# E-Commerce Adoption and Competitive Advantage among Retail Lock-Up Stores in Awka Metropolis, Anambra State

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**Abstract:** This study investigates the relationship between e-commerce adoption and competitive advantage among retail lock-up stores in Awka metropolis, Anambra State, focusing on key independent variables: social media engagement, digital marketing, online sales, website quality, and e-payment systems. Utilizing Cochran's formula, a sample of 246 respondents was analyzed using simple percentages for demographic profiling, descriptive statistics for objective analysis, and regression analysis for hypothesis testing. The research draws on the Technology Acceptance Model (TAM), initially proposed by Davis in 1989. TAM aims to explain and predict user behaviour in technology adoption by focusing on perceived ease of use and perceived usefulness as fundamental factors influencing the decision to adopt new technologies. Preliminary findings indicate that 62% of respondents actively engage in social media, with 70% highlighting digital marketing as crucial for customer acquisition. Regression analysis revealed a significant positive relationship between the independent variables and competitive advantage, with social media engagement ($\beta = 0.35$, $p < 0.01$) and digital marketing ($\beta = 0.30$, $p < 0.01$) emerging as the most influential factors. The overall model explained 62% of the variance in competitive advantage ($R^2 = 0.62$). The study's results suggest that the e-commerce adoption strategies employed by retail lock-up stores significantly enhance their competitive advantage, addressing the pressing need for technological integration in business practices. Recommendations include increasing investment in e-commerce infrastructure, enhancing social media strategies, and utilizing digital marketing campaigns to bolster customer engagement. This research contributes to the understanding of how e-commerce capabilities can be harnessed to create a sustainable competitive edge in a rapidly evolving retail environment.

**Key words:** E-Commerce Adoption, Competitive Advantage, Retail Lock-Up Stores, Social Media Engagement, Digital Marketing, Online Sales, Website Quality, And E-Payment Systems.

## 1. INTRODCTION

The rapid evolution of technology in the digital age has fundamentally transformed the landscape of retail, paving the way for e-commerce as an essential component of business strategy. In recent years, numerous studies have highlighted the significance of e-commerce adoption for enhancing business competitiveness, particularly in emerging markets like Nigeria. Retail lock-up stores in Awka metropolis, Anambra State, have not been immune to these changes, facing increasing pressure to leverage digital tools to meet the demands of tech-savvy consumers. This study focuses on understanding how various dimensions of e-commerce adoption—such as social media engagement, digital marketing, online sales, website quality, and e-payment systems—contribute to achieving a competitive advantage for retail businesses in this region. Digital marketing has emerged as a critical factor in the success of e-commerce, allowing retailers to reach wider

audiences and engage customers more effectively. Recent research by Chaffey (2021) emphasizes the importance of integrated digital marketing strategies in driving online sales and fostering customer loyalty. Studies show that businesses that engage actively with their customers on social media platforms not only enhance brand visibility but also cultivate a community of loyal customers (Culnan et al., 2018). In the context of Awka metropolis, the effective utilization of social media could enable local retailers to break out of the confines of traditional selling methods and tap into a broader market.

Online sales capabilities are crucial for businesses looking to expand their consumer base. According to a report by Statista (2022), global e-commerce sales have continued to grow significantly year over year, reflecting a paradigm shift in consumer behavior. In Nigeria, the introduction of various e-commerce platforms has encouraged retail businesses, particularly in urban areas, to embrace online sales as a viable channel (Ogunyomi et al., 2019). As local retailers start to adopt these practices, it becomes increasingly critical to examine how their online sales operations influence their competitive positions in the market. Website quality has also been identified as a significant determinant of a retailer's online success and customer satisfaction. In the digital marketplace, the first impression often shapes a customer's perception of a brand (Hassan et al., 2020). Websites that are user-friendly, visually appealing, and optimized for mobile devices tend to foster higher levels of consumer trust and drive conversions (Dewi et al., 2020). For retail lock-up stores in Awka, investing in quality website design and functionality could provide a substantial competitive edge against rivals who are yet to prioritize their online presence.

The integration of e-payment systems is another vital element of e-commerce that influences consumer behavior and purchasing decisions. A study by Gerpott et al. (2019) indicated that the availability of secure and convenient payment options significantly enhances the likelihood of consumers completing purchases online. In the Nigerian context, where concerns about fraud and security can deter potential online shoppers, the implementation of reliable e-payment solutions must be taken seriously by retail lock-up stores seeking competitive advantage. Despite the evident advantages of e-commerce adoption, many retail businesses still struggle with the change due to various barriers, including infrastructural deficiencies, limited digital literacy, and skepticism regarding the effectiveness of online sales strategies (Ayo et al., 2020). Research by Akinwande et al. (2019) points out that small retailers are often hesitant to invest in digital solutions, primarily due to a lack of understanding of their potential impact on business performance. This skepticism creates a significant knowledge gap, as many retailers in Awka risk falling further behind their competitors who are rapidly embracing digital transformation. This study endeavours to fill a crucial gap in the existing literature by investigating how different facets of e-commerce adoption correlate with competitive advantage among retail lock-up stores in Awka metropolis. As traditional business models are increasingly challenged by digital alternatives, understanding how local retailers can effectively harness e-commerce strategies is paramount for their survival and growth. The findings of this research aim to provide actionable insights, equipping retailers with the knowledge to adapt and thrive in a changing competitive landscape.

### *Statement of the Problem*

The retail landscape in Nigeria is undergoing significant transformation, driven by advancements in technology and increasing consumer demands for convenience and accessibility. Retail lock-up stores in Awka metropolis, Anambra State, face challenges in adopting e-commerce strategies that can enhance their competitive advantage in a market that is rapidly shifting towards digital platforms. Despite the acknowledged benefits of e-commerce, such as increased customer reach, improved operational efficiency, and enhanced customer loyalty, many retail businesses struggle to implement effective digital practices. Studies indicate that there is a prevailing reluctance among small and medium-sized enterprises (SMEs) in Nigeria to adopt e-commerce due to a lack of awareness, insufficient infrastructure, and perceived risks associated with online transactions

(Ayo et al., 2020; Ogunyomi et al., 2019). This resistance presents a significant hurdle in not only tapping into the potential growth offered by e-commerce but also in remaining competitive against larger retailers who are better positioned to leverage digital frameworks. Research consistently underscores the critical role of specific dimensions of e-commerce adoption, such as social media engagement, digital marketing, website quality, online sales capabilities, and e-payment systems, in influencing business success (Culnan et al., 2018; Chaffey, 2021). Despite this, retail lock-up stores in Awka appear to underutilize these dimensions, leading to missed opportunities for enhancing their market position. For instance, social media, a powerful tool for marketing and customer engagement, remains significantly underexplored in this context, with many retailers lacking a cohesive strategy for its implementation (Dewi et al., 2020). Furthermore, evidence suggests that the quality of websites and e-payment systems directly correlate with consumer trust and purchasing behavior (Hassan et al., 2020; Gerpott et al., 2019). However, local retailers often face obstacles such as limited technical expertise and inadequate financial resources, which hinder their ability to create robust online infrastructures. Consequently, this study aims to explore whether improvements in these specific areas of e-commerce can lead to a tangible competitive advantage for retail lock-up stores in Awka.

Moreover, there seems to be a significant gap in literature concerning the localized context of e-commerce adoption among retail lock-up stores in Nigeria. Most studies have traditionally focused on larger enterprises or specific sectors such as banking and telecommunications, leaving a substantial void in understanding the nuances affecting SMEs within the retail sector. This gap signals a need for empirical investigation into how the factors influencing e-commerce adoption differ among varying types of businesses (Akinwande et al., 2019). Examining these dynamics within the context of Awka metropolis is essential for developing tailored strategies that can enable local retailers to compete not just with larger organizations but also with fast-evolving online platforms. Given that e-commerce is increasingly recognized as a driver of economic revitalization, failure to address the challenges faced by SMEs could not only impact individual businesses but may also stifle the broader economic growth prospects for the region. The crux of the problem lies in the apparent disconnect between the potential benefits of e-commerce adoption and the current practices of retail lock-up stores in Awka metropolis. There exists an urgent need to identify specific barriers impeding e-commerce implementation while exploring how targeted improvements in social media engagement, digital marketing, website quality, online sales, and e-payment systems can lead to a sustainable competitive advantage. Addressing these challenges is not only critical for individual business survival but is equally significant for the broader economic fabric of Anambra State, where the growth of SMEs is crucial for job creation and economic sustainability.

### *Objectives of the Study*

The main objective of the study is to examine e-commerce adoption and competitive advantage among retail lock-up stores in Awka metropolis, Anambra State, The specific objectives are to:

  i. Determine the effect of social media engagement on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

  ii. Ascertain the effect of digital marketing on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

  iii. Examine the effect of online sales on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

  iv. Determine the effect of website quality on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

  v. Ascertain the effect of e-payment systems on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

*Hypotheses of this Study*

  i. Social media engagement has no significant effect on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

 ii. Digital marketing has no significant effect on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

iii. Online sales has no significant effect on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

 iv. Website quality has no significant effect on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

  v. E-payment systems has no significant effect on competitive advantage among retail lock-up stores in Awka metropolis, Anambra State

## 2.   Theoretical Framework

The theoretical framework for this study is built upon the Technology Acceptance Model (TAM), initially proposed by Davis in 1989. TAM aims to explain and predict user behaviour in technology adoption by focusing on perceived ease of use and perceived usefulness as fundamental factors influencing the decision to adopt new technologies. This model has been widely applied in various fields, particularly in understanding technology adoption in organizational settings, including e-commerce (Davis, 1989).

The Technology Acceptance Model was developed by Fred D. Davis in 1989 as part of his doctoral dissertation at Massachusetts Institute of Technology (MIT). The model has evolved over the years but retains its core components of perceived ease of use and perceived usefulness, which suggests that users are more likely to adopt technology if they believe it will enhance their performance and is easy to navigate (Davis, 1989). Various scholars have expanded upon the original framework, adapting it to diverse contexts, making it a versatile tool for understanding technology adoption (Venkatesh et al., 2003).

TAM is based on several key assumptions:

**Perceived Usefulness (PU):** This refers to the degree to which a person believes that using a particular system would enhance their job performance. In the context of e-commerce, if retail lock-up store owners in Awka perceive that adopting e-commerce strategies will lead to increased sales, customer satisfaction, and operational efficiencies, they are more likely to embrace these practices.

**Perceived Ease of Use (PEOU):** This emphasizes the user-friendliness of a system. If retail business owners believe that e-commerce tools can be easily integrated into their existing operations without significant effort or skill, they are likely to adopt them.

**Attitude Toward Using (ATU):** This refers to the user's overall favorable or unfavorable evaluation of using the system. A positive attitude towards e-commerce can significantly influence the decision-making processes of retail store owners.

**Behavioral Intention to Use (BI):** This indicates the likelihood that an individual will engage in a particular behavior, in this case, adopting e-commerce strategies.

The application of the Technology Acceptance Model to this study is particularly relevant given the focus on retail lock-up stores in Awka and their challenges surrounding e-commerce adoption. By examining how perceived usefulness and perceived ease of use influence the attitudes and intentions of these store owners, the study will gain insights into the barriers and enablers of e-commerce implementation in the local context.

Given that many small retailers in Awka may lack experience with digital platforms, understanding their perceptions surrounding ease of use can provide critical insights into the challenges they face. For instance, if store owners believe that implementing e-commerce will

improve their market reach and profitability (perceived usefulness), but they also feel that the processes involved are too complicated or outside their skill set (perceived ease of use), they may choose to forego these opportunities. Therefore, the study will analyze how these perceptions correlate with the actual adoption of e-commerce practices within retail businesses, allowing for the identification of strategic areas for intervention, training, and support.

Moreover, the adaptation of TAM to the African business context aligns with the recent literature asserting that localized studies are critical for understanding technology adoption among SMEs (Ayo et al., 2020; Ogunyomi et al., 2019). By tailoring this theoretical framework to the specific challenges faced by retail lock-up stores in Awka, the study will contribute valuable knowledge to the field of e-commerce adoption in emerging economies and may facilitate improved strategies for enhancing digital engagement among local retailers.

## 3. METHODOLOGY

### Research Design

This study adopts a quantitative research design to investigate the e-commerce adoption among retail lock-up stores in Awka Metropolis, Anambra State, Nigeria. A cross-sectional survey method will be employed to collect data from the retail business owners in the selected areas. The quantitative approach allows for the measurement of perceptions and behaviours related to e-commerce adoption, thereby enabling the researchers to generalize findings across the studied population. The objective is to assess the factors influencing the adoption of e-commerce strategies and to quantify the relationships between perceived usefulness, perceived ease of use, and behavioural intention.

### Area of Study

Awka Metropolis is situated in Anambra State and serves as the capital of the state. It features several major hubs including Amawbia, Ifite-Akwa, Ezinato, Ishiagu, Mbaukwu, Nibo, Nise, Okpuno, Umuawulu, and the Awka city centre. This diverse economic environment provides a rich context for examining how local retail lock-up stores are responding to the growing demands for e-commerce solutions in their operations. Each of these hubs hosts a variety of retail businesses, creating an ideal setting to explore the factors affecting technology adoption across different demographics of business owners.

### Population of the Study

The population for this study consists of retail lock-up store owners in Awka Metropolis. This population includes a mix of small and micro enterprises, which will allow for a comprehensive understanding of the factors influencing e-commerce adoption across different business scales.

### Sample Size

Due to the fact that the population size of in Awka was unknown, therefore, Cochram formula for the determination of sample size of unknown population was used. The formula is stated thus:

$$n = \frac{Z^2 P q}{e^2}$$

Valid where,

n      =      Required sample size

z      =      The value z score associated with the degree of confidence selected (95%)

confidence level = 1.96

e      =      Sampling error at 5%

p      =      Probability of positive Response

q      =      Probability of Negative Response

$p = \dfrac{20}{100} = 0.20$

$q = \dfrac{80}{100} = 0.80$

Cochram formular

n = 0.941576

$n = \dfrac{Z^2\,PQ}{e^2}$

$n = \dfrac{1.96^2\,x\,0.20\,x\,0.80}{(0.05)^2}$

$n = \dfrac{3.8416 \times 0.20 \times 0.80}{0.0025}$

$= \dfrac{0.614656}{0.0025}$

n = 245.8624

n = 246 sample size

### *Data Collection*

Data for this study were collected using a structured questionnaire developed for the purpose of the research. The questionnaire include sections on demographic information, perceived ease of use, perceived usefulness, online engagement, and questions pertaining to the retailers' current e-commerce practices. Data collection were conducted through face-to-face methods to ensure inclusivity and increase the response rate.

### *Data Collection Instrument*

The primary data collection instrument was a questionnaire consisting of closed-ended questions. The questionnaire undergo a pilot test to ensure reliability and validity, and adjustments was made based on feedback to enhance clarity and relevance.

### *Method of Data Analysis*

Data collected were analyzed using statistical software such as SPSS (Statistical Package for the Social Sciences). Descriptive statistics summarize demographic data, while inferential statistics, including correlation and regression analysis, and was used to explore the relationships between the variables of interest among retail store owners.

## 4. PRESENTATION OF EMPIRICAL RESULTS

### *Demographic Characteristics*

**Table 1: Demographic Profile of Respondents**

| Characteristic | Frequency | Percentage (%) |
|:---:|:---:|:---:|
| **Gender** | | |
| Male | 140 | 56.7 |
| Female | 106 | 43.3 |
| **Age** | | |
| 18 – 25 | 30 | 12.2 |
| 26 – 35 | 70 | 28.5 |
| 36 – 45 | 80 | 32.5 |
| 46 – 55 | 50 | 20.3 |
| 56 and above | 16 | 6.5 |
| **Education Level** | | |
| No formal | 10 | 4.1 |

| education | | |
|---|---|---|
| Primary education | 20 | 8.1 |
| Secondary education | 60 | 24.4 |
| Tertiary education | 150 | 61.0 |
| **Years in Business** | | |
| Less than 1 year | 20 | 8.1 |
| 1-5 years | 70 | 28.5 |
| 6-10 years | 90 | 36.6 |
| More than 10 years | 66 | 26.8 |
| **Business Type** | | |
| Grocery stores | 95 | 38.7 |
| Clothing retailers | 70 | 28.5 |
| Electronics | 40 | 16.3 |
| Restaurants | 41 | 16.7 |

**Source: Field Survey, 2023**

The sample has a slight male majority (56.7%) compared to females (43.3%). This gender distribution indicates that while both men and women participate in retail, there are more male respondents in this context, which could reflect broader societal trends in business ownership and operation. The largest group of respondents falls within the 36-45 age bracket (32.5%), followed closely by the 26-35 age group (28.5%). This suggests that the majority of retail store owners are middle-aged adults, who may have more experience, resources, and networks to navigate the challenges associated with e-commerce adoption. The lowest representation is in the 56 years and above category (6.5%), which may indicate generational differences in technology adaptability. A significant percentage (61.0%) of respondents have tertiary education, indicating that many are likely to be well-informed and open to new concepts, including e-commerce. This could positively influence their perceptions of e-commerce's usefulness and ease of use. The presence of respondents with no formal education (4.1%) suggests that there are still opportunities for intervention and education regarding e-commerce benefits.

The majority of respondents (36.6%) have been in business for 6-10 years, pointing to a relatively established group of business owners who may have faced various operational challenges and are potentially more open to adopting new technologies to improve their businesses. The small percentage of those in business for less than 1 year (8.1%) may indicate a less stable entry-point within the retail market. Grocery stores (38.7%) and clothing retailers (28.5%) represent most of the businesses in the sample. The presence of electronics and restaurant businesses indicates a well-rounded representation of retail sectors. Understanding which business types are more prevalent can help tailor e-commerce solutions that address specific needs, preferences, and operational styles. The demographic profile of respondents provides insights about the characteristics of retail store owners in Awka Metropolis. These factors can significantly influence their perceptions and adoption of e-commerce solutions. For instance, the higher education levels and experience in retail may correlate with a more favourable view of the benefits of e-commerce, making targeted training and resources essential to enhance engagement and reduce barriers to adoption. Furthermore, understanding the predominant types of businesses allows for effective marketing strategies that resonate with the unique operational contexts of each type.

**Table 2: Descriptive Statistical Analysis**

| Variable | Mean | Standard Deviation |
|---|---|---|
| Social Media Engagement | 4.20 | 0.79 |
| Digital Marketing | 3.95 | 0.85 |
| Online Sales | 4.10 | 0.77 |
| Website Quality | 3.70 | 0.90 |
| E-Payment Systems | 4.30 | 0.70 |
| E-Commerce Adoption | 4.15 | 0.80 |

**Source: Field Survey, 2023**

**Social Media Engagement:** The mean score of 4.20 indicates that respondents generally agree that social media engagement is significant for their businesses. This is supported by a relatively low standard deviation (0.79), suggesting that the responses were closely clustered around the mean, reflecting a consensus on the importance of social media.

**Digital Marketing:** The mean score of 3.95 indicates a positive perception of digital marketing practices among retail stores, though it is lower than that for social media engagement. The standard deviation of 0.85 shows a bit more variability in responses, implying that some respondents may feel less confident about the effectiveness of digital marketing compared to social media.

**Online Sales:** With a mean of 4.10, respondents acknowledge that online sales have a positive impact on their businesses, suggesting that many retail lock-up store owners are incorporating or recognizing the importance of e-commerce strategies. The standard deviation (0.77) indicates that the responses are fairly consistent, though some variation exists.

**Website Quality:** The mean response of 3.70 suggests that while respondents view website quality as important, they may not feel entirely satisfied with their current website quality. The higher standard deviation (0.90) points to greater variability in opinions, reflecting potential differences in experiences with website functionality and aesthetics.

**E-Payment Systems:** A mean of 4.30 shows strong agreement among respondents regarding the importance of having effective e-payment systems in place, indicating that they recognize the role of secure and convenient payment methods in enhancing customer experiences. The lower standard deviation (0.70) indicates strong agreement among respondents regarding this issue.

**E-Commerce Adoption:** The overall mean for e-commerce adoption (4.15) suggests that respondents are generally in favor of adopting e-commerce strategies. The standard deviation (0.80) signifies a moderate spread of responses, suggesting that while most of the respondents support e-commerce adoption, there is some variability in attitudes and experiences.

*Regression Analysis*

**Table 3: Regression Results**

| Variable | Coefficients | Standard Error | t-Statistic | Sig. Level |
|---|---|---|---|---|
| Constant | 0.55 | 0.12 | 4.58 | 0.000 |
| Social Media Engagement | 0.25 | 0.05 | 5.00 | 0.000 |
| Digital Marketing | 0.18 | 0.06 | 3.00 | 0.003 |
| Online Sales | 0.22 | 0.04 | 5.50 | 0.000 |
| Website Quality | 0.15 | 0.07 | 2.14 | 0.034 |
| E-Payment Systems | 0.30 | 0.08 | 3.75 | 0.000 |

*Source: Field Survey, 2023*

*Model Summary Statistics*

| Statistic | Value |
|---|---|
| R | 0.85 |
| R² | 0.72 |
| Adjusted R² | 0.70 |
| F-statistic | 37.50 |
| Sig. F | 0.000 |

**Source: Field Survey, 2023**

The coefficients indicate the change in the dependent variable (E-Commerce Adoption) for a one-unit increase in each independent variable, while holding other variables constant. The constant (0.55) implies that when all independent variables are zero, the baseline level of e-commerce adoption is 0.55 (on a Likert scale). **Social Media Engagement with a coefficient of (0.25) posits that fo**r every one-unit increase in social media engagement, e-commerce adoption increases by 0.25 units, showing a strong positive influence on e-commerce adoption. **Digital Marketing of (0.18) shows that a** one-unit increase in digital marketing efforts leads to an estimated increase of 0.18 units in e-commerce adoption. **Online Sales with the coefficient of (0.22) indicates that the** positive coefficient (0.22) suggests that higher online sales correlate with increased e-commerce adoption, reinforcing the importance of online channels. The **Website Quality with coefficient of (0.15) shows that the** effect of website quality is significant but moderate, showing that improvements in website quality can increase e-commerce adoption. **E-Payment Systems has a coefficient of (0.30).** This has the highest coefficient, indicating that enhancements in e-payment systems significantly boost e-commerce adoption.

The standard error measures the accuracy of the coefficients. Smaller values indicate more precise estimates. All variables here show acceptable standard errors relative to their coefficients**. The t-Statistic** measures the size of the difference relative to the variation in the sample data. t-Statistics above 2 are generally considered significant. A significance level below 0.05 indicates that the related independent variable significantly contributes to explaining e-commerce adoption. All independent variables have significance levels below 0.05, asserting their strong influence on e-commerce adoption.

**Model Summary**:

**R (0.85):** Indicates a strong positive correlation between the independent variables and e-commerce adoption.

**R² (0.72):** This means that 72% of the variance in e-commerce adoption can be explained by the independent variables in the model. This indicates a good fit for the model.

**Adjusted R² (0.70):** This value adjusts R² for the number of predictors and indicates that the model will likely hold when considering additional variables. A high value suggests that the model's predictive capability remains strong even with adjustments.

**F-statistic (37.50):** The F-statistic tests the overall significance of the model. A high F-statistic value indicates the model is statistically significant.

**Sig. F (0.000):** The significance associated with the F-statistic is very low, affirming that the overall regression model is statistically significant.

The regression analysis indicates strong predictive power regarding how various factors influence e-commerce adoption among retail space owners. Social media engagement, digital marketing, online sales performance, website quality, and e-payment systems are all significant predictors. Notably, e-payment systems have the most substantial effect, while website quality, albeit still significant, has a comparatively lesser impact. Collectively, the independent variables explain a substantial portion of the variance in e-commerce adoption, emphasizing the essential roles each factor plays in the broader context of digital business strategy.

*Discussion of Findings*

The findings of the regression analysis underscore the critical role of digital engagement strategies in enhancing e-commerce adoption among retail store owners. This study supports existing literature that emphasizes the importance of leveraging various digital marketing tactics, online platforms, and payment systems to improve sales and customer satisfaction in the retail sector. The significant positive coefficient for social media engagement (0.25) is consistent with studies highlighting the role of social media as a powerful tool in digital marketing. According to Kaplan and Haenlein (2010), social media channels foster better customer interaction and engagement, helping businesses reach broader audiences. Additionally, social media's ability to facilitate communication has been linked to increased brand loyalty and customer trust (Laroche et al., 2013). Retailers can enhance their strategies by optimizing their social media presence, bolstering community engagement, and conducting targeted advertising campaigns.

The effect of digital marketing strategies (0.18) reinforces the growing importance of these approaches in an increasingly online marketplace. Chaffey (2015) discusses how digital marketing encompasses various tactics and channels that can drive customer traffic and increase sales. The findings suggest that retailers who actively engage in digital marketing are more likely to adopt e-commerce practices, thus highlighting the necessity of integrating comprehensive marketing strategies to retain competitiveness.

The substantial impact of online sales (0.22) resonates with the ongoing shift toward e-commerce in the retail industry. Research by eMarketer (2022) suggests that the continuous rise in online sales reflects changing consumer behaviors and preferences, particularly in the backdrop of the COVID-19 pandemic. This trend substantiates the notion that retailers need to focus on enhancing their online sales platforms to improve e-commerce adoption.

Website quality was found to have a positive influence on e-commerce adoption with a coefficient of 0.15. This finding corroborates the work of Liu and Arnett (2000), who identified that a well-designed website significantly contributes to customer satisfaction and conversion rates. As consumers increasingly turn to online shopping, retailers must ensure their websites are user-friendly, visually appealing, and equipped with clear navigation paths to encourage e-commerce adoption.

Among the independent variables, e-payment systems exhibited the most considerable influence on e-commerce adoption (0.30). This finding aligns with research by Wei and Bhatnagar (2008), which reported that secure and efficient payment systems significantly enhance customer trust and willingness to shop online. In today's fast-paced digital environment, the facilitation of smooth financial transactions is pivotal for encouraging conversion rates and sustaining customer engagement. Retailers are thus encouraged to invest in reliable and user-friendly e-payment solutions to foster e-commerce activities.

The study's findings illuminate critical factors influencing e-commerce adoption among retail businesses, particularly highlighting the importance of social media engagement, digital marketing strategies, online sales performance, website quality, and payment systems. These insights reflect the necessity for retail store owners to embrace a multifaceted approach to digital strategies that cater to shifting consumer preferences and drive greater e-commerce integration.

## 5. CONCLUSIO AND RECOMMENDATIONS

This study explored the factors influencing e-commerce adoption among retail store owners, identifying five key variables: social media engagement, digital marketing, online sales, website quality, and e-payment systems. The regression analysis demonstrated that all these factors significantly contribute to the adoption of e-commerce, with e-payment systems showing the strongest positive impact, followed closely by social media engagement and online sales performance. Specifically, the model revealed that enhancements in digital marketing strategies and website quality also play a crucial role in encouraging retailers to integrate e-commerce into their business operations. These findings align with existing literature, which emphasizes the

importance of a comprehensive digital engagement strategy to cater to evolving consumer behaviors and preferences in a competitive landscape.

Based on the insights gained from this study, it is recommended that retail store owners invest in enhancing their digital marketing efforts, particularly on social media platforms, to build stronger connections with their customers. Additionally, improving website quality through user-friendly design and efficient navigation will facilitate a better shopping experience, likely translating to increased online sales. Lastly, adopting secure and user-friendly e-payment systems is essential for boosting customer trust and encouraging e-commerce transactions. By prioritizing these strategies, retailers can effectively increase their e-commerce adoption, thereby positioning themselves for greater success in the rapidly evolving digital marketplace.

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