studentized residuals greater than 2,000 are listed.

Using the casewise table there is only one respondent's behavior that cannot be predicted by the model.

- **To summarize**

To summarize, satisfaction from a prior online purchase explains 68.6% of the intention to perform a future online purchase of spare parts.

### 3.3.2 Car Accessories

*The online purchase of car accessories is heavily dependent on consumers' prior online experience.*

#### ➤ Block 0

#### • Classification Table

Table 3.8: Classification Table, source : Personal effort using SPSS

Classification Table <sup>a,b</sup>					
	Observed		Predicted		
			Interest in conducting future accessories online purchase		Percentage Correct
			Yes	No	
Step 0	Interest in conducting future accessories online purchase	Yes	28	0	100,0
		No	7	0	,0
	Overall Percentage				80,0

a. Constant is included in the model.  
b. The cut value is ,500

The overall percentage of cases correctly classified is 80%. which means that 80% of people who have a satisfactory prior experience are likely to purchase accessories online.

#### ➤ Block 1

#### • Omnibus Tests of Model Coefficients

Table 3.9: Classification Table, source : Personal effort using SPSS

Classification Table <sup>a,b</sup>				
		Chi-square	df	Sig.
Step 1	Step	4,031	1	,045
	Block	4,031	1	,045
	Model	4,031	1	,045

The omnibus coefficient table evaluate the performance of the extracted model. The model is significant at alpha 5%, because the model generates a Chi-square value of 4.031 (sig= 0.045) which means that entering the independent variable to the regression equation improves the predictability of the model. Which means that everyone who has a satisfactory experience from a prior online purchase is likely to buy cars spare parts online.

#### • Hosmer and Lemeshow Test

Table 3.10: Hosmer and Lemeshow Test, source : Personal effort using SPSS

Hosmer and Lemeshow Test			
Step	Chi-square	df	Sig.
1	2,998	3	,392

The table of Hosmer and Lemeshow tests is a measure of poorness of fit of the model. Therefore, the significance of the value of this test should be larger than 5% to indicate that the model is not poor. The significance of this test (0.392) is larger than 5% which supports the value of Omnibus Test in the *table 6*. Overall, the model is satisfactory.

- **Model Summary**

Table 3.11: Model Summary, source : Personal effort using SPSS

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	30,997 <sup>a</sup>	,109	,172

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than ,001.

The Cox & Snell R square and Nagelkerke R square explains the variation in the dependent variable (Interest in conducting future car accessories online purchase) that is explained by the variation in the independent variable (prior online experiences satisfaction). Therefore, variation between 10.9% and 17.2 % is explained by the model.

- **Classification Table**

Table 3.12: Classification Table, source : Personal effort using SPSS

Classification Table <sup>a</sup>					
	Observed		Predicted		
			Interest in conducting future accessories online purchase		Percentage Correct
			Yes	No	
Step 1	Interest in conducting future accessories online purchase	Yes	27	1	96,4
		No	6	1	14,3
	Overall Percentage				80,0

a. The cut value is ,500

The ability of the model the predict the correct classification of respondent to buy or not buy accessories online is given in the classification table (*table*). According to this table, the overall percentage of correctly classified respondent is 80 %. As same as in block 0 (*table 8*)

- **Variables in the Equation**

Table 3.13: Variables in the Equation, source : Personal effort using SPSS

Variables in the Equation									
Step		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
								1 <sup>a</sup>	achat_enligne_satisfaction
	Constant	1,371	1,496	,839	1	,360	3,937		



a. Variable(s) entered on step 1: achat_enligne_satisfaction.	
---------------------------------------------------------------	--

The importance of the independent variable (prior online experiences satisfaction) is determined by the beta value from the (table 13)

Based on Wald value which equals 3.392 (sig=0.066) the independent variable significantly contributes to the online purchase of accessories.

- **Casewise List**

Table 3.14: Casewise List, source: Personal effort using SPSS

Casewise List <sup>b</sup>						
Case	Selected Status <sup>a</sup>	Observed	Predicted	Predicted Group	Temporary Variable	
		Interest in conducting future accessories online purchase			Resid	ZResid
26	S	N**	,081	Y	,919	3,367
a. S = Selected, U = Unselected cases, and ** = Misclassified cases.						
b. Cases with studentized residuals greater than 2,000 are listed.						

Using the casewise table there is only one respondent's behavior that cannot be predicted by the model.

- **To summarize**

To summarize, satisfaction from a prior online purchase explains 80% of the online purchase of car accessories.

- **To conclude**

Mainly, the results obtained above show that the intention to conduct a future online purchase of car accessories and spare parts is strongly dependent on consumers' prior online experiences. Which lead to the acceptance of the *first hypothesis* claiming that: *The online purchase of spare parts and car accessories is heavily dependent on consumers' prior online experience.*

### 3.4 student test of two independent samples

In the second hypothesis which it is hypothesized that *Consumers are more likely to engage in online purchase of cars spare parts and accessories if the purchase criterion is price because consumers go online to compare prices of different alternatives.*

To test this hypothesis, student test of two independent samples is used. The two samples consist of those who do buy online and those who do not. And the variable on which these two samples are to be tested is the price of spare parts and accessories as a criterion.

### 3.3.1 Spare parts

- **Independent Samples Test**

Table 3.15: Independent Samples Test, source: Personal effort using SPSS

		Independent Samples Test								
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Spare parts purchasing criteria (Price)	Equal variances assumed	,809	,371	<b>.708</b>	75	,481	,384	,543	-,698	1,466
	Equal variances not assumed			,694	55,500	,491	,384	,554	-,726	1,495

The Fisher calculated value which equals 0.809 is smaller than the critical value. The statistical insignificance of this value leads to the acceptance of the null hypothesis in which equal variances of the two groups are assumed, therefore the student value on which Hypothesis 2 is tested equals 0.708 which is not significant at alpha 5%.

- **To summarize**

Consequently, the first part of the hypothesis related to the purchase of car spare parts is rejected. In different words, the two groups (buyers and none buyers) are not different with regard to the price.

### 3.3.2 Accessories

- **Independent Samples Test**

Table 3.16: Independent Samples Test, source: Personal effort using SPSS

		Independent Samples Test								
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
accessories purchasing criteria (Price)	Equal variances assumed	3,444	,067	<u>1,154</u>	75	,252	,705	,611	-,513	1,923
	Equal variances not assumed			1,050	24,755	,304	,705	,672	-,679	2,089

The Fisher calculated value which equals 3.444 is smaller than the critical value. The statistical insignificance of this value leads to the acceptance of the null hypothesis in which equal variances of the two groups are assumed, therefore the student value on which Hypothesis 2 is tested equals 1.154 which is not significant at alpha 5%.

- **To Summarize**

Consequently, the second part of the hypothesis related to the purchase of car accessories is rejected. In different words, the two groups (buyers and none buyers) are not different with regard to the price.

- **To Conclude**

The results obtained above show that the intention to a future online purchase of car accessories and spare parts is not mainly conducted if the purchase criterion is price. Which leads to reject the *second hypothesis* postulating that: *Consumers are more likely to engage in online*

*purchase of cars spare parts and accessories if the purchase criterion is price because consumers go online to compare prices of different alternatives.*

### 3.4 Regression Analysis

In the third hypothesis which it is hypothesized **that Satisfaction is influenced by the medium of connectivity in which consumers who use a phone application are more satisfied than consumers who use a website.** A Linear regression analysis test is conducted to test the hypothesis.

- **Sample size**

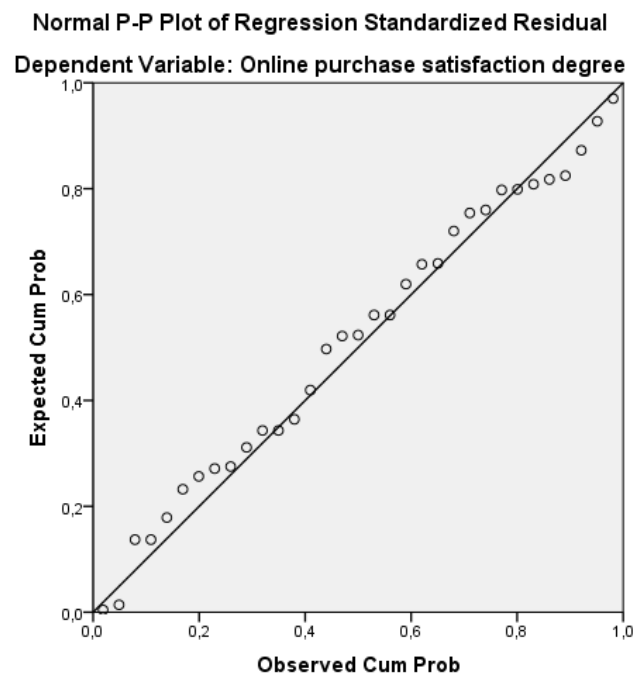
A reliable regression equation requires a sample size of fifteen respondents for each predictor. For example, if there are two predictors in an equation, thirty respondents would be enough to obtain a reliable equation.

In our case, the number of independent variable is one, which requires a minimum sample size of fifteen respondents. A sample size of 77 respondents was used, which means that the sample size allows the use of regression analysis.

#### 3.4.1 Mobile Application Users' Satisfaction

- **Normality**

Figure 3.8: Normal P.P Plot



Source: Personal effort using SPSS 21

In this figure (figure 3.8), it is observed that the residuals are aligned diagonally, which means that the distribution of residuals follows the normal distribution.

- **Residuals autocorrelation**

Table 3.17: Model Summary, source: Personal effort using SPSS

Model Summary <sup>b</sup>										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,386 <sup>a</sup>	,149	,123	1,304	,149	5,776	1	33	,022	2,246

a. Predictors: (Constant), People who used a mobile application to purchase

b. Dependent Variable: Online purchase satisfaction degree

The absence of the autocorrelation signifies that respondents answered the questionnaire independently.

Durbin-Watson is the test used to identify the existence or the absence of the autocorrelation. Durbin-Watson = 2.246 which is greater than the maximum critical value (DL1.611/ DU 1.662).

This leads to the acceptance of the alternative hypothesis H1 that stipulates the absence of the autocorrelation.

- **Model evaluation:**

Based on the previous table (*table 17*) and the Adjusted R square value, the model explains 12.3% of the variation of the dependent variable, which means, Persons who uses a mobile application to conduct an online purchase explains 12.3% of the variation of the online purchase satisfaction degree.

- **Model usefulness**

Table 3.18: ANOVA, source: Personal effort using SPSS

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	9,814	1	9,814	5,776	,022 <sup>b</sup>
	Residual	56,071	33	1,699		
	Total	65,886	34			
a. Dependent Variable: Online purchase satisfaction degree						
b. Predictors: (Constant), People who used a mobile application to purchase						

This model is statistically significant for alpha 5%, Fisher value is equal to 5,776 and greater then  $F(2, 30, 5\%) = 3,313$ .

Even though the model is statistically significant, Renault Algeria cannot base its decisions on this model, car the model usefulness requires a Fisher value greater four times then the critical value.

- **Parametric evaluation**

Table 3.19: Parametric evaluation , source : Personal effort using

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95,0% Confidence Interval for B		Correlations		
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part
(Constant)	3,818	,413		9,251	,000	2,979	4,658			
1 People who used a mobile application to purchase	,251	,104	,386	2,403	,022	,039	,463	,386	,386	,386

As expected, the parameter of the model is significant since the entire model is significant as shown in the ANOVA table. The value of the  $t$  test of the parameter is superior to the criterion value, therefore, the independent variable (people who used a mobile application to purchase) explains the dependent variable (prior experience satisfaction).

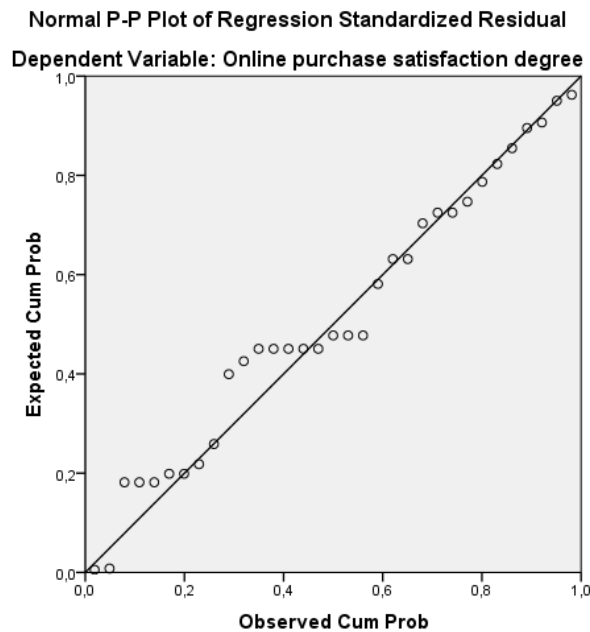
- **To summarize**

Users' satisfaction is dependent on the type of the platform used, likely, mobile application influences satisfaction by 12.3%.

### 3.4.2 Website Users' Satisfaction

- **Normality**

- *Figure 3.9: : Normal P-P Plot of Regression Standardized Residual*



Source SPSS 21

In this figure (*figure 3.9*), it is remarkable that the residuals are aligned diagonally, which means that the distribution of residuals follows the normal distribution.

- **Residuals autocorrelation**

Table 3.20: Model Summary, source SPSS

Model Summary <sup>b</sup>										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,298 <sup>a</sup>	,089	,059	1,386	,089	3,020	1	31	,092	2,322

a. Predictors: (Constant), People who used a website to purchase

b. Dependent Variable: Online purchase satisfaction degree

The absence of the autocorrelation signifies that respondents answered independently.

Durbin-Watson is the test used to identify the existence or the absence of the autocorrelation. Durbin-Watson = 2.322 which is greater than the maximum critical value.

This leads to the acceptance of the alternative hypothesis H1 that stipulates the absence of the autocorrelation.

- **Model evaluation:**

Based on the previous table (*table 19*) and the Adjusted R square value, the model explains 8.9 % of the variation of the dependent variable, which means, Persons who uses a website to conduct an online purchase explains 8.9 % of the variation of the online purchase satisfaction degree.

- **Model usefulness**

Table 3.21: ANOVA, source SPSS

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5,800	1	5,800	3,020	,092 <sup>b</sup>
	Residual	59,533	31	1,920		
	Total	65,333	32			
a. Dependent Variable: Online purchase satisfaction degree						
b. Predictors: (Constant), People who used a website to purchase						

This model is statistically insignificant for an alpha 5%, Fisher value is equal to 3,020 and smaller then  $F(2, 30, 5\%) = 3,313$ .

- **The evaluation of parameters**

Table 3..22: The Evaluation of parameters

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B		Correlations		
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part
		1	(Constant)	3,991			,458		8,723	,000	3,058
1	People who used a website to purchase	,181	,104	,298	1,738	,092	-,031	,394	,298	,298	,298

Source: Personal efforts using SPSS21

As expected, the parameter of the model is not significant since the entire model is not significant as shown in the ANOVA table. The value of the  $t$  test of the parameter is inferior to the criterion value, therefore, the independent variable (people who used a website to purchase) does not explain the dependent variable (prior experience satisfaction).

- **To summarize**

Users' satisfaction is dependent on the type of the platform used, likely, website users' are not having a satisfactory online purchase experience.



- **To conclude**

Consequently, mobile application influences satisfaction by 12.3%. which means that users' satisfaction is dependent on the type of the platform used, where mobile applications provides a satisfactory experience which is not the case for websites users. Which lead to confirm the *third hypothesis* claiming that:

*Satisfaction is influenced by the medium of connectivity in which consumers who use a phone application are more satisfied than consumers who use a website.*

## Conclusion

In this chapter, a general overview of the automotive industry in Algeria and the company host (Renault Algeria) was given. The automotive industry in Algeria suffered a sharp decline this year (2020) because of the economic environment, which was the reason to push Renault Algeria to work on reinforcing the aftersales services (car spare parts and accessories).

Installed in Algeria since 2011, Renault Algeria intended to invest in an online e-commerce platform specifically for the company spare parts and accessories. One of the challenges was exploring the market, which led to conduct this research and to address the following research question: *Should Renault invest in e-commerce platforms in Algeria since most consumers have become internet savvy?*

The research aimed to test three hypotheses:

- **H1:** *The online purchase of spare parts and accessories is heavily dependent on consumers' prior online experience*
- **H2:** *Consumers are more likely to engage in online purchase of cars spare parts and accessories if the purchase criterion is price because consumers go online to compare prices of different alternatives*
- **H3:** *Satisfaction is influenced by the medium of connectivity in which consumers who use a phone application are more satisfied than consumers who use a website.*

In order to test this hypotheses, a questionnaire was designed and administrated online to different categories of respondents chosen in a none probabilistic way using the judgmental sampling technique.

The process of data analysis was completed using both SPSS and Excel, which allowed to answer the research questions and either confirm or reject the hypothesis. Using logistic regression.

H1: Confirmed.

H2: Rejected.

H3: Confirmed.

## **General Conclusion**

In a market known for its competition, like the industry of car spare parts and accessories in Algeria, Innovation and differentiation is no longer an option. Companies are compelled to use different strategies and services in order to attract and retain customers and provide a unique customer experience.

Nowadays, customers are incredibly connected via internet, it is becoming the place where people spend the most of their day. What pushed the world to a digital transformation, and what made the companies' digital presence more necessary than ever.

On one hand, most of products categories are available online via different platforms, which is also the case for Algeria. On the other hand, almost there is no platform active in the automotive industry that sells cars' spare parts and accessories.

This research aims specifically to determine whether *Should Renault invest in e-commerce platforms in Algeria since most consumers have become internet savvy?*

This research was conducted in order to explore the market, understand the Algerian e-consumer behavior, understand the perception toward buying this category of products online and determine if Renault Algeria should invest in e-commerce platform.

This research was divided into two major parts, theoretical and empirical. The theoretical included two chapters as follows:

*Chapter one:* Gave a general overview of e-commerce starting by giving some definitions besides explaining its main concepts and types. This chapter also discussed the history of e-commerce, giving its advantage and disadvantage and demonstrated the Algerian case from different perspectives most importantly the legal framework. Finally, the chapter included the resources that each company must have in order to implement e-commerce strategy and which are considered as the infrastructure.

The second Chapter entitled: *E-commerce Adoption Strategy and Consumer Acceptance*, casts light on two major concepts, the strategy and the online consumer behavior. Starting by defining the digital business strategy, the different e-commerce marketing strategies, and the strategy key success factors. Then moving to understanding the electronic consumer behavior, his intention to make e-transaction, how to build e-trust and how to provide a better e-customer experience which leads to create and manage a relationship with the customers.

The third chapter which was entitled *Renault's investment in e-commerce platforms* started by giving a general overview about the host company (Renault Algeria) and a presentation of the automotive industry in Algeria. Moreover, the research methodology

presented the research design and the data collection process. And finally moving to the data analysis that allowed the researcher to answer the research questions.

This study was conducted based on the following hypotheses:

➤ **Hypothesis 1:** The online purchase of car spare parts and accessories is heavily dependent on consumers' prior online experience. **Accepted**, because the logistic regression showed that: Using the logistic regression, 62.9% of people who have a satisfactory prior experience are likely to purchase spare parts online, while 80% of people who have a satisfactory experience are likely to purchase car accessories online.

**Hypothesis 2:** Consumers are more likely to engage in online purchase of cars spare parts and accessories if the purchase criterion is price because consumers go online to compare prices of different alternatives. **Rejected**, because the student test of two independent samples (buyers and none buyers) showed that the two groups (buyers and none buyers) are not different with regard to the price while buying car spare parts and accessories.

**Hypothesis 3:** Satisfaction is influenced by the medium of connectivity in which consumers who use a phone application are more satisfied than consumers who use a website. **Accepted**. Using the binary linear regression that confirmed that Users' satisfaction is dependent on the type of the platform used, likely, mobile application influences satisfaction by 12.3%.

At this stage, the sub-questions of this research can be answered as the following:

- The online purchase of this category of products (spare parts and accessories) depends essentially customers' previous online experiences.
- The online purchase criteria do not include only price, rather, the online purchase depends on price, quality, genuineness and the recommendations given by the mechanic.
- The type of platform used directly influences the satisfaction level, in another way, mobile application users are more likely to be satisfied by their experience than website users. This is mainly because of the convenience, easiness and adaptability of the smartphones.

### Future Research Directions

- Regarding the differences of the two categories (car spare parts and accessories) in terms of purchase criteria, it is important for future research to study each category alone.
- The sample of respondents should be composed of individuals who have the attitude to buy this category of products.

- The sample of respondents should be composed of a same brand users', because the purchase criteria of spare parts is not the same.

**Recommendations**

- Selling this category of products online requires an important marketing campaign especially because the platform is going to be the first of its kind.
- The delivery time is an obstacle especially when it comes to spare parts, a fast delivery system is required.
- Focusing on customer experience to build trust regarding to the importance of customer experience in customers' retention.
- Ideally, Renault should launch both a website and a mobile application, the first serves the one time users and insures its appearance on search engines through Search Engines Optimization (SEO), the second is more suitable for clients and mobile phone users.
- Renault Algeria should keep in mind that this kind of products are influenced by multiple purchase criteria and not just price.

**Research limitations**

- The added value of this research could be augmented if the profitability generated by car spare parts and accessories of Renault is measured before and after the launch of the platforms.
- The sample adopted in this research cannot be used to generalize the findings of this study. Hence, a simple random sampling would be more appropriate.
- The pandemic of Covid-19 led Renault Algeria to

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## **Appendices**

**Appendix (A) : le guide d'entretien,**

**Appendix (B) : le questionnaire.**

## **Appendix (A) : le guide d'entretien,**

Dans le cadre d'une étude sur la faisabilité, l'utilité et la rentabilité de lancement d'une plateforme de vente en ligne dans le secteur d'automobiles en Algérie notamment le pôle accessoires automobiles, On a jugé utile d'effectuer une étude qualitative avec les décideurs de Renault Algérie particulièrement le Chef du pole accessoires et le responsable marketing.

1. Quel est votre objectif à travers la création d'une plateforme de vente en ligne ?
2. Est-ce qu'il y a des objectifs non commerciaux que vise l'entreprise à atteindre à travers la création de site web ?
3. Quels sont les critères de succès du site web d'un point de vue de décideurs ?
4. Quels sont les difficultés pensez-vous confronter lors de ce processus ?
5. Que seront vos stratégies pour faire impliquer les consommateur et les agents commerciaux dans cette politique ?

## Appendix (B) : le questionnaire.

# Lancement d'un site web/application

Ce questionnaire est destiné au grand public lors d'une étude sur le lancement d'un site web/application dans le domaine de l'automobiles (pièces de rechanges, accessoires) prière de nous accorder quelques minutes de votre temps **\*Obligatoire**

1. Disposez-vous d'une voiture ? \*

*Une seule réponse possible.*

- Oui    *Passer à la question 2*
- Non    *Passer à la question 29*

Achat des pièces de rechange:

2. avez-vous l'habitude d'acheter des pièces de rechanges ou accessoires pour votre véhicules ? \*

*Une seule réponse possible.*

- Oui    *Passer à la question 3*
- Non    *Passer à la question 49*

Vous avez une voiture :

3. 1) Quelle est la marque de votre voiture? \*

*Une seule réponse possible.*

- Audi
- Dacia
- Hyundai
- Kia
- Nissan
- Peugeot
- Renault
- Seat
- Skoda
- Toyota

Volkswagen

Autre :

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4. 2) de quelle année est votre véhicule ? \*

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5. 3) Sur quel critère vous vous basez le plus lors de l'achat des pièces de rechange (1:

moins important, 7: plus important) \*



*Une seule réponse possible par ligne.*

	1 (moins important)	2	3	4	5	6	7 (très important)
Qualité	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Prix	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recommandation du revendeur/mécanicien	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Originalité	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6. 4. Sur quel critère vous vous basez le plus lors de l'achat des accessoires automobile (accoudoirs, boule d'attelage, camera de recul ...). ( 1: moins important, 7: plus important)

\*

*Une seule réponse possible par ligne.*

	1 (moins important)	2	3	4	5	6	7 (très important)
Qualité	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Prix	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recommandation du revendeur/mécanicien	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Originalité	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. 5. Comment vous préférez acheter vos pièces de rechange ? \*

*Une seule réponse possible.*

- Moi-même au magasin
- L'atelier de réparation s'en occupe

8. 6. Comment vous préférez acheter vos accessoires automobile ? \*

*Une seule réponse possible.*

- Moi-même au magasin
- L'atelier de réparation/ magasin s'en occupe

9. 7. Est-ce que vous vous connectez régulièrement sur internet ? \*

*Une seule réponse possible.*

- Oui
- Non

10. 8. à quelle fréquence vous connectez sur internet par jour ? \*

*Une seule réponse possible.*

- moins d'une heure
- par jour entre 2h
- et 4h entre 4h et
- 8h plus de 8h

11. 9. Avez-vous déjà acheté des produits en ligne? Si non passez directement à la question n° 18 \*

*Une seule réponse possible.*

- Oui
- Non

12. 10. Avez-vous déjà acheté des pièces de rechange sur internet?

*Une seule réponse possible.*



17. 15. Que préférez-vous afin d'effectuer vos achats en ligne :

*Une seule réponse possible.*

Un site web

Une application mobile

18. 16. Pourquoi?

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19. 17. Quelle est la plateforme (siteweb, application) vous utilisez le plus pour effectuer vos achats en ligne?

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20. 18. Avez-vous déjà utilisé votre carte bancaire pour payer un service en ligne ? , si vous n'avez jamais effectué d'achat en ligne ne répondez pas à cette question.

*Une seule réponse possible.*

Oui

Non

21. 19. Seriez-vous intéressé d'acheter des pièces de rechange en ligne ? \*

*Une seule réponse possible.*

Oui

Non

22. 20. Seriez-vous intéressé d'acheter des accessoires automobiles (accoudoirs, caméra de recul, alarme, gante alliage...) en ligne ? \* *Une seule réponse possible.*

Oui

Non

23. 21. Que préférez-vous ? \*

*Une seule réponse possible.*

Commandez en ligne et passer par le magasin pour récupérer votre produit

Commandez en ligne, livraison à domicile

24. 22. Combien de temps seriez vous prêts à patienter jusqu'à l'arrivée de votre produit ? \*

*Une seule réponse possible par ligne.*

	Exagéré	Acceptable	Parfait
12H	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
1 jour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2 jours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3 jours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4 jours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

25. 23. Préférez-vous : \*

*Une seule réponse possible.*

Paiement électronique

Paiement à la livraison

26. 24. Que considérez-vous comme obstacle pour acheter cette catégorie des produits( pièces de rechange, accessoires ..) en ligne ? \*

*Plusieurs réponses possibles.*

- E-paiement  
 La confiance  
 Temps d'attente de la livraison  
 Qualité de connexion internet

Autre :  \_\_\_\_\_

27. 25. Êtes-vous ? \*

*Une seule réponse possible.*

- Homme  
 Femme

28. 26. catégorie d'age ? \*

*Une seule réponse*

- possible. de  
 20 ans à 30 ans  
 de 30 ans à 40  
ans plus de 40  
ans

Vous n'avez pas une voiture

29. 1.Est-ce que vous vous connectez régulièrement sur internet ? \*

*Une seule réponse possible.*

- Oui  
 Non

30. 2. à quelle fréquence vous connectez sur internet par jour? \*

*Une seule réponse possible.*

- moins d'une heure  
 par jour Entre 2h  
 et 4h entre 4h et  
 8h plus de 8h

31. 3. Avez-vous déjà acheté des produits en ligne? Si non passez directement à la question n° 10 \*

*Une seule réponse possible.*

- Oui  
 Non

32. 4. Avez-vous déjà acheté des accessoires automobile sur internet?

*Une seule réponse possible.*

- Oui  
 Non

33. 5. Avez-vous déjà acheté des pièces de rechange sur internet?

*Une seule réponse possible.*

- Oui  
 Non

34. 6. Si oui, Sur un échelle de 1 à 7, comment jugez-vous votre expérience d'achat en ligne ? ( 1: Peu satisfaisante, 7: Très satisfaisante) *Une seule réponse possible.*

1      2      3      4      5      6      7

Peu satisfaisante         Très satisfaisante

35. 7. Vous avez effectué votre achat sur :

*Plusieurs réponses possibles.*

Ouedkniss

Jumia

Facebook marketplace

Autre :  \_\_\_\_\_

36. 8. vous utilisez souvent pour effectuer vos achats en ligne (1: rarement, 7 très souvent):

*Une seule réponse possible par ligne.*

	1 rarement	2	3	4	5	6	7 Très souvent
Un site web	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Une application mobile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Facebook marketplace	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

37. 9. Avez-vous déjà utilisé votre carte bancaire pour payer un service en ligne ? si vous n'avez jamais effectué d'achat en ligne ne répondez pas à cette question.

*Une seule réponse possible.*

Oui

Non

38. 10. Que préférez-vous afin d'effectuer vos achats en ligne : \*

*Une seule réponse possible.*



Un site web

Une application mobile

39. 11. Pourquoi?

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40. 12. Quelle est la plateforme (siteweb, application) vous utilisez le plus pour effectuer vos achats en ligne?

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41. 13. Seriez-vous intéressé d'acheter des pièces de rechange en ligne ? \*

*Une seule réponse possible.*

Oui

Non

42. 14. Seriez-vous intéressé d'acheter des accessoires automobiles (accoudoirs, caméra de recul, alarme, gènte alliage...) en ligne ? \* *Une seule réponse possible.*

Oui

Non

43. 15. Que préférez-vous ? \*

*Une seule réponse possible.*

- Commandez en ligne et passer par le magasin pour récupérer votre produit
- Commandez en ligne, livraison à domicile

44. 16. Combien de temps seriez vous prêts à patienter jusqu'à l'arrivée de votre produit ? \*

*Une seule réponse possible par ligne.*

	Exagéré	Acceptable	Parfait
12H	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
1 jour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2 jours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3 jours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4 jours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

45. 18. Préférez-vous : \*

*Une seule réponse possible.*

- Paiement électronique
- Paiement à la livraison

46. 19. Que considérez-vous comme obstacle pour acheter cette catégorie des produits( pièces de rechange, accessoires ..) en ligne ? \*

*Plusieurs réponses possibles.*

- E-paiement
- La confiance
- Temps d'attente de la livraison
- Qualité de connexion internet

Autre :  \_\_\_\_\_

47. 20. Êtes-vous \*

*Une seule réponse possible.*

Homme

Femme

48. 21. Catégorie d'age \*

*Une seule réponse*

possible. de

20 ans à 29 ans

de 30 ans à 39

ans plus de 40

ans

## Abstract

In a competitive environment, each company has to use every mean necessary in order to provide a unique customer experience. However, with the emergence of new technologies, customers nowadays spend infinite time connected to the internet. From this perspective, Renault Algeria studies the possibility of launching an e-commerce platform in Algeria that offers car spare parts and accessories online. The aim of this research is to determine whether it will be profitable for the company to invest in such a project regarding this category of products, and whether will Algerian online customers be interested in using the platform. Moreover, the research will determine their preferences concerning—the type of platform, delivery and payment. This study was divided into two major parts, a theoretical part which begins with giving a general overview of e-commerce, and e-commerce in Algeria. Besides, cast light on the electronic consumer behavior and the digital business strategy. The second part is the empirical research, a survey was conducted using a questionnaire administrated the Algerian customers.

*Key words:* e-commerce platform, car spare parts and accessories, e-commerce, the electronic consumer behavior, the digital business strategy

## Résumé

Dans un environnement concurrentiel, chaque entreprise doit utiliser tous les moyens nécessaires pour offrir une expérience client unique. Cependant, avec l'émergence des nouvelles technologies, les gens passent aujourd'hui un temps infini connecté à Internet. C'est dans cette optique, Renault Algérie envisage d'étudier la possibilité de lancer en Algérie une plateforme de commerce électronique offrant des pièces détachées et accessoires automobiles en ligne. L'objectif de cette recherche est de déterminer s'il sera intéressant pour l'entreprise d'investir dans un tel projet concernant cette catégorie de produits, et si les internautes algériens seront intéressés à utiliser la plateforme, en plus de déterminer leurs préférences concernant : Le type de plate-forme, la Livraison et le Paiement. Cette étude a été divisée en deux grandes parties, une partie théorique qui commence par donner un aperçu général du e-commerce en général, et du cas algérien en particulier. En plus de mettre en lumière le comportement des consommateurs électroniques et la stratégie commerciale numérique. La deuxième partie est la recherche empirique, une enquête a été menée en utilisant un questionnaire administré aux consommateurs Algériens.

*Mots clés :* plateforme de commerce électronique, pièces détachées et accessoires automobiles, commerce électronique, le comportement des consommateurs électroniques, la stratégie commerciale numérique.

## ملخص

في ظل بيئة تنافسية ، يتعين على كل شركة استخدام كل وسيلة ضرورية لتوفير تجربة فريدة للعملاء. ومع ظهور تقنيات جديدة ، يقضي العملاء في الوقت الحاضر وقتاً غير محدود في الاتصال بالإنترنت. على أساس هذا المنظور ، يدرس رينو الجزائر إمكانية إطلاق منصة للتجارة الإلكترونية في الجزائر لبيع قطع غيار السيارات وملحقاتها عبر الإنترنت. الهدف من هذا البحث هو تحديد ما إذا كان من المثير للاهتمام أن تستثمر الشركة في مثل هذا المشروع فيما يتعلق بهذه الفئة من المنتجات ، وما إذا كان العملاء الجزائريون عبر الإنترنت سيرحبون بالفكرة ، إلى جانب تحديد تفضيلاتهم فيما يتعلق بـ: نوع المنصة ، طرق التوزيع و طرق الدفع. تم تقسيم هذه الدراسة إلى جزأين رئيسيين ، جزء نظري يبدأ بإعطاء لمحة عامة عن التجارة الإلكترونية بشكل عام ، والحالة الجزائرية بشكل خاص. إلى جانب إلقاء الضوء على سلوك المستهلك الإلكتروني واستراتيجية الأعمال الرقمية. الجزء الثاني هو البحث التجريبي ، وقد تم إجراء استبيان موجه للعملاء الجزائريين.

**الكلمات المفتاحية:** منصة التجارة الإلكترونية، قطع غيار السيارات و ملحقاتها ، التجارة الإلكترونية، سلوك المستهلك الإلكتروني، استراتيجية الأعمال الرقمية